NatWest Group

NatWest Markets Plc

2025 Pillar 3 Report

Contents

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 NWM Group'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 NWM Group'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: NWM Group's economic and political risks, financial position, profitability and financial performance (including financial, capital, cost savings and operational targets), the implementation of NWM Group's strategy and NatWest Group's strategy, its climate and sustainability-related ambitions and targets, its access to adequate sources of liquidity and funding, its regulatory capital position and related requirements, its impairment losses and credit exposures under certain specified scenarios, substantial regulation and oversight, ongoing legal, regulatory and governmental actions and investigations. 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 such as artificial intelligence, interest and exchange rate fluctuations, general economic and political conditions and uncertainties, exposure to third party risk, operational risk, conduct risk, cyber, data and IT risk, financial crime risk, key person risk, credit rating 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 or NWM Group's actual results are discussed in NWM Plc's 2025 Annual Report and Accounts, and its other public filings. The forward-looking statements contained in this document speak only as of the date of this document and NWM Group 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.

Attestation statement

I confirm that the 2025 Pillar 3 Report meets the relevant requirements for Pillar 3 disclosures and has been prepared in line with internal controls agreed by the NatWest Group Board.

As set out in the Compliance report of the 2025 NatWest Group Annual Report and Accounts, the NatWest Group Board is responsible for the system of internal controls that is designed to maintain effective and efficient operations, compliant with applicable laws and regulations. The system of internal control is designed to manage risk or mitigate it to an acceptable residual level rather than eliminate it entirely. Systems of internal control can only provide reasonable and not absolute assurance against misstatement, fraud, or loss.

Simon Lowe

Chief Financial Officer

Executive Director, NatWest Markets Plc Board

Presentation of information

This document presents the consolidated Pillar 3 disclosures for NatWest Markets Plc (NWM Plc) as at 31 December 2025. It should be read in conjunction with the NatWest Group 2025 Pillar 3 report and NWM Plc's 2025 Annual Report and Accounts (ARA), which are published in the same location at: investors.natwestgroup.com/reports-archive/2025.

NWM Plc is incorporated in the United Kingdom and is a subsidiary of NatWest Group plc. 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 for 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.

NWM Plc, as a large, listed subsidiary of NatWest Group, is subject to a reduced set of disclosures as set out in the PRA Rulebook. The required disclosures are as follows:

- Disclosure of own funds
- Disclosure of own funds requirements & risk-weighted exposure amounts
- Disclosure of countercyclical capital buffers
- Disclosure of exposures to credit risk and dilution risk
- Disclosure of the use of credit risk mitigation techniques
- Disclosure of leverage ratio
- Disclosure of liquidity requirements
- Disclosure of renumeration policy

The disclosures for NWM Plc are calculated in accordance with the UK CRR (split across primary legislation and the PRA rulebook) and presented in accordance with the Disclosure (CRR) part of the PRA rulebook.

Within this document, row and column references are based on those prescribed in the PRA templates. Any rows or columns that are not applicable have not been shown however explanations have been added as appropriate. Certain fixed-format disclosure tables include bespoke requirements for comparatives. Where the requirements do not prescribe a particular comparative, the comparative selected is 31 December 2024.

A subset of the Pillar 3 templates that are required to be disclosed were not applicable to NWM Plc at 31 December 2025 and have therefore not been included in the document. Certain quantitative and qualitative disclosures are provided in the NatWest Group Pillar 3 report. These excluded templates are listed below, together with a summary of the reason for their exclusion.

PRA template reference	Template name	Reasons for exclusion
UK CR2a	Changes in the stock of non-performing loans and advances and related net accumulated recoveries	Threshold for disclosure not met
UK CQ2	Quality of forbearance	Threshold for disclosure not met
UK CQ6	Collateral valuation - loans and advances	Threshold for disclosure not met
UK CQ7	Collateral obtained by taking possession and execution processes	No reportable exposures
UK CQ8	Collateral obtained by taking possession and execution processes – vintage breakdown	No reportable exposures
UK CR10.3	Specialised lending: Object Finance (slotting approach)	No reportable exposures
UK CR10.4	Specialised lending: Commodities Finance (slotting approach)	No reportable exposures
UK LIQA	Liquidity risk management	Refer to UK LIQA in the NatWest Group 2025 Pillar 3 report
UK CCA	Main features of regulatory own funds instruments and eligible liabilities instruments	Published as supplement alongside this report
UK REMA	Remuneration Policy	Refer to UK REMA in the NatWest Group 2025 Pillar 3 report

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 in this report are presented in pounds sterling ('£') and have not been subject to external audit.

For definitions of terms, refer to the Glossary and Acronyms document available on investors.natwestgroup.com/reports-archive/2025.

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

NatWest Markets Plc - Key points

CET1 ratio

18.4%

(Q3 2025 – 17.5%)

The CET1 ratio increased by 90 basis points to 18.4% due to a £0.2 billion increase in CET1 capital and a £0.2 billion decrease in RWAs. The CET1 capital increase was mainly driven by an attributable profit to ordinary shareholders.

RWAs

£21.5bn

(Q3 2025 - £21.7bn)

Total RWAs decreased by £0.2 billion to £21.5 billion mainly reflecting:

- a reduction in market risk RWAs of £1.1 billion to £3.4 billion, driven by IMA positions, partly due to risk reduction activity and movements in government bond positions.
- an increase in credit risk RWAs of £0.5bn to £10.5 billion mainly driven by new securitisation facilities, term loans and CRD IV model updates.
- an increase in operational risk RWAs of £0.4bn to £1.7 billion following the annual recalculation acceleration from Q1 2026 to align with market practice.
- Counterparty RWAs remained at £5.9 billion. This includes an increase driven by revised close-out periods for securities financing transactions partially offset by a new bespoke portfolio credit default swap.

UK leverage ratio

5.0%

(Q3 2025 – 4.5%)

The leverage ratio increased by 50 basis points to 5.0% due to a £8.1 billion decrease in leverage exposure and a £0.2 billion increase in Tier 1 capital. The key drivers of the leverage exposure movement were a decrease in trading assets partially offset by an increase in other off balance sheet items.

UK average leverage ratio

4.7%

(Q3 2025 – 4.6%)

The average leverage ratio increased by 10 basis points to 4.7% due to a £0.1 billion increase in 3-month average Tier 1 capital and a £1.1 billion decrease in average leverage exposure. The key drivers of the average leverage exposure movement were a decrease in other financial assets and trading assets partially offset by an increase in other off balance sheet items and net derivatives.

LCR average

198%

(Q3 2025 - 196%)

The average Liquidity Coverage Ratio (LCR) increased 2% compared to Q3 2025 from 196% to 198%. This is mainly driven by issuances, prefinancing part of the 2026 funding requirements, partially offset by increased lending.

NSFR average

121%

(Q3 2025 – 120%)

The average Net Stable Funding Ratio (NSFR) increased 1% compared to Q3 2025 from 120% to 121%. This is mainly driven by issuances, prefinancing part of the 2026 funding requirements, partially offset by increased lending.

UK KM1: Key metrics

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

		31 December 2025 £m	30 September 2025 £m	30 June 2025 £m	31 March 2025 £m	31 December 2024 £m
Available own funds (amounts)						
1	Common equity tier 1 (CET1) capital	**3,952**	3,801	3,627	3,743	3,779
2	Tier 1 capital	**4,926**	4,776	5,508	5,280	5,067
3	Total capital	**5,576**	5,425	6,144	5,963	5,779
Risk-weighted exposure amounts						
4	Total risk-weighted exposure amount	**21,457**	21,678	21,243	21,705	20,812
Capital ratios (as a percentage of risk-weighted exposure amount)						
5	Common equity tier 1 ratio (%)	**18.4**	17.5	17.1	17.2	18.2
6	Tier 1 ratio (%)	**23.0**	22.0	25.9	24.3	24.3
7	Total capital ratio (%)	**26.0**	25.0	28.9	27.5	27.8
Additional own funds requirements based on SREP (as a percentage of risk-weighted exposure amount)						
UK 7a	Additional CET1 SREP requirements (%)	**3.1**	3.1	3.1	3.1	3.1
UK 7b	Additional AT1 SREP requirements (%)	**1.1**	1.1	1.0	1.0	1.0
UK 7c	Additional Tier 2 SREP requirements (%)	**1.4**	1.4	1.4	1.4	1.4
UK 7d	Total SREP own funds requirements (%)	**13.6**	13.6	13.5	13.5	13.5
Combined buffer requirement (as a percentage of risk-weighted exposure amount) (1)						
8	Capital conservation buffer (%)	**2.5**	2.5	2.5	2.5	2.5
9	Institution specific countercyclical capital buffer (%) (3)	**0.9**	1.0	1.0	0.9	1.0
11	Combined buffer requirement (%)	**3.4**	3.5	3.5	3.4	3.5
UK 11a	Overall capital requirements (%)	**17.0**	17.1	17.0	16.9	17.0
12	CET1 available after meeting the total SREP own funds requirements (%)	**10.8**	9.9	9.5	9.7	10.6
Leverage ratio						
13	Total exposure measure excluding claims on central banks	**97,880**	106,006	98,840	97,377	92,859
14	Leverage ratio excluding claims on central banks (%)	**5.0**	4.5	5.6	5.4	5.5
Additional leverage ratio disclosure requirements						
UK 14a	Fully loaded ECL accounting model leverage ratio excluding claims on central banks (%)	**5.0**	4.5	5.6	5.4	5.5
UK 14b	Leverage ratio including claims on central banks (%)	**4.6**	4.2	5.1	4.9	4.9
UK 14c	Average leverage ratio excluding claims on central banks (%)	**4.7**	4.6	5.4	4.8	4.8
UK 14d	Average leverage ratio including claims on central banks (%)	**4.3**	4.2	4.9	4.4	4.3
UK 14e	Countercyclical leverage ratio buffer (%) (3)	**0.3**	0.3	0.3	0.3	0.3
Liquidity coverage ratio						
15	Total high-quality liquid assets (HQLA) (weighted value-average)	**19,411**	19,489	19,143	18,762	18,804
UK 16a	Cash outflows - Total weighted value	**13,584**	13,380	13,069	12,896	12,878
UK 16b	Cash inflows - Total weighted value	**3,691**	3,369	3,079	2,901	3,046
16	Total net cash outflows (adjusted value)	**9,893**	10,011	9,990	9,995	9,832
17	Liquidity coverage ratio (%) (4)	**198**	196	193	189	192
Net stable funding ratio						
18	Total available stable funding	**42,652**	41,475	40,092	38,400	36,499
19	Total required stable funding	**35,392**	34,655	33,257	31,905	30,522
20	NSFR ratio (%) (5)	**121**	120	121	120	120

(1) The following rows are not presented in the table above as not applicable: UK8a, UK9a, 10 and UK10a.
(2) NWM Plc 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 requirement is based on the weighted average of the buffer rates in effect for the countries in which institutions have exposures. The UK CCyB buffer is currently maintained at 2%. The countercyclical leverage ratio buffer is set at 35% of NWM Plc CCyB.
(4) The Liquidity Coverage Ratio (LCR) is calculated as the average of the preceding 12 months.
(5) The Net Stable Funding Ratio (NSFR) is calculated as the average of the preceding four quarters.

UK OV1: Overview of risk-weighted exposure amounts

The table below shows RWAs and total own funds requirements by risk type. Total own funds requirements are calculated as 8% of RWAs.

		a	b	c
		Risk-weighted exposure amounts (RWAs)		Total own funds requirements
		31 December 2025 £m	30-Sep 2025 £m	31 December 2025 £m
1	Credit risk (excluding counterparty credit risk)	**7,215**	6,817	**578**
2	*Of which: standardised approach*	***2,702***	*2,606*	***217***
3	*Of which: the foundation IRB (FIRB) approach*	-	-	-
4	*Of which: slotting approach*	***242***	*278*	***19***
UK 4a	*Of which: equities under the simple risk-weighted approach*	***193***	*239*	***15***
5	*Of which: the advanced IRB (AIRB) approach*	***4,078***	*3,694*	***327***
5a	*Of which: non-credit obligation assets (1)*	***121***	*148*	***10***
6	Counterparty credit risk	**5,839**	5,827	**467**
7	*Of which: standardised approach*	***721***	*961*	***58***
8	*Of which: internal model method (IMM)*	***3,439***	*3,583*	***275***
UK 8a	*Of which: exposures to a CCP*	***96***	*124*	***8***
UK 8b	*Of which: credit valuation adjustment (CVA)*	***736***	*755*	***59***
9	*Of which: other counterparty credit risk*	***847***	*404*	***67***
15	Settlement risk	-	-	-
16	Securitisation exposures in the non-trading book (after the cap)	**3,261**	3,159	**261**
17	*Of which: SEC-IRBA approach*	-	-	-
18	*Of which: SEC-ERBA (including IAA)*	***49***	*50*	***4***
19	*Of which: SEC-SA approach*	***3,212***	*3,059*	***257***
UK 19a	*Of which: 1,250%/deduction*	-	*50*	-
20	Position, foreign exchange and commodities risk (market risk)	**3,425**	4,522	**274**
21	*Of which: standardised approach*	***233***	*242*	***19***
22	*Of which: IMA*	***3,192***	*4,280*	***255***
UK 22a	Large exposures	-	-	-
23	Operational risk	**1,711**	1,347	**137**
UK 23a	*Of which: basic indicator approach*	-	-	-
UK 23b	*Of which: standardised approach*	***1,711***	*1,347*	***137***
UK 23c	*Of which: advanced measurement approach*	-	-	-
24	Amounts below the thresholds for deduction (subject to 250% risk-weight) (2)	**1,413**	1,369	**113**
25	Other Risk Exposure amount	**6**	6	-
25a	*Of which : Additional risk exposure amount due to Article 3 CRR*	**6**	*6*	-
29	Total	**21,457**	21,678	**1,717**

(1) 5a is subset of total IRB RWAs disclosed in Row 5
(2) The amount is shown for information only, as these exposures are already included in rows 1 and 2.

UK OVC - ICAAP information

An internal assessment of material risks is carried out annually to enable an evaluation of the amount, type and distribution of capital required to cover these risks. This is referred to as the Internal Capital Adequacy Assessment Process (ICAAP). The ICAAP consists of a point-in-time assessment of exposures and risks at the end of the financial year together with a forward-looking stress capital assessment. The ICAAP is approved by the Board and submitted to the PRA.

UK CR8: RWA flow statement of credit risk exposures under the IRB approach

The table below shows movements in RWAs for credit risk exposures under the internal ratings based (IRB) approach. It excludes counterparty credit risk, securitisations, equity and non-credit obligation assets.

		a
		RWAs
		£m
1	At 31 December 2024	**3,170**
2	Asset size	**122**
3	Asset quality	**6**
4	Model updates	**2**
7	Foreign exchange movements	**(42)**
9	At 31 March 2025	**3,258**
2	Asset size	**146**
3	Asset quality	**(2)**
4	Model updates	**85**
7	Foreign exchange movements	**(82)**
9	At 30 June 2025	**3,405**
2	Asset size	**375**
3	Asset quality	**(43)**
4	Model updates	**35**
7	Foreign exchange movements	**52**
9	At 30 September 2025	**3,824**
2	Asset size	**284**
3	Asset quality	**(10)**
4	Model updates	**106**
7	Foreign exchange movements	**(5)**
9	At 31 December 2025	**4,199**

(1) The following rows are not presented because they had zero values: (5) methodology and policy, (6) acquisitions and disposals and (8) other.

Q4 2025

- The increase in RWAs in the quarter was a combination of lending growth and CRD IV model updates.

UK CCR7 – RWA flow statement of counterparty credit risk exposures under the IMM

The table below shows movements in RWAs for derivatives under the internal model method (IMM). It excludes the CVA capital charge, exposures to central counterparties and securitisations.

		a RWAs £m
1	At 31 December 2024	3,510
2	Asset size	20
3	Credit quality of counterparties	1
7	Foreign exchange movements	(40)
9	At 31 March 2025	3,491
2	Asset size	217
3	Credit quality of counterparties	5
4	Model updates	151
7	Foreign exchange movements	(41)
9	At 30 June 2025	3,823
2	Asset size	(222)
3	Credit quality of counterparties	(6)
4	Model updates	(50)
7	Foreign exchange movements	38
9	At 30 September 2025	3,583
2	Asset size	(161)
3	Credit quality of counterparties	(15)
4	Model updates	31
7	Foreign exchange movements	1
9	At 31 December 2025	3,439

(1) The following rows are not presented because they had zero values: (5) methodology and policy; (6) acquisitions and disposals; and (8) other.

Q4 2025

- IMM RWAs decreased, mainly reflecting a net reduction in asset size driven by a new portfolio credit default swap.
- The increase in RWAs relating to model updates was primarily due to CRD IV model updates in Commercial & Institutional.

UK MR2-B: RWA flow statement of market risk exposures under the IMA

The table below shows movements in RWAs and own funds requirements for market risk exposures under the internal model approach (IMA).

		a	b	c	e	f	g
		Value-at-risk (VaR) £m	Stressed value-at-risk (SVaR) £m	Incremental risk charge (IRC) £m	Other (Risks Not In VaR) (RNIV) £m	Total RWAs £m	Total own funds requirements £m
1	At 31 December 2024	695	1,875	1,401	815	4,786	383
1a	*Regulatory adjustment (1)*	*(461)*	*(1,322)*	*(207)*	*-*	*(1,990)*	*(159)*
1b	*RWAs at 31 December 2024 (end of day)*	*234*	*553*	*1,194*	*815*	*2,796*	*224*
2	Movement in risk levels	(122)	(107)	144	(14)	(99)	(8)
3	Model updates/changes	(1)	(1)	-	-	(2)	-
8a	*RWAs at 31 March 2025 (end of day)*	*111*	*445*	*1,338*	*801*	*2,695*	*216*
8b	*Regulatory adjustment (1)*	*414*	*2,120*	*70*	*-*	*2,604*	*209*
8	At 31 March 2025	525	2,565	1,408	801	5,299	425
1a	*Regulatory adjustment (1)*	*(414)*	*(2,120)*	*(70)*	*-*	*(2,604)*	*(209)*
1b	*RWAs at 31 March 2025 (end of day)*	*111*	*445*	*1,336*	*801*	*2,695*	*216*
2	Movement in risk levels	71	167	(728)	(99)	(589)	(47)
3	Model updates/changes	(1)	(1)	-	66	64	5
8a	*RWAs at 30 June 2025 (end of day)*	*181*	*611*	*610*	*768*	*2,170*	*174*
8b	*Regulatory adjustment (1)*	*325*	*1,416*	*287*	*-*	*2,028*	*162*
8	At 30 June 2025	506	2,027	897	768	4,198	336
1a	*Regulatory adjustment (1)*	*(325)*	*(1,416)*	*(287)*	*-*	*(2,028)*	*(162)*
1b	*RWAs at 30 June 2025 (end of day)*	*181*	*611*	*610*	*768*	*2,170*	*174*
2	Movement in risk levels	*(58)*	*207*	*455*	*(117)*	*487*	*39*
3	Model updates/changes	*-*	*-*	*-*	*-*	*-*	*-*
8a	*RWAs at 30 September 2025 (end of day)*	*123*	*818*	*1,065*	*651*	*2,657*	*213*
8b	*Regulatory adjustment (1)*	*366*	*1,257*	*-*	*-*	*1,623*	*130*
8	At 30 September 2025	489	2,075	1,065	651	4,280	343
1a	*Regulatory adjustment (1)*	*(366)*	*(1,257)*	*-*	*-*	*(1,623)*	*(130)*
1b	*RWAs at 30 September 2025 (end of day)*	*123*	*818*	*1,065*	*651*	*2,657*	*213*
2	Movement in risk levels	*(37)*	*(326)*	*(679)*	*(77)*	*(1,119)*	*(90)*
3	Model updates/changes	*-*	*-*	*-*	*-*	*-*	*-*
8a	*RWAs at 31 December 2025 (end of day)*	*86*	*492*	*386*	*574*	*1,538*	*123*
8b	*Regulatory adjustment (1)*	*240*	*1,176*	*238*	*-*	*1,654*	*132*
8	At 31 December 2025	326	1,668	624	574	3,192	255

(1) Regulatory adjustments in rows 1a and 8b represent the difference in RWA terms between the risk spot measure at the end of the reporting period and the 60-day average of that measure, multiplied by the multiplication factor.

(2) The following rows and/or columns are not presented because they had zero values or are not used by NWM Plc: column (d) comprehensive risk measure; row (4) methodology and policy; row (5) acquisitions and disposals; and row (7) other. In addition, row (6) foreign exchange movements is not presented. This is because changes in market risk arising from foreign currency retranslation are included within row (2) movement in risk levels as they are managed together with portfolio changes.

Q4 2025

- Total market risk RWAs under the IMA decreased in the fourth quarter, compared to the previous quarter, driven by all key IMA components.
- The decrease in VaR, SVaR and RNIV-based RWAs partly reflected active risk management, largely related to options trading.
- The decrease in the incremental risk charge was mainly due to movements in government bond and bond futures positions.

Annex VII: Capital

UK CC1: Composition of regulatory own funds

The table below sets out the capital resources for NWM Plc based on current PRA rules. Regulatory adjustments comprise deductions from own funds and prudential filters. The table also includes a cross reference to the corresponding rows in template UK CC2 to facilitate full reconciliation of accounting and regulatory own funds.

	CET1 capital: instruments and reserves	31 December 2025 £m	Source based on reference number/letters of the balance sheet under the regulatory scope of consolidation	31 December 2024 £m
1	Capital instruments and the related share premium accounts	**2,346**		2,346
	of which: ordinary shares	***400***	**(a)**	*400*
	of which: share premium	***1,946***	**(j)**	*1,946*
2	Retained earnings	**3,380**	**(b)**	3,420
3	Accumulated other comprehensive income (and other reserves)	**(195)**	**(c)**	(337)
UK-3a	Funds for general banking risk	**-**		-
4	Amount of qualifying items referred to in Article 484 (3) CRR and the related share premium accounts subject to phase out from CET1	**-**		-
5	Minority interests (amount allowed in consolidated CET1)	**-**		-
UK-5a	Independently reviewed interim profits net of any foreseeable charge or dividend	**157**		-
6	CET1 capital before regulatory adjustments	**5,688**		5,429
	CET1 capital: regulatory adjustments			
7	(-) Additional value adjustments	**(114)**		(148)
8	(-) Intangible assets (net of related tax liability)	**-**		-
10	(-) Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Article 38 (3) CRR are met)	**-**	**(d)**	-
11	Fair value reserves related to gains or losses on cash flow hedges of financial instruments that are not valued at fair value	**97**	**(h)**	203
12	(-) Negative amounts resulting from the calculation of expected loss amounts	**(11)**		(6)
13	(-) Any increase in equity that results from securitised assets	**-**		-
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	**36**		37
15	(-) Defined-benefit pension fund assets	**(119)**	**(e) & (f)**	(109)
16	(-) Direct, indirect and synthetic holdings by an institution of own CET1 instruments	**-**		-
17	(-) Direct, indirect and synthetic holdings of the CET1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution	**-**		-
18	(-) Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above the 10% threshold and net of eligible short positions)	**-**		-
19	(-) Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions)	**(1,625)**		(1,521)
UK-20a	Exposure amount of the following items which qualify for a RW of 1250%, where the institution opts for the deduction alternative	**-**		-
UK-20b	*(-) of which: qualifying holdings outside the financial sector*	**-**		-
UK-20c	*(-) of which: securitisation positions*	**-**		-
UK-20d	*(-) of which: free deliveries*	**-**		-
21	(-) Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in Article 38 (3) CRR are met)	**-**		-
22	(-) Amount exceeding the 17.65% threshold	**-**		-

UK CC1: Composition of regulatory own funds continued

CET1 capital: regulatory adjustments		31 December 2025 £m	Source based on reference number/letters of the balance sheet under the regulatory scope of consolidation	31 December 2024 £m
23	*(-) of which: direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities*	-		-
25	*(-) of which: deferred tax assets arising from temporary differences*	-		-
UK-25a	(-) Losses for the current financial year	-	(b)	*(106)*
UK-25b	(-) Foreseeable tax charges relating to CET1 items except where the institution suitably adjusts the amount of CET1 items in so far as such tax charges reduce the amount up to which those items may be used to cover risks or losses	-		-
27	(-) Qualifying AT1 deductions that exceed the AT1 items of the institution	-		-
27a	Other regulatory adjustments to CET1 capital (including IFRS 9 transitional adjustments when relevant)	-		-
28	Total regulatory adjustments to CET1	(1,736)		(1,650)
29	CET1 capital	3,952		3,779
AT1 capital: instruments				
30	Capital instruments and the related share premium accounts	1,192	(g)	1,496
31	*of which: classified as equity under applicable accounting standards*	*1,192*		*1,496*
32	*of which: classified as liabilities under applicable accounting standards*	-		-
33	Amount of qualifying items referred to in Article 484(4) CRR and the related share premium accounts subject to phase out from AT1 as described in Article 486 (3) CRR	-		-
UK-33a	Amount of qualifying items referred to in Article 494a(1) CRR subject to phase out from AT1	-		-
UK-33b	Amount of qualifying items referred to in Article 494b(1) CRR subject to phase out from AT1	-		-
34	Qualifying T1 capital included in consolidated AT1 capital (including minority interests not included in row 5 CET1) issued by subsidiaries and held by third parties	-		-
35	*of which: instruments issued by subsidiaries subject to phase out*	-		-
36	AT1 capital before regulatory adjustments	1,192		1,496
AT1 capital: regulatory adjustments				
37	(-) Direct, indirect and synthetic holdings by an institution of own AT1 instruments	-		-
38	(-) Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution	-		-
39	(-) Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions)	-		-
40	(-) Direct, indirect and synthetic holdings by the institution of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions)	(218)		(208)
42	(-) Qualifying T2 deductions that exceed the T2 items of the institution	-		-
42a	Other regulatory adjustments to AT1 capital	-		-
43	Total regulatory adjustments to AT1 capital	(218)		(208)
44	AT1 capital	974		1,288
45	T1 capital (T1 = CET1 + AT1)	4,926		5,067

UK CC1: Composition of regulatory own funds continued

	T2 capital: instruments	31 December 2025 £m	Source based on reference number/letters of the balance sheet under the regulatory scope of consolidation	31 December 2024 £m
46	Capital instruments and the related share premium accounts	**1,048**	**(i)**	1,124
47	Amount of qualifying items referred to in Article 484 (5) CRR and the related share premium accounts subject to phase out from T2 as described in Article 486(4) CRR	**-**		-
UK-47a	Amount of qualifying items referred to in Article 494a (2) CRR subject to phase out from T2	**-**		-
UK-47b	Amount of qualifying items referred to in Article 494b (2) CRR subject to phase out from T2	**-**		-
48	Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties	**-**		-
49	*of which: instruments issued by subsidiaries subject to phase out*	**-**		-
50	Credit risk adjustments	**9**		7
51	T2 capital before regulatory adjustments	**1,057**		1,131
	T2 capital: regulatory adjustments			
52	(-) Direct, indirect and synthetic holdings by an institution of own T2 instruments and subordinated loans	**-**		-
53	(-) Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross holdings with the institution designed to inflate artificially the own funds of the institution	**-**		-
54	(-) Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where the institution does not have a significant investment in those entities (amount above the 10% threshold and net of eligible short positions)	**-**		-
55	(-) Direct, indirect and synthetic holdings by the institution of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions)	**(407)**		(419)
UK-56a	(-) Qualifying eligible liabilities deductions that exceed the eligible liabilities items of the institution	**-**		-
UK-56b	Other regulatory adjustments to T2 capital	**-**		-
57	Total regulatory adjustments to T2 capital	**(407)**		(419)
58	T2 capital	**650**		712
59	Total capital (TC = T1 + T2)	**5,576**		5,779
60	Total risk exposure amount	**21,457**		20,812
	Capital ratios and buffers			
61	CET1 (as a percentage of total risk exposure amount)	**18.4%**		18.2%
62	T1 (as a percentage of total risk exposure amount)	**23.0%**		24.3%
63	Total capital (as a percentage of total risk exposure amount)	**26.0%**		27.8%
64	Institution CET1 overall capital requirement (CET1 requirement in accordance with article 92 (1) CRR, plus additional CET1 requirement which the institution is required to hold in accordance with point (a) Article 104 (1) CRD plus combined buffer requirement in accordance with Article 128 (6) CRD) expressed as a percentage of risk exposure amount)	**11.0%**		11.1%
65	*of which: capital conservation buffer requirement*	***2.5%***		*2.5%*
66	*of which: counter cyclical buffer requirement*	***0.9%***		*1.0%*
67	*of which: systemic risk buffer requirement*			
UK-67a	*of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer*			
68	CET1 available to meet buffers (as a percentage of risk exposure amount) (1)	**10.8%**		10.6%

UK CC1: Composition of regulatory own funds continued

		31 December 2025 £m	Source based on reference number/letters of the balance sheet under the regulatory scope of consolidation	31 December 2024 £m
Amounts below the thresholds for deduction (before risk-weighting)				
72	Direct and indirect holdings of own funds and eligible liabilities of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	**169**		454
73	Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 17.65% threshold and net of eligible short positions)	**558**		530
75	Deferred tax assets arising from temporary differences (amount below 17.65% threshold, net of related tax liability where the conditions in Article 38 (3) CRR are met)	**8**		-
Applicable caps on the inclusion of provisions in T2				
76	Credit risk adjustments included in T2 in respect of exposures subject to standardised approach (prior to the application of the cap)	**-**		-
77	Cap on inclusion of credit risk adjustments in T2 under standardised approach	**34**		33
78	Credit risk adjustments included in T2 in respect of exposures subject to internal ratings based approach (prior to the application of the cap)	**9**		7
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	**46**		38
Capital instruments subject to phase-out arrangements (only applicable between 1 January 2014 and 1 January 2022)				
80	Current cap on CET1 instruments subject to phase out arrangements			
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)			
82	Current cap on AT1 instruments subject to phase out arrangements			
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)			
84	Current cap on T2 instruments subject to phase out arrangements			
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)			

(1) [Represents the CET1 ratio less CET1 currently used to meet SREP requirements (Pillar 1 & 2A).
(2) The references (a) to (j) identify balance sheet components in table UK CC2 that are used in the calculation of regulatory capital table UK CC1. Amounts between the UK CC2 and UK CC1 are not always directly comparable due to differences in definitions and application of prudential requirements for the calculation of regulatory capital.
(3) The following lines are not presented as they are not applicable under the UK disclosure requirements: 9, 20, 24, 26, 41, 54a, 56, 69, 70, 71 and 74.]

UK CC2: reconciliation of regulatory own funds to balance sheet in the audited financial statements

The table below shows the reconciliation between the accounting and regulatory consolidation with references showing the linkage between this table and UK CC1.

	As at period end 31 December 2025		
	a	b	
Assets	Balance sheet as in published financial statements as at period end £m	Under regulatory scope of consolidation as at period end £m	References
Cash and balances at central banks	9,357	9,357	
Trading assets	22,087	22,087	
Derivatives	57,793	57,793	
Settlement balances	490	490	
Loans to banks - amortised cost	603	603	
Loans to customers - amortised cost	22,154	22,154	
Amounts due from holding companies and fellow subsidiaries	3,611	3,611	
Other financial assets	17,354	17,354	
Investment in group undertakings	2,403	2,403	
Property, plant and equipment	10	10	
Current and deferred tax assets	151	151	
of which: DTAs that rely on future profitability and do not arise from temporary differences	-	-	*(d)*
Prepayments, accrued income and other assets	275	275	
of which: defined benefit pension fund assets	*160*	*160*	*(e)*
Total assets	136,288	136,288	
Liabilities			
Bank deposits	7,650	7,650	
Customer deposits	2,824	2,824	
Amounts due to holding companies and fellow subsidiaries	8,278	8,278	*(i)*
Settlement balances	501	501	
Trading liabilities	25,916	25,916	
Derivatives	52,166	52,166	
Other financial liabilities	31,740	31,740	*(i)*
Subordinated liabilities	-	-	
Provisions, deferred income and other liabilities	290	290	
Current and deferred tax liabilities	43	43	
of which: defined benefit pension scheme assets	*41*	*41*	*(f)*
Total liabilities	129,408	129,408	
Shareholders' Equity			
Owners' equity			
Called up share capital	400	400	*(a)*
Reserves	6,480	6,480	
of which: amount eligible for retained earnings	3,537	3,537	*(b)*
of which: amount eligible for accumulated OCI and other reserves	(195)	(195)	*(c) & (h)*
of which: amount of other equity instruments	1,192	1,192	*(g)*
of which: share premium accounts	1,946	1,946	*(j)*
Non-controlling interests	-	-	
Total shareholders' equity	6,880	6,880	

(1) NWM Plc publishes audited financial statements on an annual basis.
(2) The references (a) to (j) identify balance sheet components in table UK CC2 that are used in the calculation of regulatory capital table UK CC1. Amounts between tables UK CC2 and UK CC1 are not always directly comparable due to differences in definitions and application of the prudential requirements for the calculation of regulatory capital.

TLAC2: Material sub-group entity - creditor ranking at the entity level

The following disclosure provide information on the creditor hierarchy for NWM Plc (material entity within the resolution group). The disclosure include information on the nominal value of all own funds instruments and other liabilities to the extent that they are subordinate to or rank pari passu with the most senior MREL claim. Where the instrument is denominated in foreign currency, the nominal value is converted into sterling using the rate as at 31 December 2025.

		Insolvency ranking								
		Shareholders equity (3)		Preference shares and contingent capital notes		Subordinated debt		Senior non-preferential debt		
		Resolution entity	Other	Resolution entity	Other	Resolution entity	Other	Resolution entity	Other	Total
	31 December 2025	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**
3	Total liabilities and own funds	**5,688**	**-**	**1,192**	**-**	**1,048**	**17**	**4,210**	**-**	**12,155**
4	o/w excluded liabilities	**-**	**-**	**-**	**-**	**-**	**17**	**-**	**-**	**17**
5	Total liabilities and own funds less excluded liabilities	**5,688**	**-**	**1,192**	**-**	**1,048**	**-**	**4,210**	**-**	**12,138**
6	Subset of TLOF less of excluded liabilities that are own funds and eligible liabilities for the purpose of MREL	**5,688**	**-**	**1,192**	**-**	**1,048**	**-**	**4,210**	**-**	**12,138**
7	o/w residual maturity ≥ 1 year < 2 years	**-**	**-**	**-**	**-**	**-**	**-**	**743**	**-**	**743**
8	o/w residual maturity ≥ 2 year < 5 years	**-**	**-**	**-**	**-**	**-**	**-**	**2,977**	**-**	**2,977**
9	o/w residual maturity ≥ 5 years < 10 years	**-**	**-**	**-**	**-**	**1,048**	**-**	**490**	**-**	**1,538**
10	o/w residual maturity ≥ 10 years, but excluding perpetual securities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
11	o/w perpetual securities	**5,688**	**-**	**1,192**	**-**	**-**	**-**	**-**	**-**	**6,880**

		Insolvency ranking								
		Shareholders equity (3)		Preference shares and contingent capital notes		Subordinated debt		Senior non-preferential debt		
		Resolution entity	Other	Resolution entity	Other	Resolution entity	Other	Resolution entity	Other	Total
	31 December 2024	£m	£m	£m	£m	£m	£m	£m	£m	£m
3	Total liabilities and own funds	5,323	-	1,496	-	1,124	17	4,259	-	12,219
4	o/w excluded liabilities	-	-	-	-	-	17	-	-	17
5	Total liabilities and own funds less excluded liabilities	5,323	-	1,496	-	1,124	-	4,259	-	12,202
6	Subset of TLOF less of excluded liabilities that are own funds and eligible liabilities for the purpose of MREL	5,323	-	1,496	-	1,124	-	4,259	-	12,202
7	o/w residual maturity ≥ 1 year < 2 years	-	-	-	-	-	-	917	-	917
8	o/w residual maturity ≥ 2 year < 5 years	-	-	-	-	-	-	2,545	-	2,545
9	o/w residual maturity ≥ 5 years < 10 years	-	-	-	-	997	-	797	-	1,794
10	o/w residual maturity ≥ 10 years, but excluding perpetual securities	-	-	-	-	127	-	-	-	127
11	o/w perpetual securities	5,323	-	1,496	-	-	-	-	-	6,819

(1) Amounts shown include balances due to resolution entity (NatWest Group plc).
(2) Maturity band based on final contractual instrument maturity.
(3) Shareholder's equity includes the value of share capital, share premium and reserves.
(4) The TLAC2 disclosure has been prepared using the uniform format previously published by the EBA. During 2025, PRA issued proposals under CP16/25 for the introduction of UK MREL disclosure templates in the Rulebook, which are expected to apply from 31 December 2026.

Annex IX: Countercyclical capital buffers

UK CCyB1: Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer

As part of the banking reforms introduced by Basel III, a countercyclical capital buffer is required to ensure banks take account of the macro-financial environment when assessing adequate capital requirements.

The table below summarises NWM Plc's total exposures and own funds requirements based on country of economic operation of the customer. Where applicable, a countercyclical capital buffer rate is applied to the own funds requirement for the geographic region to capture an additional countercyclical requirement. General credit and trading book exposures exclude those with central governments/banks, regional governments, local authorities, public sector entities, multilateral development banks, international organisations, and institutions. The exposures below therefore differ from those presented in the credit and counterparty credit risk sections.

	a	b	c	d	e	f	g	h	i	j	k	l	m
	General credit exposures		Relevant credit exposures - market risk				Own fund requirements						
31 December 2025	Exposure value under the standardised approach £m	Exposure value under the IRB approach £m	Sum of long and short positions of trading book exposures for SA £m	Value of trading book exposures for internal models £m	Securitisation exposures Exposure value for non-trading book £m	Total exposure value £m	Relevant credit risk exposures - Credit risk £m	Relevant credit exposures - Market risk £m	Relevant credit exposures - Securitisation positions in the non-trading book £m	Total	Risk-weighted exposure amounts £m	Own fund requirements weights %	Countercycle buffer rate %
Breakdown by country (with existing CCyB rates) (1)													
Denmark	-	31	-	16	-	47	1	1	-	2	30	0.22%	2.50%
Norway	-	8	-	13	-	21	1	-	-	1	6	0.05%	2.50%
United Kingdom	1,121	5,205	-	1,362	5,405	13,093	335	24	68	427	5,333	39.09%	2.00%
Netherlands	4	711	-	80	208	1,003	8	4	3	15	193	1.42%	2.00%
Sweden	-	294	-	10	33	337	3	-	-	3	31	0.23%	2.00%
Ireland	48	253	-	3	133	437	8	1	2	11	140	1.03%	1.50%
Estonia	-	-	-	-	-	-	-	-	-	-	1	0.01%	1.50%
Czech Republic	-	-	-	2	-	2	-	-	-	-	1	0.01%	1.25%
France	5	286	-	241	432	964	4	6	7	17	213	1.56%	1.00%
Belgium	-	14	-	1	-	15	3	-	-	3	33	0.24%	1.00%
Hungary	-	3	-	3	-	6	-	1	-	1	13	0.09%	1.00%
Australia	-	42	-	20	-	62	1	-	-	1	10	0.08%	1.00%
Republic of Korea	-	2	-	20	-	22	-	-	-	-	4	0.03%	1.00%
Germany	1	105	-	99	156	361	3	5	2	10	121	0.89%	0.75%
Luxembourg	16	5,147	-	5	-	5,168	106	-	-	106	1,327	9.72%	0.50%
Spain	-	20	1	121	69	211	-	2	1	3	42	0.31%	0.50%
Hong Kong	-	41	-	-	-	41	1	-	-	1	18	0.13%	0.50%
Greece	-	-	-	-	-	-	-	-	-	-	1	0.01%	0.25%
Total (countries with existing CCyB rates)	1,195	12,162	1	1,996	6,436	21,790	474	44	83	601	7,517	55.12%	

UK CCyB1: Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer continued

	a	b	c	d	e	f	g	h	i	j	k	l	m
	General credit exposures		Relevant credit exposures - market risk				Own fund requirements						
31 December 2025	Exposure value under the standardised approach £m	Exposure value under the IRB approach £m	Sum of long and short positions of trading book exposures for SA £m	Value of trading book exposures for internal models £m	Securitisation exposures Exposure value for non-trading book £m	Total exposure value £m	Relevant credit risk exposures - Credit risk £m	Relevant credit exposures - Market risk £m	Relevant credit exposures - Securitisation positions in the non trading book £m	Total £m	Risk weighted exposure amounts £m	Own fund requirements weights %	Countercyclical buffer rate %
Breakdown by country (with zero CCyB rates and with own funds requirement weights 1% and above)													
United States	769	8,899	1	103	13,965	23,737	160	3	169	332	4,145	30.40%	-
Bermuda	1,110	48	-	2	-	1,160	52	1	-	53	668	4.90%	-
Cayman Islands	34	1,689	-	3	564	2,290	31	-	7	38	473	3.47%	-
Guernsey	502	588	-	-	-	1,090	27	-	-	27	339	2.48%	-
Total (Countries with zero CCyB rate and with own funds requirement weights 1% and above)	2,415	11,224	1	108	14,529	28,277	270	4	176	450	5,625	41.25%	
Total (rest of the world with zero CCyB rate and below 1% requirement)	77	1,212	-	1,042	235	2,566	27	11	2	40	494	3.63%	-
Total	3,687	24,598	2	3,146	21,200	52,633	771	59	261	1,091	13,636	100%	

UK CCyB1: Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer continued

	a	b	c	d	e	f	g	h	i	j	k	l	m
	General credit exposures		Relevant credit exposures - market risk				Own fund requirements						
31 December 2024	Exposure value under the standardised approach £m	Exposure value under the IRB approach £m	Sum of long and short positions of trading book exposures for SA £m	Value of trading book exposures for internal models £m	Securitisation exposures Exposure value for non-trading book £m	Total exposure value £m	Relevant credit risk exposures - Credit risk £m	Relevant credit exposures - Market risk £m	Relevant credit exposures - Securitisation positions in the non-trading book £m	Total £m	Risk weighted exposure amounts £m	Own fund requirements weights	Countercycle buffer rate
Breakdown by country (with existing CCyB rates) (1)													
Norway	-	9	-	-	-	9	-	3	-	3	36	0.30%	2.50%
Denmark	-	131	-	4	-	135	1	1	-	2	25	0.21%	2.50%
United Kingdom	1,150	4,703	14	1,006	5,909	12,782	296	21	73	390	4,881	40.39%	2.00%
Netherlands	22	572	-	147	81	822	9	7	5	21	267	2.21%	2.00%
Sweden	-	8	-	24	-	32	-	2	-	2	19	0.16%	2.00%
Ireland	9	198	-	24	117	342	6	1	1	8	98	0.81%	1.50%
Czech Republic	-	—	-	4	-	4	-	-	-	-	-	-	1.25%
France	5	187	-	73	560	825	4	7	8	19	236	1.95%	1.00%
Belgium	5	6	-	109	-	120	1	7	-	8	106	0.88%	1.00%
Australia	-	37	-	3	-	40	1	1	-	2	16	0.14%	1.25%
Germany	1	231	-	115	198	545	5	4	3	12	153	1.27%	0.75%
Luxembourg	7	3,900	-	19	-	3,926	68	1	-	69	859	7.10%	0.50%
Hong Kong	-	2	-	-	-	2	-	-	-	-	5	0.04%	0.50%
Hungary	-	2	-	-	-	2	-	-	-	-	-	-	0.50%
Total (countries with existing CCyB rates)	1,199	9,980	14	1,528	6,865	19,586	391	55	90	536	6,701	55.46%	

UK CCyB1: Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer continued

	a	b	c	d	e	f	g	h	i	j	k	l	m
	General credit exposures		Relevant credit exposures - market risk				Own fund requirements						
31 December 2024	Exposure value under the standardised approach £m	Exposure value under the IRB approach £m	Sum of long and short positions of trading book exposures for SA £m	Value of trading book exposures for internal models £m	Securitisation exposures Exposure value for non-trading book £m	Total exposure value £m	Relevant credit risk exposures - Credit risk £m	Relevant credit exposures - Market risk £m	Relevant credit exposures - Securitisation positions in the non trading book £m	Total £m	Risk weighted exposure amounts £m	Own fund requirements weights	Countercyclical buffer rate
Breakdown by country (with zero CCyB rates and with own funds requirement weights 1% and above)													
United States	755	7,193	1	273	11,781	20,003	134	6	151	291	3,635	30.08%	-
Cayman islands	1,075	1,473	-	8	442	2,998	68	1	5	74	922	7.63%	-
Guernsey	237	366	-	-	-	603	13	-	-	13	167	1.38%	-
Jersey	1	531	-	2	327	861	9	-	4	13	166	1.38%	-
Total (Countries with zero CCyB rate and with own funds requirement weights 1% and above)	2,068	9,563	1	283	12,550	24,465	224	7	160	391	4,890	40.47%	
Total (rest of the world with zero CCyB rate and below 1% requirement)	59	450	2	1,032	188	1,731	15	22	3	40	492	4.07%	-
Total	3,326	19,993	17	2,843	19,603	45,782	630	84	253	967	12,083	100.00%	

(1) This section of the table excludes countries with no exposures.

UK CCyB2: Amount of institution-specific countercyclical capital buffer

		31 December 2025 £m	31 December 2024 £m
1	Total risk exposure amount	**21,457**	20,812
2	Institution specific countercyclical capital buffer	**0.91%**	0.96%
3	Institution specific countercyclical capital buffer requirement (1)	**196**	200

(1) The UK CCyB rate is currently being maintained at 2%. This may vary in either direction in the future depending on how risks develop.

Annex XI: Leverage

UK LR1: LRSum: Summary reconciliation of accounting assets and leverage ratio exposures

The table below shows a reconciliation between the total assets under IFRS standards and the leverage exposure measure. The leverage metrics are calculated in accordance with the Leverage Ratio (CRR) part of the PRA Rulebook.

		31 December 2025 £m	31 December 2024 £m
1	Total assets as per published financial statements (1)	**136,288**	152,937
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation	**-**	-
3	(Adjustment for securitised exposures that meet the operational requirements for the recognition of risk transference)	**-**	-
4	(Adjustment for exemption of exposures to central banks)	**(9,344)**	(11,055)
5	(Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the total exposure measure in accordance with point (1) of Article 429a(1) of the CRR)	**-**	-
6	Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	**(556)**	(458)
7	Adjustment for eligible cash pooling transactions	**-**	-
8	Adjustment for derivative financial instruments	**(38,130)**	(57,066)
9	Adjustment for securities financing transactions (SFTs)	**2,759**	1,959
10	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off-balance sheet exposures)	**9,269**	8,825
11	(Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital (leverage))	**(128)**	(157)
UK-11a	(Adjustment for exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) of the CRR)	**(317)**	(288)
UK-11b	(Adjustment for exposures excluded from the total exposure measure in accordance with point (j) of Article 429a(1) of the CRR)	**-**	-
12	Other adjustments	**(1,961)**	(1,838)
13	Total exposure measure	**97,880**	92,859

(1) NWM Plc publishes audited financial statements on an annual basis. For further details, refer to table UK CC2.

UK LR2: LRCom: Leverage ratio common disclosure

The leverage metrics are calculated in accordance with the Leverage Ratio (CRR) part of the PRA Rulebook.

		31 December 2025 £m	31 December 2024 £m
On-balance sheet exposures (excluding derivatives and SFTs)			
1	On-balance sheet items (excluding derivatives, SFTs, but including collateral)	**63,906**	63,033
2	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the applicable accounting framework	**-**	-
3	(Deductions of receivable assets for cash variation margin provided in derivatives transactions)	**(4,492)**	(5,457)
4	(Adjustment for securities received under securities financing transactions that are recognised as an asset)	**-**	-
5	(General credit risk adjustments to on-balance sheet items)	**-**	-
6	(Asset amounts deducted in determining Tier 1 capital (leverage))	**(2,088)**	(1,992)
7	Total on-balance sheet exposures (excluding derivatives, and SFTs)	**57,326**	55,584
Derivative exposures			
8	Replacement cost associated with SA-CCR derivatives transactions (i.e. net of eligible cash variation margin)	**6,966**	7,661
UK-8a	Derogation for derivatives: replacement costs contribution under the simplified standardised approach	**-**	-
9	Add-on amounts for PFE associated with SA-CCR derivatives transactions	**16,778**	15,093
UK-9a	Derogation for derivatives: potential future exposure contribution under the simplified standardised approach	**-**	-
UK-9b	Exposure determined under the original exposure method	**-**	-
10	(Exempted CCP leg of client-cleared trade exposures) (SA-CCR)	**-**	-
UK-10a	(Exempted CCP leg of client-cleared trade exposures) (simplified standardised approach)	**-**	-
UK-10b	(Exempted CCP leg of client-cleared trade exposures) (original exposure method)	**-**	-
11	Adjusted effective notional amount of written credit derivatives	**4,668**	4,258
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	**(4,257)**	(3,640)
13	Total derivative exposures	**24,155**	23,372
Securities financing transaction (SFT) exposures			
14	Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions	**15,815**	25,589
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	**(1,781)**	(10,940)
16	Counterparty credit risk exposure for SFT assets	**2,759**	1,959
UK-16a	Derogation for SFTs: counterparty credit risk exposure in accordance with Articles 429e(5) and 222 of the CRR	**-**	-
UK-17	Agent transaction exposures	**-**	-
UK-17a	(Exempted CCP leg of client-cleared SFT exposures)	**-**	-
18	Total securities financing transaction exposures	**16,793**	16,608
Other off-balance sheet exposures			
19	Off-balance sheet exposures at gross notional amount	**13,218**	12,803
20	(Adjustments for conversion to credit equivalent amounts)	**(3,949)**	(4,162)
21	(General provisions deducted in determining Tier 1 capital (leverage) and specific provisions associated with off-balance sheet exposures)	**(2)**	(3)
22	Off-balance sheet exposures	**9,267**	8,638

UK LR2: LRCom: Leverage ratio common disclosure continued

		31 December 2025 £m	31 December 2024 £m
	Excluded exposures		
UK-22a	(Exposures excluded from the total exposure measure in accordance with point (c) of Article 429a(1) of the CRR)	**(317)**	(288)
UK-22b	(Exposures exempted in accordance with point (j) of Article 429a(1) of the CRR (on- and off- balance sheet))	**-**	-
UK-22g	(Excluded excess collateral deposited at triparty agents)	**-**	-
UK-22k	(Total exempted exposures)	**(317)**	(288)
	Capital and total exposure measure		
23	Tier 1 capital (leverage)	**4,926**	5,067
24	Total exposure measure including claims on central banks	**107,224**	103,914
UK-24a	(-) Claims on central banks excluded	**(9,344)**	(11,055)
UK-24b	Total exposure measure excluding claims on central banks	**97,880**	92,859
	Leverage ratio		
25	Leverage ratio excluding claims on central banks (%)	**5.0**	5.5
UK-25a	Fully loaded ECL accounting model leverage ratio excluding claims on central banks (%)	**5.0**	5.5
UK-25b	Leverage ratio excluding central bank reserves as if the temporary treatment of unrealised gains and losses measured at fair value through other comprehensive income had not been applied (%)	**5.0**	5.5
UK-25c	Leverage ratio including claims on central banks (%)	**4.6**	4.9
26	Regulatory minimum leverage ratio requirement (%) (1)	**3.25**	3.25
	Additional leverage ratio disclosure requirements - leverage ratio buffers (1)		
27	Leverage ratio buffer (%)	**0.3**	0.3
UK-27a	Of which: G-SII or O-SII additional leverage ratio buffer (%)	**-**	-
UK-27b	Of which: countercyclical leverage ratio buffer (%)	**0.3**	0.3
	Additional leverage ratio disclosure requirements - disclosure of mean values (1)		
28	Mean of daily values of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivable	**14,123**	14,922
29	Quarter-end value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	**14,034**	14,649
UK-31	Average total exposure measure excluding claims on central banks	**103,315**	102,335
UK-32	Average total exposure measure including claims on central banks	**112,794**	112,266
UK-33	Average leverage ratio excluding claims on central banks	**4.7**	4.8
UK-34	Average leverage ratio including claims on central banks	**4.3**	4.3

(1) NWM Plc is an LREQ firm therefore subject to the additional quarterly disclosures for averaging and the countercyclical leverage ratio buffer.

UK LR3: LRSpl: Split-up of on-balance sheet exposures (excluding derivatives, SFTs and exempted exposures)

The table below shows the breakdown of the leverage ratio exposures per exposure class.

		31 December 2025 £m	31 December 2024 £m
UK-1	Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:	**48,857**	45,370
UK-2	Trading book exposures	**12,667**	19,919
UK-3	Banking book exposures, of which:	**36,190**	25,451
UK-4	Covered bonds	**-**	-
UK-5	Exposures treated as sovereigns	**4,477**	3,275
UK-6	Exposures to regional governments, multilateral development bank, international organisations and public sector entities not treated as sovereigns	**1,344**	957
UK-7	Institutions	**785**	894
UK-8	Secured by mortgages of immovable properties	**14**	39
UK-9	Retail exposures	**-**	-
UK-10	Corporate	**12,272**	4,703
UK-11	Exposures in default	**1**	3
UK-12	Other exposures (e.g. equity, securitisations, and non-credit obligation assets)	**17,297**	15,580

UK LRA: Disclosure of LR qualitative information

Processes used to manage the risk of excessive leverage

The Group actively manages capital adequacy with respect to leverage through relevant Board approved Risk Appetite measures, operational limits, targets, and recovery indicators. This ensures that the Group and its entities are sufficiently capitalised to meet supervisory leverage requirements in normal business conditions and appropriate requirements for leverage under stress events. The Group embeds its strong focus on leverage in its capital planning, capital allocation, and transfer pricing processes, incentivising businesses to make appropriate decisions with regards to leverage exposure within their portfolios. The risk of excessive leverage, including vulnerabilities to contingent leverage, are assessed as part of the Internal Capital Adequacy Assessment Process (ICAAP). The Group regularly monitors leverage targets, exposure, and capacity, on an actual and forecast basis, in relevant Governance committees.

Factors that had an impact on the leverage ratio during the period to which the disclosed leverage ratio refers

The leverage ratio as at 31 December 2025 is 5.0%. The ratio decreased by 50 basis points in the period since 31 December 2024. The decrease in the leverage ratio was driven by a £5.0 billion increase in leverage exposure and a £0.1 billion decrease in Tier 1 capital. The key drivers of the leverage exposure movement were an increase in other financial assets and net derivatives, partially offset by a decrease in trading assets.

UK LIQ1: Quantitative information on LCR

The table below show the breakdown of high-quality liquid assets, cash inflows and cash outflows, on both an unweighted and weighted basis, that are used to derive the liquidity coverage ratio for NWM Plc. The weightings applied reflect the stress factors applicable under the UK LCR rules. The values presented are the simple average of the preceding monthly periods ending on the quarterly reporting date as specified in the table. LCR outflows do not capture all liquidity risks (e.g. intra-day liquidity). NWM Plc assesses these risks as part of its Individual Liquidity Adequacy Assessment Process and maintains appropriate levels of liquidity. High-quality liquid assets cover both Pillar 1 and Pillar 2 risks.

		Total unweighted value (average)				Total weighted value (average)			
		31 December 2025	30 September 2025	30 June 2025	31 March 2025	**31 December 2025**	30 September 2025	30 June 2025	31 March 2025
	Number of data points used in the calculation of averages	**12**	12	12	12	**12**	12	12	12
		£m	£m	£m	£m	**£m**	£m	£m	£m
High-quality liquid assets									
1	Total high-quality liquid assets (HQLA)					**19,411**	19,489	19,143	18,762
Cash - outflows									
2	Retail deposits and deposits from small business customers, of which:	**37**	44	44	46	**2**	2	2	2
3	*Stable deposits*	**6**	6	5	5	**-**	-	-	-
4	*Less stable deposits*	**13**	13	11	9	**2**	2	2	1
5	Unsecured wholesale funding	**3,176**	3,072	3,030	3,092	**2,811**	2,686	2,629	2,690
6	*Operational deposits (all counterparties) and deposits in networks of cooperative banks*	**-**	-	-	-	**-**	-	-	-
7	*Non-operational deposits (al counterparties)*	**1,300**	1,291	1,277	1350	**935**	905	876	948
8	*Unsecured debt*	**1,876**	1,781	1,753	1742	**1,876**	1,781	1,753	1,742
9	*Secured wholesale funding*					**1,532**	1,451	1,400	1,381
10	Additional requirements	**11,204**	11,173	11,121	11,097	**7,842**	7,765	7,740	7,653
11	*Outflows related to derivative exposures and other collateral requirements*	**3,060**	3,178	3,298	3,441	**2,879**	3,005	3,181	3,361
12	*Outflows related to loss of funding on debt products*	**-**	-	-	-	**-**	-	-	-
13	*Credit and liquidity facilities*	**8,144**	7,995	7,823	7,656	**4,963**	4,760	4,559	4,292
14	Other contractual funding obligations	**19,677**	20,333	20,421	19,885	**1,385**	1,465	1,288	1,161
15	Other contingent funding obligations	**2,529**	2,261	2,021	1,926	**12**	11	10	9
16	Total cash outflows					**13,584**	13,380	13,069	12,896
Cash - inflows									
17	Secured lending (e.g. reverse repos)	**17,442**	17,306	17,584	17,658	**873**	702	580	528
18	Inflows from fully performing exposures	**530**	483	489	526	**529**	483	488	526
19	Other cash inflows	**11,869**	11,710	11,359	10,356	**2,289**	2,184	2,011	1,847
UK-19a	(Difference between total weighted inflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies)					**-**	-	-	-
UK-19b	(Excess inflows from a related specialised credit institution)					**-**	-	-	-
20	Total cash inflows	**29,841**	29,499	29,432	28,540	**3,691**	3,369	3,079	2,901
UK-20a	*Fully exempt inflows*								
UK-20b	*Inflows subject to 90% cap*								
UK-20c	*Inflows subject to 75% cap*	**27,194**	26,911	26,991	26,318	**3,691**	3,369	3,079	2,901
Total adjusted value									
UK-21	Liquidity buffer					**19,411**	19,489	19,143	18,762
22	Total net cash outflows					**9,893**	10,011	9,990	9,995
23	Liquidity coverage ratio (%)					**198**	196	193	189

UK LIQ2: Net stable funding ratio

31 December 2025		a	b	c	d	e
(In £m)		Unweighted value by residual maturity (average)				Weighted Value (average)
		No maturity	< 6 months	6 months to < 1 yr	≥ 1 yr	
Available stable funding (ASF) Items						
1	Capital items and instruments	7,072	-	-	1,054	8,127
2	*Own funds*	7,072	-	-	1,054	8,127
3	*Other capital instruments*		-	-	-	-
4	Retail Deposits		27	13	6	41
5	*Stable deposits*		8	6	3	16
6	*Less stable deposits*		19	7	3	25
7	Wholesale funding		31,123	8,539	29,465	34,483
8	*Operational deposits*		-	-	-	-
9	*Other wholesale funding*		31,123	8,539	29,465	34,483
10	Interdependent liabilities		-	-	-	-
11	Other liabilities	-	4,547	-	1	1
12	*NSFR derivative liabilities*	-				
13	*All other liabilities and capital instruments not included in the above categories*		4,547	-	1	1
14	Total available stable funding (ASF)					42,652
Required stable funding (RSF) Items						
15	Total high-quality liquid assets (HQLA)					634
UK-15a	Assets encumbered for more than 12 million in cover pool		-	-	-	-
16	Deposits held at other financial institutions for operational purposes		-	-	-	-
17	Performing loans and securities:		16,047	3,518	28,114	29,101
18	*Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut*		11,683	364	149	331
19	*Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions*		4,021	3,020	14,210	16,255
20	*Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:*		8	19	303	246
21	*With a risk-weight of less than or equal to 35% under Basel II Standardised Approach for credit risk*		2	8	123	128
22	*Performing residential mortgages, of which:*		-	-	-	-
23	*With a risk-weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		-	-	-	-
24	*Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products*		335	115	13,452	12,269
25	Interdependent assets		-	-	-	-
26	Other assets:	-	11,365	2	4,665	5,105
27	*Physical traded commodities*				-	-
28	*Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs*		-	-	2,304	1,958
29	*NSFR derivative assets*		736	-	-	736
30	*NSFR derivative liabilities before deduction of variation margin posted*		6,382	-	-	319
31	*All other assets not included in the above categories*		4,247	2	2,361	2,092
32	Off-balance sheet items		11,047	-	-	552
33	Total RSF					35,392
34	Net Stable Funding Ratio (%)					121%

UK LIQ2: Net stable funding ratio continued

31 December 2024		a	b	c	d	e
(In £m)		Unweighted value by residual maturity (average)				Weighted Value (average)
		No maturity	< 6 months	6 months to < 1 yr	≥ 1 yr	
Available stable funding (ASF) Items						
1	Capital items and instruments	6,396	-	-	1,096	7,492
2	*Own funds*	6,396	-	-	1,096	7,492
3	*Other capital instruments*		-	-	-	-
4	Retail Deposits		36	2	2	38
5	*Stable deposits*		14	1	1	16
6	*Less stable deposits*		22	1	1	22
7	Wholesale funding		32,645	5,856	25,092	28,957
8	*Operational deposits*		-	-	-	-
9	*Other wholesale funding*		32,645	5,856	25,092	28,957
10	Interdependent liabilities		-	-	-	-
11	Other liabilities	21	4,046	-	12	12
12	*NSFR derivative liabilities*	21				
13	*All other liabilities and capital instruments not included in the above categories*		4,046		12	12
14	Total available stable funding (ASF)					36,499
Required stable funding (RSF) Items						
15	Total high-quality liquid assets (HQLA)					646
UK-15a	Assets encumbered for more than 12 million in cover pool		-	-	-	-
16	Deposits held at other financial institutions for operational purposes					
17	Performing loans and securities:		12,910	3,858	23,678	24,717
18	*Performing securities financing transactions with financial customers collateralised by Level 1 HQLA subject to 0% haircut*		9,331	597	257	555
19	*Performing securities financing transactions with financial customer collateralised by other assets and loans and advances to financial institutions*		3,293	3,138	11,000	13,066
20	*Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:*		11	16	367	294
21	*With a risk-weight of less than or equal to 35% under Basel II Standardised Approach for credit risk*		5	6	156	161
22	*Performing residential mortgages, of which:*		-	-	-	-
23	*With a risk-weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk*		-	-	-	-
24	*Other loans and securities that are not in default and do not qualify as HQLA, including exchange-traded equities and trade finance on-balance sheet products*		275	107	12,054	10,802
25	Interdependent assets		-	-	-	-
26	Other assets:	-	12,426	1	4,558	4,723
27	*Physical traded commodities*				-	-
28	*Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs*		-	-	1,840	1,564
29	*NSFR derivative assets*		284	-	-	284
30	*NSFR derivative liabilities before deduction of variation margin posted*		8,349	-	-	417
31	*All other assets not included in the above categories*		3,793	1	2,717	2,457
32	Off-balance sheet items		8,728	-	-	436
33	Total RSF					30,522
34	Net Stable Funding Ratio (%)					120%

UK LIQB: Qualitative information on LCR, which complements template UK LIQ1

LCR inputs & results over time

LCR inputs & results over time

The LCR aims to ensure that banks hold a sufficient reserve of High-Quality Liquid Assets (HQLA) to survive a period of liquidity stress lasting 30 calendar days.

All figures included in the table represent a 12 month rolling average. The average LCR ratio for the 12 months to 31 December 2025 has increased by 2% over the previous quarter, from 196% to 198%. This is mainly driven by issuances, prefinancing part of the 2026 funding requirements, partially offset by increased lending.

Concentration of funding sources

NWM Plc covers its funding requirements with secured and unsecured wholesale funding from a wide depositor and investor base. Repos, short positions, and derivative cash collateral provide approximately half of the balance sheet funding with the remainder funded by capital and MREL-eligible bonds (issued and down streamed by NatWest Group Plc), term unsecured, short-term unsecured and secured funding.

Wholesale unsecured funding includes a range of products including but not limited to bank deposits, commercial paper (CP), certificates of deposit (CDs) and medium-term notes (MTNs). Deposits, CP and CDs have tenors typically less than a year and are accepted from various corporate counterparties and financial institutions. MTN issuance is through both public benchmark transactions and smaller private placements, and typically has a tenor beyond a year.

The primary risk to funding stability is refinancing – the ability to replace maturing funding with new or rolled transactions. The risk is mitigated through diversification to prevent concentrations and mismatches in the funding profile. NWM Plc monitors and manages funding concentration risk across tenors, counterparties, currencies, products and markets.

Liquidity buffer composition

HQLA is primarily held in Level 1 cash and central bank reserves (47%) and Level 1 high quality securities (48%). Level 2 securities account for 5%.

Derivative exposures and potential collateral calls

NWM Plc actively manages its derivative exposures and potential calls, including both due collateral and excess collateral with derivative outflows under stress captured under the Historical Look-Back Approach, which considers the impact of an adverse market scenario on derivatives. Potential collateral calls under a three-notch downgrade of the NWM Plc credit rating are also captured.

Currency mismatch in the LCR

The LCR is calculated for the euro, US dollar and sterling, which have been identified as significant currencies (having liabilities greater than, or equal to, 5% of total group liabilities excluding regulatory capital and off-balance sheet liabilities) in accordance with the Liquidity Coverage Ratio (CRR) part of the PRA Rulebook. NWM Plc manages currency mismatch for significant currencies according to its internal liquidity adequacy assessment framework.

Annex XV: Credit risk quality

UK CQ1: Credit quality of forborne exposures

The table below shows gross carrying amount of forborne exposures and the related accumulated impairment, provisions, accumulated change in fair value due to credit risk and collateral and financial guarantees received by portfolio and exposure class.

		a	b	c	d	e	f	g	h
		Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborne exposures	*Of which: Collateral and financial guarantees received on non-performing exposures with forbearance measures*
		Performing forborne	Non-performing forborne	*Of which: Defaulted*	*Of which: Impaired*	On performing forborne exposures	On non-performing forborne exposures		
31 December 2025		£m	£m	£m	£m	£m	£m	£m	£m
005	Cash balances at central banks and other demand deposits	-	-	-	-	-	-	-	-
010	Loans and advances	54	10	10	10	(1)	(2)	12	8
020	*Central banks*	-	-	-	-	-	-	-	-
030	*General governments*	-	-	-	-	-	-	-	-
040	*Credit institutions*	-	-	-	-	-	-	-	-
050	*Other financial corporations*	-	-	-	-	-	-	-	-
060	*Non-financial corporations*	*54*	10	10	10	(1)	(2)	12	8
070	*Households*	-	-	-	-	-	-	-	-
080	Debt securities	-	-	-	-	-	-	-	-
090	Loan commitments given	32	-	-	-	(1)	-	-	-
100	Total	86	10	10	10	(2)	(2)	12	8

UK CQ1: Credit quality of forborne exposures continued

	a	b	c	d	e	f	g	h
	Gross carrying amount/nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborne exposures	*Of which: Collateral and financial guarantees received on non-performing exposures with forbearance measures*
	Performing forborne	Non-performing forborne	*Of which: Defaulted*	*Of which: Impaired*	On performing forborne exposures	On non-performing forborne exposures		
31 December 2024	£m	£m	£m	£m	£m	£m	£m	£m
005 Cash balances at central banks and other demand deposits	-	-	-	-	-	-	-	-
010 Loans and advances	-	12	12	12	-	(2)	10	10
020 *Central banks*	-	-	-	-	-	-	-	-
030 *General governments*	-	-	-	-	-	-	-	-
040 *Credit institutions*	-	-	-	-	-	-	-	-
050 *Other financial corporations*	-	-	-	-	-	-	-	-
060 *Non-financial corporations*	-	*12*	*12*	*12*	-	*(2)*	*10*	*10*
070 *Households*	-	-	-	-	-	-	-	-
080 Debt securities	-	-	-	-	-	-	-	-
090 Loan commitments given	-	-	-	-	-	-	-	-
100 Total	-	12	12	12	-	(2)	10	10

(1) Exposures classified as held-for-trading are excluded from the table in accordance with FINREP definitions.

UK CQ3: Credit quality of performing and non-performing exposures by past due days

The table below shows the gross carrying amount/nominal amount (including accrued interest) of performing and non-performing exposures according to the scope of regulatory consolidation. For the on-balance sheet exposures, the template shows the breakdown by past-due band.

	a	b	c	d	e	f	g	h	i	j	k	l
	Gross carrying amount/nominal amount											
	Performing exposures			Non-performing exposures								
31 December 2025	Performing exposures £m	Not past due or past due ≤ 30 days £m	Past due > 30 days ≤ 90 days £m	Non-performing exposures £m	Unlikely to pay that are not past due or are past due ≤ 90 days £m	Past due > 90 days ≤ 180 days £m	Past due > 180 days ≤ 1 year £m	Past due > 1 year ≤ 2 years £m	Past due > 2 years ≤ 5 years £m	Past due > 5 years ≤ 7 years £m	Past due > 7 years £m	Of which: Defaulted £m
1 Cash balances at central banks and other demand deposits	9,631	9,631	-	-	-	-	-	-	-	-	-	-
2 Loans and advances	24,922	24,922	-	22	22	-	-	-	-	-	-	22
3 *Central banks*	276	276	-	-	-	-	-	-	-	-	-	-
4 *General governments*	3	3	-	-	-	-	-	-	-	-	-	-
5 *Credit institutions*	936	936	-	-	-	-	-	-	-	-	-	-
6 *Other financial corporations*	23,479	23,479	-	-	-	-	-	-	-	-	-	-
7 *Non-financial corporations*	228	228	-	22	22	-	-	-	-	-	-	22
8 *Of which: SMEs*	-	-	-	-	-	-	-	-	-	-	-	-
9 *Households*	-	-	-	-	-	-	-	-	-	-	-	-
10 Debt securities	17,374	17,374	-	-	-	-	-	-	-	-	-	-
11 *Central banks*	184	184	-	-	-	-	-	-	-	-	-	-
12 *General governments*	4,043	4,043	-	-	-	-	-	-	-	-	-	-
13 *Credit institutions*	1,310	1,310	-	-	-	-	-	-	-	-	-	-
14 *Other financial corporations*	11,837	11,837	-	-	-	-	-	-	-	-	-	-
15 *Non-financial corporations*	-	-	-	-	-	-	-	-	-	-	-	-
16 Off-balance sheet exposures	9,509			2								2
17 *Central banks*	-			-								-
18 *General governments*	37			-								-
19 *Credit institutions*	360			-								-
20 *Other financial corporations*	8,488			1								1
21 *Non-financial corporations*	624			1								1
22 *Households*	-			-								-
23 Total	61,436	51,927	-	24	22	-	-	-	-	-	-	24

UK CQ3: Credit quality of performing and non-performing exposures by past due days continued

	a	b	c	d	e	f	g	h	i	j	k	l
	Gross carrying amount/nominal amount											
	Performing exposures			Non-performing exposures								
31 December 2024	Performing exposures £m	*Not past due or past due ≤ 30 days* £m	*Past due > 30 days ≤ 90 days* £m	Non-performing exposures £m	*Unlikely to pay that are not past due or are past due ≤ 90 days* £m	*Past due > 90 days ≤ 180 days* £m	*Past due > 180 days ≤ 1 year* £m	*Past due > 1 year ≤ 2 years* £m	*Past due > 2 years ≤ 5 years* £m	*Past due > 5 years ≤ 7 years* £m	*Past due > 7 years* £m	*Of which: Defaulted* £m
1 Cash balances at central banks and other demand deposits	11,511	11,511	-	-	-	-	-	-	-	-	-	-
2 Loans and advances	20,159	20,159	-	25	25	-	-	-	-	-	-	25
3 *Central banks*	*682*	*682*	-	-	-	-	-	-	-	-	-	-
4 *General governments*	*3*	*3*	-	-	-	-	-	-	-	-	-	-
5 *Credit institutions*	*1,066*	*1,066*	-	-	-	-	-	-	-	-	-	-
6 *Other financial corporations*	*18,167*	*18,167*	-	-	-	-	-	-	-	-	-	-
7 *Non-financial corporations*	*241*	*241*	-	*25*	*25*	-	-	-	-	-	-	*25*
8 *Of which: SMEs*	-	-	-	-	-	-	-	-	-	-	-	-
9 *Households*	-	-	-	-	-	-	-	-	-	-	-	-
10 Debt securities	16,154	16,154	-	-	-	-	-	-	-	-	-	-
11 *Central banks*	*138*	*138*	-	-	-	-	-	-	-	-	-	-
12 *General governments*	*3,085*	*3,085*	-	-	-	-	-	-	-	-	-	-
13 *Credit institutions*	*743*	*743*	-	-	-	-	-	-	-	-	-	-
14 *Other financial corporations*	*12,188*	*12,188*	-	-	-	-	-	-	-	-	-	-
15 *Non-financial corporations*	-	-	-	-	-	-	-	-	-	-	-	-
16 Off-balance sheet exposures	9,732			2								2
17 *Central banks*	-			-								-
18 *General governments*	*40*			-								-
19 *Credit institutions*	*282*			-								-
20 *Other financial corporations*	*8,320*			-								-
21 *Non-financial corporations*	*1,090*			*2*								*2*
22 *Households*	-			-								-
23 Total	57,556	47,824	-	27	25	-	-	-	-	-	-	27

(1) Exposures classified as held-for-trading are excluded from the table in accordance with FINREP definitions.

UK CQ4: Quality of non-performing exposures by geography

The table below shows gross carrying amount of performing and non-performing exposures and the related accumulated impairment, provisions, and accumulated change in fair value due to credit risk by geography. Geographical analysis is based on the country of operation of the customer.

		a	b	c	d	e	f	g
31 December 2025		Gross carrying/ nominal amount £m	Of which: non-performing £m	Of which: defaulted £m	Of which: subject to impairment £m	Accumulated impairment £m	Provisions on off-balance sheet commitments and financial guarantees given £m	Accumulated negative changes in fair value due to credit risk on non-performing exposures £m
010	On-balance sheet exposures	**42,318**	**22**	**22**	**41,717**	**(39)**	**-**	**-**
020	*UK*	**11,846**	**4**	**4**	**11,609**	**(15)**	**-**	**-**
030	*RoI*	**210**	**-**	**-**	**145**	**-**	**-**	**-**
040	*Other Western Europe*	**6,132**	**5**	**5**	**5,928**	**(9)**	**-**	**-**
050	*US*	**19,735**	**-**	**-**	**19,670**	**(8)**	**-**	**-**
060	*Other countries*	**4,395**	**13**	**13**	**4,365**	**(7)**	**-**	**-**
070	Off-balance sheet exposures	**9,511**	**2**	**2**	**-**	**-**	**(4)**	**-**
080	*UK*	**1,687**	**-**	**-**	**-**	**-**	***(1)***	**-**
090	*RoI*	**89**	**-**	**-**	**-**	**-**	**-**	**-**
100	*Other Western Europe*	**2,003**	**2**	**2**	**-**	**-**	***(3)***	**-**
110	*US*	**4,556**	**-**	**-**	**-**	**-**	**-**	**-**
120	*Other countries*	***1,176***	**-**	**-**	**-**	**-**	**-**	**-**
130	Total	**51,829**	**24**	**24**	**41,717**	**(39)**	**(4)**	**-**

UK CQ4: Quality of non-performing exposures by geography continued

		a	b	c	d	e	f	g
31 December 2024		Gross carrying/ nominal amount £m	Of which: non-performing £m	Of which: defaulted £m	Of which: subject to impairment £m	Accumulated impairment £m	Provisions on off-balance sheet commitments and financial guarantees given £m	Accumulated negative changes in fair value due to credit risk on non-performing exposures £m
010	On-balance sheet exposures	36,338	25	25	35,613	(38)	-	-
020	*UK*	10,761	7	7	10,366	(15)	-	-
030	*RoI*	135	-	-	128	-	-	-
040	*Other Western Europe*	5,536	5	5	5,255	(9)	-	-
050	*US*	16,063	-	-	16,041	(7)	-	-
060	*Other countries*	3,843	13	13	3,823	(7)	-	-
070	Off-balance sheet exposures	9,734	2	2	-	-	(3)	-
080	*UK*	2,167	-	-	-	-	*(1)*	-
090	*RoI*	114	-	-	-	-	-	-
100	*Other Western Europe*	2,358	2	2	-	-	*(2)*	-
110	*US*	3,912	-	-	-	-	-	-
120	*Other countries*	*1,183*	-	-	-	-	-	-
130	Total	46,072	27	27	35,613	(38)	(3)	-

(1) The geographical breakdown disclosed is based on combined on and off-balance sheet exposures and represent 89% (2024 – 89%) of total exposure.
(2) Exposures classified as held-for-trading are excluded from the table in accordance with FINREP definitions. Cash balances at central banks and other demand deposits are also excluded.

UK CQ5: Credit quality of loans and advances by industry

The table below shows gross carrying amount of performing and non-performing exposures to non-financial corporations and the related accumulated impairment, provisions, and accumulated change in fair value due to credit risk by industry.

		a	b	c	d	e	f
31 December 2025		Gross carrying amount £m	Of which: non-performing £m	Of which: defaulted £m	Of which: loans and advances subject to impairment £m	Accumulated impairment £m	Accumulated negative changes in fair value due to credit risk on non-performing exposures £m
010	Agriculture, forestry and fishing	-	-	-	-	-	-
020	Mining and quarrying	38	1	1	1	(1)	-
030	Manufacturing	16	3	3	3	(3)	-
040	Electricity, gas, steam and air conditioning supply	-	-	-	-	-	-
050	Water supply	-	-	-	-	-	-
060	Construction	2	2	2	2	(2)	-
070	Wholesale and retail trade	48	3	3	41	(4)	-
080	Transport and storage	9	8	8	9	(1)	-
090	Accommodation and food service activities	-	-	-	-	-	-
100	Information and communication	60	-	-	52	(2)	-
110	Financial and insurance activities	-	-	-	-	-	-
120	Real estate activities	42	1	1	1	-	-
130	Professional, scientific and technical activities	13	4	4	4	(3)	-
140	Administrative and support service activities	-	-	-	-	-	-
150	Public administration and defence, compulsory social security	-	-	-	-	-	-
160	Education	-	-	-	-	-	-
170	Human health services and social work activities	22	-	-	22	-	-
180	Arts, entertainment and recreation	-	-	-	-	-	-
190	Other services	-	-	-	-	-	-
200	Total	250	22	22	135	(16)	-

UK CQ5: Credit quality of loans and advances by industry continued

		a	b	c	d	e	f
31 December 2024		Gross carrying amount £m	Of which: non-performing £m	Of which: defaulted £m	Of which: loans and advances subject to impairment £m	Accumulated impairment £m	Accumulated negative changes in fair value due to credit risk on non-performing exposures £m
010	Agriculture, forestry and fishing	-	-	-	-	-	-
020	Mining and quarrying	1	1	1	1	(1)	-
030	Manufacturing	16	3	3	3	(3)	-
040	Electricity, gas, steam and air conditioning supply	-	-	-	-	-	-
050	Water supply	-	-	-	-	-	-
060	Construction	3	2	2	3	(2)	-
070	Wholesale and retail trade	60	4	4	47	(3)	-
080	Transport and storage	8	8	8	8	(1)	-
090	Accommodation and food service activities	-	-	-	-	-	-
100	Information and communication	28	-	-	-	-	-
110	Financial and insurance activities	-	-	-	-	-	-
120	Real estate activities	62	3	3	19	(1)	-
130	Professional, scientific and technical activities	47	4	4	4	(4)	-
140	Administrative and support service activities	9	-	-	-	-	-
150	Public administration and defence, compulsory social security	-	-	-	-	-	-
160	Education	-	-	-	-	-	-
170	Human health services and social work activities	24	-	-	22	-	-
180	Arts, entertainment and recreation	8	-	-	-	-	-
190	Other services	-	-	-	-	-	-
200	Total	266	25	25	107	(15)	-

(1) Exposures classified as held-for-trading are excluded from the table in accordance with FINREP definitions.

UK CR1: Performing and non-performing exposures and related provisions

The table below shows gross carrying amount of performing and non-performing exposures and the related accumulated impairment, provisions, accumulated change in fair value due to credit risk, accumulated partial write-off and collateral and financial guarantees received by portfolio and exposure class.

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions							Collateral and financial guarantees received	
		Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions			Accumulated partial write-off	On performing exposures	On non-performing exposures
31 December 2025		Total £m	Of which: Stage 1 £m	Of which: Stage 2 £m	Total £m	Of which: Stage 2 £m	Of which: Stage 3 £m	Total £m	Of which: Stage 1 £m	Of which: Stage 2 £m	Total £m	Of which: Stage 2 £m	Of which: Stage 3 £m	£m	£m	£m
005	Cash balances at central banks and other demand deposits	9,631	9,631	-	-	-	-	-	-	-	-	-	-	-	-	-
010	Loans and advances	24,922	24,770	107	22	-	22	(17)	(15)	(2)	(14)	-	(14)	-	4,634	8
020	*Central banks*	276	276	-	-	-	-	-	-	-	-	-	-	-	-	-
030	*General governments*	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-
040	*Credit institutions*	936	936	-	-	-	-	(1)	(1)	-	-	-	-	-	-	-
050	*Other financial corporations*	23,479	23,427	52	-	-	-	(14)	(14)	-	-	-	-	-	4,612	-
060	*Non-financial corporations*	228	131	55	22	-	22	(2)	-	(2)	(14)	-	(14)	-	22	8
070	*Of which: SMEs*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
080	*Households*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
090	Debt securities	17,374	17,373	-	-	-	-	(8)	(8)	-	-	-	-	-	83	-
100	*Central banks*	184	184	-	-	-	-	-	-	-	-	-	-	-	-	-
110	*General governments*	4,043	4,043	-	-	-	-	(1)	(1)	-	-	-	-	-	-	-
120	*Credit institutions*	1,310	1,310	-	-	-	-	-	-	-	-	-	-	-	-	-
130	*Other financial corporations*	11,837	11,836	-	-	-	-	(7)	(7)	-	-	-	-	-	83	-
140	*Non-financial corporations*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
150	Off-balance sheet exposures	9,509	9,198	311	2	-	2	(3)	(1)	(2)	(1)	-	(1)		377	-
160	*Central banks*	-	-	-	-	-	-	-	-	-	-	-	-		-	-
170	*General governments*	37	37	-	-	-	-	-	-	-	-	-	-		-	-
180	*Credit institutions*	360	360	-	-	-	-	-	-	-	-	-	-		-	-
190	*Other financial corporations*	8,488	8,376	112	1	-	1	(1)	(1)	-	-	-	-		346	-
200	*Non-financial corporations*	624	425	199	1	-	1	(2)	-	(2)	(1)	-	(1)		31	-
210	*Households*	-	-	-	-	-	-	-	-	-	-	-	-		-	-
220	Total	*61,436*	*60,972*	*418*	*24*	-	*24*	*(28)*	*(24)*	*(4)*	*(15)*	-	*(15)*	-	*5,094*	*8*

UK CR1: Performing and non-performing exposures and related provisions continued

	Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions								
	Performing exposures			Non-performing exposures			Performing exposures – accumulated impairment and provisions			Non-performing exposures – accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions			Accumulated partial write-off	Collateral and financial guarantees received	
	Total	*Of which: Stage 1*	*Of which: Stage 2*	Total	*Of which: Stage 2*	*Of which: Stage 3*	Total	*Of which: Stage 1*	*Of which: Stage 2*	Total	*Of which: Stage 2*	*Of which: Stage 3*		On performing exposures	On non-performing exposures
31 December 2024	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
005 Cash balances at central banks and other demand deposits	11,511	11,511	-	-	-	-	(2)	(2)	-	-	-	-	-	-	-
010 Loans and advances	20,159	19,859	253	25	-	25	(15)	(12)	(3)	(15)	-	(15)	-	3,612	10
020 *Central banks*	682	682	-	-	-	-	-	-	-	-	-	-	-	399	-
030 *General governments*	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-
040 *Credit institutions*	1,066	1,066	-	-	-	-	(2)	(2)	-	-	-	-	-	-	-
050 *Other financial corporations*	18,167	17,935	232	-	-	-	(13)	(10)	(3)	-	-	-	-	3,163	-
060 *Non-financial corporations*	241	176	21	25	-	25	-	-		(15)	-	(15)	-	50	10
070 *Of which: SMEs*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
080 *Households*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
090 Debt securities	16,154	16,153	-	-	-	-	(8)	(8)	-	-	-	-	-	-	-
100 *Central banks*	138	138	-	-	-	-	-	-	-	-	-	-	-	-	-
110 *General governments*	3,085	3,085	-	-	-	-	-	-	-	-	-	-	-	-	-
120 *Credit institutions*	743	743	-	-	-	-	-	-	-	-	-	-	-	-	-
130 *Other financial corporations*	12,188	12,187	-	-	-	-	(8)	(8)	-	-	-	-	-	-	-
140 *Non-financial corporations*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
150 Off-balance sheet exposures	9,732	9,307	425	2	-	2	(2)	(1)	(1)	(1)	-	(1)		272	1
160 *Central banks*	-	-	-	-	-	-	-	-	-	-	-	-		-	-
170 *General governments*	40	40	-	-	-	-	-	-	-	-	-	-		-	-
180 *Credit institutions*	282	282	-	-	-	-	-	-	-	-	-	-		-	-
190 *Other financial corporations*	8,320	8,100	220	-	-	-	-	-	-	-	-	-		231	-
200 *Non-financial corporations*	1,090	885	205	2	-	2	(2)	(1)	(1)	(1)	-	(1)		41	1
210 *Households*	-	-	-	-	-	-	-	-	-	-	-	-		-	-
220 Total	*57,556*	*56,830*	*678*	*27*	-	*27*	*(27)*	*(23)*	*(4)*	*(16)*	-	*(16)*	-	*3,884*	*11*

(1) The gross non-performing loan ratio for NWM Plc is 0.09% (2024 – 0.12%). Cash balances at central banks and other demand deposits were excluded from the ratio calculation.
(2) Exposures classified as held-for-trading are excluded from the table in accordance with FINREP definitions.

UK CR1-A: Maturity of exposures

The table below shows the maturity breakdown of gross carrying amount net of related accumulated impairment, provisions, and accumulated change in fair value due to credit risk.

		a	b	c	d	e
		Net exposure value				
				> 1 year		
		On demand	<= 1 year	<= 5 years	> 5 years	Total
31 December 2025		£m	£m	£m	£m	£m
1	Loans and advances	799	8,684	12,576	2,854	24,913
2	Debt securities	-	823	6,277	10,266	17,366
3	Total	799	9,507	18,853	13,120	42,279

		a	b	c	d	e
		Net exposure value				
				> 1 year		
		On demand	<= 1 year	<= 5 years	> 5 years	Total
31 December 2024		£m	£m	£m	£m	£m
1	Loans and advances	918	5,160	10,676	3,400	20,154
2	Debt securities	-	887	5,401	9,858	16,146
3	Total	918	6,047	16,077	13,258	36,300

UK CR2: Changes in the stock of non-performing loans and advances

The table below shows movements of gross carrying amounts of non-performing loans and advances during the period.

		a
		Gross carrying amount
		£m
010	Initial stock of non-performing loans and advances at 1 January 2025	25
020	Inflows to non-performing portfolios	18
030	Outflows from non-performing portfolios	(21)
040	Outflows due to write-offs	-
050	Outflow due to other situations	(21)
060	Final stock of non-performing loans and advances at 31 December 2025	22

(1) Outflow due to other situations in the table above primarily includes outflow due to loan repayment and transfer to performing portfolio.
(2) Exposures classified as held-for-trading are excluded from the table in accordance with FINREP definitions.

UK CRB: Additional disclosure related to the credit quality of assets

IFRS 9 models

IFRS 9 models provide PD, exposure at default (EAD) and LGD for the purpose of calculating expected credit loss (ECL).

Model build

Risk ranking is normally the same as for internal ratings based (IRB) models to maintain consistency in risk measurement. Economic drivers are incorporated, normally by using stress models. Term structures are used to assess the risk of loss beyond 12 months that will affect lifetime loss for exposures which have significantly deteriorated (Stage 2) or defaulted (Stage 3).

Model application

Model application involves selecting forward-looking economic scenarios and assigning appropriate probability weights.

Model design principles

The modelling of ECL under IFRS 9 adopts the standard approach of breaking down credit loss estimation into its component parts of PD, LGD and EAD. To comply with IFRS 9, these model parameters are designed with the following characteristics:

- Unbiased – provide a best estimate.
- Point-in-time – reflecting current economic conditions as opposed to through-the-cycle.
- Economic forecasts – IFRS 9 PD estimates and, where appropriate, EAD and LGD estimates reflecting economic forecasts.
- Lifetime measurement – parameters are provided as multi-period term structures up to exposure lifetimes.

PD

PD models use a point-in-time/through-the-cycle framework to provide point-in-time estimates that reflect economic conditions at the reporting date. The framework utilises credit cycle indices across a comprehensive set of regional and industry segments.

LGD

Economic forecasts are incorporated into LGD estimates using the existing point-in-time/through-the-cycle framework. However, for some portfolios, including low-default, sovereigns and banks, there is insufficient loss data to substantiate estimates that vary with economic conditions.

EAD

EAD values rely on product-specific credit conversion factors (CCFs), closely mirroring the product segmentation and approach of the respective IRB model, but without conservative or downturn assumptions. These CCFs are estimated over multi-year time horizons.

Impairment, provisioning and write-offs

In the overall assessment of credit risk, impairment provisioning and write-offs are used as key indicators of credit quality.

Significant increase in credit risk (SICR)

Defaulted exposures are classified in Stage 3 and subject to lifetime ECL measurement. Remaining exposures are assessed for SICR since initial recognition. Where exposures are identified with SICR, they are classified in Stage 2 and assessed using a lifetime ECL measurement. Exposures not considered deteriorated are assessed with a 12-month ECL. NWM Plc applies a framework to identify deterioration, primarily based on changes in lifetime PD, supported by additional qualitative high-risk backstops.

- IFRS 9 lifetime PD assessment (the primary driver) – relies on measuring the relative deterioration in forward-looking lifetime PD and is assessed monthly. SICR is determined by comparing the residual lifetime PD at the balance sheet date with the lifetime PD at the date of initial recognition (DOIR). If the current lifetime PD exceeds the origination PD by more than a defined threshold, SICR is assumed to have occurred and the exposure moved into Stage 2 for a lifetime ECL assessment. For Non-Personal, a doubling of PD would indicate a SICR, subject to a minimum PD uplift of 0.1%.
- Qualitative high-risk backstop assessment – supplements the PD assessment to evaluate whether significant deterioration in lifetime risk of default occurred. This included the mandatory 30+ days past due backstop, as prescribed by IFRS 9 guidance, as well as other elements such as forbearance support and exposures managed within the Wholesale Problem Debt framework.

Governance

The IFRS 9 PD, EAD and LGD models are subject to NatWest Plc's model risk policy, which stipulates periodic model monitoring and re-validation and defines approval procedures and authorities according to model materiality. Post model adjustments are applied where management deemed them necessary to ensure an adequate level of overall ECL provision. All post model adjustments undergo review, challenge and approval by the relevant model or provisioning committees.

Post model adjustments will remain a key focus area of NWM Plc's ongoing ECL adequacy assessment process. A comprehensive framework has been established that incorporates analysis of diverse economic data, external benchmarks and portfolio performance trends with a particular focus on segments that may be more susceptible to specific risk factors.

Annex XVII: Credit risk mitigation

UK CR3: CRM techniques overview: Disclosure of the use of credit risk mitigation techniques

The table below shows net carrying values of credit risk exposures analysed by use of different credit risk mitigation techniques as recognised under the applicable accounting framework regardless of whether these techniques are recognised under CRR. Counterparty credit risk exposures are excluded.

		a	b	c	d	e
31 December 2025		**Unsecured carrying amount £m**	**Secured carrying amount £m**	**Of which: secured by collateral £m**	**Of which: secured by financial guarantees £m**	**Of which: secured by credit derivatives £m**
1	Loans and advances	**29,621**	**4,923**	**3,485**	**1,157**	**-**
2	Debt securities	**17,274**	**92**	**-**	**83**	**-**
3	Total	**46,895**	**5,015**	**3,485**	**1,240**	**-**
4	*Of which: non-performing exposures*	***-***	***8***	***-***	***8***	***-***
5	*Of which: defaulted*	***-***	***8***	***-***	***8***	***-***

		a	b	c	d	e
31 December 2024		Unsecured carrying amount £m	Secured carrying amount £m	Of which: secured by collateral £m	Of which: secured by financial guarantees £m	Of which: secured by credit derivatives £m
1	Loans and advances	27,817	3,846	3,504	118	-
2	Debt securities	16,146	-	-	-	-
3	Total	43,963	3,846	3,504	118	-
4	*Of which: non-performing exposures*	-	*10*	*3*	*7*	-
5	*Of which: defaulted*	-	*10*	*3*	*7*	-

(1) Exposures classified as held-for-trading are excluded from the table in accordance with FINREP definitions and Basel disclosure requirements.

UK CRC: Qualitative disclosure requirements related to CRM techniques

Credit risk mitigation

Credit risk mitigation (CRM) is defined as the use of collateral or guarantees to reduce potential loss if a customer fails to settle all or part of its obligations to NWM Plc. The application of CRM depends on which approach (standardised or IRB) is used to calculate RWAs related to a credit exposure.

Recognition of CRM under the standardised approach is carried out in accordance with regulatory requirements and entails the reduction of EAD (netting and financial collateral) or the adjustment of risk-weights (in the case of real estate), third- party guarantees and/or credit derivatives. Under the IRB approach, a wider scope of collateral can be recognised.

NWM Plc uses a number of credit risk mitigation approaches. Mitigation techniques outlined in the credit risk toolkits and transactional acceptance standards are applied in managing credit portfolios across NWM Plc. These techniques mitigate credit concentrations related to individual customers, borrower groups or a collection of related borrowers. Where possible, customer credit balances are netted against obligations. Mitigation tools may involve structuring security interests in physical or financial assets, using credit derivatives such as credit default swaps, credit-linked debt instruments and securitisation structures, and utilising guarantees or similar instruments (including credit insurance) from related and third parties.

When seeking to mitigate risk, at a minimum NWM Plc considers the following:

- Suitability of the proposed risk mitigation, particularly if restrictions apply.
- The means by which legal certainty is to be established, including required documentation, supportive legal opinions and the steps needed to establish legal rights.
- Acceptability of the methodologies to be used for initial and subsequent valuation of collateral, the frequency of valuations.
- Actions which can be taken if the value of collateral or other mitigants is less than needed.
- The risk that the value of mitigants and counterparty credit quality will deteriorate simultaneously.
- The need to manage concentration risks arising from collateral types.
- The need to ensure that any risk mitigation remains legally effective and enforceable.

The business and credit teams are supported by specialist in-house documentation teams. NWM Plc uses industry-standard loan and security documentation wherever possible. However, when non-standard documentation is used, external lawyers are employed to review the documentation on a case-by-case basis. Mitigants (including any associated insurance) are monitored throughout the life of the transaction to ensure they perform as anticipated. Similarly, documentation is also monitored to ensure it remains enforceable.

NWM Plc mitigates credit risk relating to customers through the use of netting, collateral and market standard documentation, depending on the nature of the counterparty and its assets. The most common types of mitigation are:

- Commercial real estate.
- Other physical assets – Including stock, plant, equipment, machinery, vehicles, ships and aircraft. Such assets are suitable collateral only if NWM Plc can identify, locate, and segregate them from other assets on which it does not have a claim. NWM Plc values physical assets in a variety of ways, depending on the type of asset and may rely on balance sheet valuations in certain cases.
- Receivables – These are amounts owed to NWM Plc's counterparties by their own customers. Valuation takes into account the quality of the counterparty's receivable management processes and excludes any that are past due.

All collateral is assessed, case by case, independently of the provider to ensure that it is suitable security for the proposed loan. NWM Plc monitors the value of the collateral and, if there is a shortfall, will review the position, which may lead to seeking additional collateral.

Annex XIX: Credit risk – standardised approach

UK CR4: standardised approach – Credit risk exposure and CRM effects

The table below shows the effect of CRM techniques on credit risk exposures under the standardised approach. It shows exposures both pre and post CRM and CCFs as well as associated RWAs and RWA density, split by exposure class. It excludes counterparty credit risk and securitisations.

		a	b	c	d	e	f
		Exposures pre CCF and CRM		Exposures post CCF and CRM		RWAs and RWAs density	
31 December 2025		**On-balance sheet £m**	**Off-balance sheet £m**	**On-balance sheet £m**	**Off-balance sheet £m**	**RWA £m**	**RWA density %**
1	Central governments or central banks	**7,640**	**-**	**7,640**	**-**	**20**	**-**
2	Regional governments or local authorities	**-**	**-**	**-**	**-**	**-**	**-**
3	Public sector entities	**-**	**-**	**-**	**-**	**-**	**-**
4	Multilateral development banks	**1,310**	**-**	**1,310**	**-**	**-**	**-**
5	International organisations	**-**	**-**	**-**	**-**	**-**	**-**
6	Institutions	**426**	**346**	**426**	**191**	**284**	**46**
7	Corporates	**2,129**	**987**	**2,129**	**483**	**1,004**	**38**
8	Retail	**-**	**-**	**-**	**-**	**-**	**-**
9	Secured by mortgages on immovable property	**-**	**-**	**-**	**-**	**-**	**-**
10	Exposures in default	**-**	**-**	**-**	**-**	**-**	**-**
11	Items associated with particularly high risk	**-**	**-**	**-**	**-**	**-**	**-**
12	Covered bonds	**-**	**-**	**-**	**-**	**-**	**-**
13	Institutions and corporates with a short-term	**-**	**-**	**-**	**-**	**-**	**-**
	credit assessment	**-**	**-**	**-**	**-**	**-**	**-**
14	Collective investment undertakings	**-**	**-**	**-**	**-**	**-**	**-**
15	Equity	**557**	**-**	**557**	**-**	**1,394**	**250**
16	Other items	**7**	**-**	**7**	**-**	**-**	**-**
17	Total	**12,069**	**1,333**	**12,069**	**674**	**2,702**	**21**

		a	b	c	d	e	f
		Exposures pre CCF and CRM		Exposures post CCF and CRM		RWAs and RWAs density	
31 December 2024		On-balance sheet £m	Off-balance sheet £m	On-balance sheet £m	Off-balance sheet £m	RWA £m	RWA density %
1	Central governments or central banks	8,344	-	8,344	-	-	-
2	Regional governments or local authorities	-	-	-	-	-	-
3	Public sector entities	-	-	-	-	-	-
4	Multilateral development banks	927	-	927	-	-	-
5	International organisations	-	-	-	-	-	-
6	Institutions	707	252	707	102	311	38
7	Corporates	1,724	1,091	1,724	547	920	41
8	Retail	-	-	-	-	-	75
9	Secured by mortgages on immovable property	-	-	-	-	-	-
10	Exposures in default	2	-	2	-	4	150
11	Items associated with particularly high risk	-	-	-	-	-	-
12	Covered bonds	-	-	-	-	-	-
13	Institutions and corporates with a short-term credit assessment	-	-	-	-	-	-
14	Collective investment undertakings	-	-	-	-	-	-
15	Equity	576	-	576	-	1,371	238
16	Other items	-	-	-	-	-	100
17	Total	12,280	1,343	12,280	649	2,606	20

Annex XXI: Credit risk – IRB approach

UK CR7: IRB approach – Effect on the RWEAs of credit derivatives used as CRM techniques

The table below shows the effect of credit derivatives on the calculation of IRB approach capital requirements by AIRB exposure class. The table excludes counterparty credit risk, securitisations, equity exposures and non-credit obligation assets.

		a	b	a	b
		31 December 2025		31 December 2024	
		Pre-credit derivatives RWAs	**Actual RWAs**	Pre-credit derivatives RWAs	Actual RWAs
		£m	**£m**	£m	£m
5	Exposures under AIRB	**3,958**	**3,958**	3,019	3,019
6	Central governments and central banks	**442**	**442**	354	354
7	Institutions	**87**	**87**	69	69
8	Corporates	**3,429**	**3,429**	2,596	2,596
8.1	*Of which: SME*	**-**	**-**	-	-
8.3	*Of which: Other*	***3,429***	***3,429***	*2,596*	*2,596*
9	Retail	**-**	**-**	-	-
9.1	*Of which: Secured by real estate SME - Secured by immovable property collateral*	**-**	**-**	-	-
9.2	*Of which: Secured by real estate non-SME - Secured by immovable property collateral*	**-**	**-**	-	-
9.3	*Of which: Qualifying revolving*	**-**	**-**	-	-
9.4	*Of which: Other SME*	**-**	**-**	-	-
9.5	*Of which: Other non-SME*	**-**	**-**	-	-
10	Total	**3,958**	**3,958**	3,019	3,019

(1) Rows 1 - 4.2 are not presented as NatWest Group does not use FIRB to calculate capital requirements for IRB exposures.
(2) Specialised lending exposures under the slotting approach are excluded.

UK CR7-A: IRB approach – Disclosure of the extent of the use of CRM techniques

The table below provides a view of the CRR credit risk mitigation techniques used in the capital requirements calculation for IRB exposures. These are presented by AIRB exposure class only as NWM Plc does not apply the FIRB method. The table excludes counterparty credit risk, securitisations and non-credit obligation assets.

	A-IRB		Credit risk mitigation techniques												
			Funded credit protection (FCP)									Unfunded credit protection (UFCP)		Credit risk mitigation methods in the calculation of RWEAs	
		Total exposures £m	Part of exposures covered by financial collaterals %	Part of exposures covered by other eligible collaterals %	Part of exposures covered by immovable property collaterals %	Part of exposures covered by receivables %	Part of exposures covered by other physical collaterals %	Part of exposures covered by other funded credit protection %	Part of exposures covered by cash on deposit %	Part of exposures covered by life insurance policies %	Part of exposures covered by instruments held by a third party %	Part of exposures covered by guarantees %	Part of exposures covered by credit derivatives %	RWA post all CRM assigned to the obligor exposures class £m	RWA with substitution effects £m
	31 December 2025	a	b	c	d	e	f	g	h	i	j	k	l	m	n
1	Central governments and central banks	**6,606**	-	-	-	-	-	-	-	-	-	-	-	**442**	**442**
2	Institutions	**264**	-	-	-	-	-	-	-	-	-	-	-	**87**	**87**
3	Corporates	**16,348**	-	**0.35**	**0.35**	-	**0.01**	-	-	-	-	**0.73**	-	**3,429**	**3,429**
3.1	*Of which: SME*	**2**	-	-	-	-	-	-	-	-	-	-	-	-	-
3.3	*Of which: Other*	**16,346**	-	**0.35**	**0.35**	-	**0.01**	-	-	-	-	**0.73**	-	**3,429**	**3,429**
4	Retail	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.1	*Of which: Immovable property SME*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.2	*Of which: Immovable property non-SME*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.3	*Of which: Qualifying revolving*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.4	*Of which: Other SME*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.5	*Of which: Other non-SME*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Total	**23,218**	-	**0.25**	**0.24**	-	-	-	-	-	-	**0.51**	-	**3,958**	**3,958**

UK CR7-A: IRB approach – Disclosure of the extent of the use of CRM techniques continued

A-IRB		Credit risk mitigation techniques												
		Funded credit protection (FCP)									Unfunded credit protection (UFCP)		Credit risk mitigation methods in the calculation of RWEAs	
	Total exposures	Part of exposures covered by financial collaterals	Part of exposures covered by other eligible collaterals	Part of exposures covered by immovable property collaterals	Part of exposures covered by receivables	Part of exposures covered by other physical collaterals	Part of exposures covered by other funded credit protection	Part of exposures covered by cash on deposit	Part of exposures covered by life insurance policies	Part of exposures covered by instruments held by a third party	Part of exposures covered by guarantees	Part of exposures covered by credit derivatives	RWEA post all CRM assigned to the obligor exposures class	RWEA with substitution effects
	£m	%	%	%	%	%	%	%	%	%	%	%	£m	£m
31 December 2025	a	b	c	d	e	f	g	h	i	j	k	l	m	n
6 Specialised lending under the slotting approach	**236**												**242**	**242**
7 Equity Exposures	**52**												**193**	**193**
8 Total	**288**												**435**	**435**

UK CR7-A: IRB approach – Disclosure of the extent of the use of CRM techniques continued

A-IRB		Credit risk mitigation techniques												
		Funded credit protection (FCP)									Unfunded credit protection (UFCP)		Credit risk mitigation methods in the calculation of RWEAs	
	Total exposures	Part of exposures covered by financial collaterals	Part of exposures covered by other eligible collaterals	Part of exposures covered by immovable property collaterals	Part of exposures covered by receivables	Part of exposures covered by other physical collaterals	Part of exposures covered by other funded credit protection	Part of exposures covered by cash on deposit	Part of exposures covered by life insurance policies	Part of exposures covered by instruments held by a third party	Part of exposures covered by guarantees	Part of exposures covered by credit derivatives	RWA post all CRM assigned to the obligor exposures class	RWA with substitution effects
	£m	%	%	%	%	%	%	%	%	%	%	%	£m	£m
31 December 2024	a	b	c	d	e	f	g	h	i	j	k	l	m	n
1 Central governments and central banks	6,151	-	-	-	-	-	-	-	-	-	-	-	354	354
2 Institutions	232	-	-	-	-	-	-	-	-	-	-	-	69	69
3 Corporates	13,186	0.01	0.44	0.43	-	0.01	-	-	-	-	0.12	-	2,596	2,596
3.1 *Of which: SME*	*2*	-	-	-	-	-	-	-	-	-	-	-	-	-
3.3 *Of which: Other*	*13,184*	0.01	0.44	0.43	-	0.01	-	-	-	-	0.12	-	2,596	2,596
4 Retail	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.1 *Of which: Immovable property SME*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.2 *Of which: Immovable property non-SME*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.3 *Of which: Qualifying revolving*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.4 *Of which: Other SME*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4.5 *Of which: Other non-SME*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5 Total	19,569	-	0.30	0.29	-	—	-	-	-	-	0.08	-	3,019	3,019

UK CR7-A: IRB approach – Disclosure of the extent of the use of CRM techniques continued

A-IRB		Credit risk mitigation techniques												
		Funded credit protection (FCP)									Unfunded credit protection (UFCP)		Credit risk mitigation methods in the calculation of RWEAs	
	Total exposures £m	Part of exposures covered by financial collaterals %	Part of exposures covered by other eligible collaterals %	Part of exposures covered by immovable property collaterals %	Part of exposures covered by receivables %	Part of exposures covered by other physical collaterals %	Part of exposures covered by other funded credit protection %	Part of exposures covered by cash on deposit %	Part of exposures covered by life insurance policies %	Part of exposures covered by instruments held by a third party %	Part of exposures covered by guarantees %	Part of exposures covered by credit derivatives %	RWEA post all CRM assigned to the obligor exposures class £m	RWEA with substitution effects £m
31 December 2024	a	b	c	d	e	f	g	h	i	j	k	l	m	n
6 Specialised lending under the slotting approach	211												152	152
7 Equity Exposures	5												14	14
8 Total	216												166	166

Annex XXIII: Specialised lending

UK CR10: Specialised lending and equity exposures under the simple risk-weighted approach

The table below shows specialised lending exposures subject to the supervisory slotting approach analysed by type of lending and regulatory category. NWM Plc does not have object finance and commodities finance and equity exposures; therefore, those are not presented separately.

CR10.1

		a	b	c	d	e	f
		Specialised lending: Project finance (slotting approach)					
		On-balance sheet exposure	Off-balance sheet exposure	Risk-weight	Exposure value	Risk-weighted exposure amount	Expected loss amount
31 December 2025	Remaining maturity	£m	£m	%	£m	£m	£m
Category 1	Less than 2.5 years	13	-	50%	13	6	-
	Equal to or more than 2.5 years	317	7	70%	323	189	1
Category 2	Less than 2.5 years	1	-	70%	1	-	-
	Equal to or more than 2.5 years	52	-	90%	52	37	-
Category 3	Less than 2.5 years	-	-	115%	-	-	-
	Equal to or more than 2.5 years	140	32	115%	165	188	5
Category 4	Less than 2.5 years	-	-	250%	-	-	-
	Equal to or more than 2.5 years	-	-	250%	-	-	-
Category 5	Less than 2.5 years	1	-	-	1	-	1
	Equal to or more than 2.5 years	-	-	-	-	-	-
Total	Less than 2.5 years	15	-	-	15	6	1
	Equal to or more than 2.5 years	509	39	-	540	414	6

		a	b	c	d	e	f
		Specialised lending : Project finance (Slotting approach)					
		On-balance sheet exposure	Off-balance sheet exposure	Risk-weight	Exposure value	Risk-weighted exposure amount	Expected loss amount
31 December 2024	Remaining maturity	£m	£m	%	£m	£m	£m
Category 1	Less than 2.5 years	28	-	50%	28	11	-
	Equal to or more than 2.5 years	294	14	70%	308	174	1
Category 2	Less than 2.5 years	-	-	70%	-	-	-
	Equal to or more than 2.5 years	151	4	90%	155	107	1
Category 3	Less than 2.5 years	-	-	115%	-	-	-
	Equal to or more than 2.5 years	-	-	115%	-	-	-
Category 4	Less than 2.5 years	-	-	250%	-	-	-
	Equal to or more than 2.5 years	2	-	250%	2	3	-
Category 5	Less than 2.5 years	1	-	-	1	-	1
	Equal to or more than 2.5 years	-	-	-	-	-	-
Total	Less than 2.5 years	29	-	-	29	11	1
	Equal to or more than 2.5 years	447	18	-	465	284	2

UK CR10: Specialised lending and equity exposures under the simple risk-weighted approach continued

CR10.2

		a	b	c	d	e	f
		Specialised lending: Income-producing real estate and high volatility commercial real estate (slotting approach)					
		On-balance sheet exposure	Off-balance sheet exposure	Risk-weight	Exposure value	Risk-weighted exposure amount	Expected loss amount
31 December 2025	Remaining maturity	£m	£m	%	£m	£m	£m
Category 1	Less than 2.5 years	26	-	50%	26	13	-
	Equal to or more than 2.5 years	15	-	70%	15	10	-
Category 2	Less than 2.5 years	11	-	70%	11	7	-
	Equal to or more than 2.5 years	46	4	90%	51	44	1
Category 3	Less than 2.5 years	-	-	115%	-	-	-
	Equal to or more than 2.5 years	-	-	115%	-	-	-
Category 4	Less than 2.5 years	-	-	250%	-	-	-
	Equal to or more than 2.5 years	2	-	250%	2	4	-
Category 5	Less than 2.5 years	2	-	-	2	-	1
	Equal to or more than 2.5 years	-	-	-	-	-	-
Total	Less than 2.5 years	39	-	-	39	20	1
	Equal to or more than 2.5 years	63	4	-	68	58	1

		Specialised lending : Income-producing real estate and high volatility commercial real estate (Slotting approach)					
		On-balance sheet exposure	Off-balance sheet exposure	Risk-weight	Exposure value	Risk-weighted exposure amount	Expected loss amount
		a	b	c	d	e	f
31 December 2024	Remaining maturity	£m	£m	%	£m	£m	£m
Category 1	Less than 2.5 years	4	-	50%	4	2	-
	Equal to or more than 2.5 years	9	-	70%	9	7	-
Category 2	Less than 2.5 years	5	-	70%	5	4	-
	Equal to or more than 2.5 years	52	4	90%	57	50	1
Category 3	Less than 2.5 years	-	-	115%	-	-	-
	Equal to or more than 2.5 years	-	-	115%	-	-	-
Category 4	Less than 2.5 years	-	-	250%	-	-	-
	Equal to or more than 2.5 years	2	-	250%	2	5	-
Category 5	Less than 2.5 years	5	-	-	5	-	3
	Equal to or more than 2.5 years	-	-	-	-	-	-
Total	Less than 2.5 years	14	-	-	14	6	3
	Equal to or more than 2.5 years	63	4	-	68	62	1

UK CR10: Specialised lending and equity exposures under the simple risk-weighted approach continued

CR10.5

	a	b	c	d	e	f
	Equity exposures under the simple risk-weighted approach					
	On-balance sheet exposure	Off-balance sheet exposure	Risk-weight	Exposure value	Risk-weighted exposure amount	Expected loss amount
31 December 2025	£m	£m	%	£m	£m	£m
Private equity exposures	-	-	190%	-	-	-
Exchange-traded equity exposures	-	-	290%	-	-	-
Other equity exposures	52	-	370%	52	193	1
Total	52	-		52	193	1

	a	b	c	d	e	f
	Equity exposures under the simple risk-weighted approach					
	On-balance sheet exposure	Off-balance sheet exposure	Risk-weight	Exposure value	Risk weighted exposure amount	Expected loss amount
	a	b	c	d	e	f
31 December 2024	£m	£m		£m	£m	£m
Private equity exposures	-	-	190%	-	-	-
Exchange-traded equity exposures	-	-	290%	-	-	-
Other equity exposures	-	-	370%	-	-	-
Total	-	-	-	-	-	-

Annex XXXIII: Remuneration

This section contains disclosures which are required in accordance with UK regulatory requirements and the Basel Committee on Banking Supervision Pillar 3 disclosure requirements. They also take into account the European Banking Authority (EBA) guidelines on sound remuneration policies. It should be read in conjunction with the Directors' remuneration report within the NatWest Group 2025 Annual Report and Accounts.

The disclosure requirements for this section is set out in the NatWest Group plc Pillar 3 Disclosure; Annex XXXIII: Remuneration (UK REMA – Remuneration policy for all colleagues); as it is also applicable to NatWest Markets Plc. The NatWest Group plc Pillar 3 Disclosure has been published at investors.natwestgroup.com/reports-archive/2025.

Remuneration of Material Risk Takers ('MRTs') - NatWest Markets Plc

The quantitative disclosures below are made in accordance with regulatory requirements in relation to 124 individuals who have been identified as MRTs for NatWest Markets Plc (NWM). These are individuals who perform their primary role for this entity. In order to ensure consistency across remuneration disclosures, we continue to exclude from the total number of MRTs, any individual who left the Group prior to year end (but their remuneration remains within the pay values reported).

You can find details of remuneration paid to MRTs in our Pillar 3 reporting for other entities within NatWest Group, at a consolidated, sub-consolidated and solo entity level, at natwestgroup.com. Note the numbers in the tables all agree to the underlying source data, but when presented to one decimal place and aggregated, this can result in small rounding differences.

All severance payments made to MRTs are included in the variable remuneration value disclosed, even when some or all of that severance does not count towards the calculation of the ratio of fixed to variable pay.

NWM has a Performance and Remuneration Committee (NWM RemCo). The NWM RemCo is expected to ensure that the remuneration policies, procedures and practices being applied are appropriate for NatWest Markets plc. The key areas of focus for the NWM RemCo includes:

- reviewing and recommending, or where appropriate ratifying, remuneration arrangements for key employees;
- providing input on the proposed bonus pool for NWM, and ensuring such proposals are adjusted for performance and risk and meet capital adequacy requirements of those entities; and
- inputting to and subsequently adopting the NatWest Group Remuneration Policy Principles.

The NWM RemCo must be able to act independently and the non-executive directors serving on it are supported by the necessary entity-specific management information in order to carry out their duties. The NWM RemCo met five times in 2025.

UK REM1 and UK REM5- Total remuneration awarded to MRTs for the financial year

		Non-executive directors	Executive directors	Other senior mngt.	Other MRTs	Other senior management and other MRTs split by business area: Investment Banking	Retail Banking	Corporate Functions	Control Functions	Total
Fixed remuneration	Total number of MRTs	5	2	15	91	-	-	-	-	113
	Other senior management - split by business area	-	-	-	-	6	-	5	4	15
	Other MRTs - split by business area	-	-	-	-	63	-	2	26	91
		£m	£m	£m	£m	£m	£m	£m	£m	£m
	Total fixed remuneration of MRTs	0.7	1.7	10.2	38.4	37.6	-	3.1	7.9	50.9
	Cash-based	0.7	1.6	9.9	38.1	37.0	-	3.1	7.9	50.2
	Share-based	-	0.1	0.3	0.3	0.6	-	-	-	0.7
Variable remuneration	Total number of MRTs	-	2	15	90	-	-	-	-	107
	Other senior management - split by business area	-	-	-	-	6	-	5	4	15
	Other MRTs - split by business area	-	-	-	-	62	-	2	26	90
		£m	£m	£m	£m	£m	£m	£m	£m	£m
	Total variable remuneration of MRTs	-	1.4	7.5	31.1	33.0	-	2.0	3.6	40.0
	Cash-based	-	0.7	3.9	15.7	16.6	-	1.0	2.1	20.3
	Of which: deferred cash	-	-	-	-	-	-	-	-	-
	Share-based (annual bonus)	-	0.7	3.6	15.4	16.4	-	1.0	1.6	19.7
	Of which: deferred shares	-	0.7	3.1	12.5	13.6	-	0.8	1.2	16.2
	Share-based (LTI awards)	-	-	-	-	-	-	-	-	-
	Of which: deferred shares	-	-	-	-	-	-	-	-	-
Total remuneration of MRTs		0.7	3.0	17.7	69.5	70.5	-	5.1	11.5	90.8

(1) The breakdown by business areas required in template UK REM5 has been combined with UK REM1 above, as permitted under regulatory guidance for the templates.
(2) Investment Banking includes Capital Markets, Sales, and Trading.
(3) Fixed remuneration consists of salaries, allowances, pension and benefit funding.
(4) Variable remuneration consists of a combination of annual bonus, Sharing in Success and PSP awards, deferred in accordance with regulatory requirements; and (where applicable) severance payments. Under the NatWest Group bonus deferral structure, immediate cash awards are limited to £2,000 per person, with a further payment of cash and shares within Year 0.
(5) PSP awards vest subject to the extent to which performance conditions are met and can result in zero payment.

UK REMA - Derogations

The regulations allow some flexibility not to apply certain requirements that would normally apply to MRTs where an individual's annual variable remuneration does not exceed £44,000 and does not represent more than one third of the individual's total annual remuneration (derogations permitted under point (b) of Article 94(3) of CRD V). We have used this flexibility to disapply MRT rules relating to deferral and delivery of awards in shares for 12 MRTs in respect of performance year 2025. Total remuneration for these individuals in 2025 was £2.08 million, of which £1.77 million was fixed pay and £0.32 million was variable pay.

UK REMA - Ratio between fixed and variable remuneration

The variable component of total remuneration for MRTs at NatWest Group is generally awarded up to 100% of the fixed component. However, this may be awarded up to 200% for use on a gradual and targeted basis. A ratio of 100% is applicable for all MRTs for entities based in an EU jurisdiction, except where country specific regulatory requirements apply. The average ratio between fixed and variable remuneration for 2025 was approximately 1 to 0.78. The majority of MRTs were based in the UK.

UK REM2 - Guaranteed awards (including 'sign-on' awards) and severance payments

Special payments	NWM Plc NEDs	NWM Plc EDs	Other senior management	Other MRTs
Guaranteed awards and sign on awards				
Number of MRTs	-	-	-	-
	£m	£m	£m	£m
Total amount	-	-	-	-
Of which: paid during the financial year that are not taken into account *in the bonus cap*	-	-	-	-
Severance payments awarded in previous periods, paid out during the financial year				
Number of MRTs	-	-	1	1
	£m	£m	£m	£m
Total amount	-	-	0.1	-
Severance payments awarded during the financial year				
Number of MRTs	-	-	1	2
	£m	£m	£m	£m
Total amount	-	-	0.2	0.1
Of which: paid during the financial year	-	-	0.2	0.1
Of which: deferred	-	-	-	-
Of which: paid during the financial year that are not taken into account *in the bonus cap*	-	-	0.2	0.1
Of which: highest payment that has been awarded to a single person	-	-	0.2	-

(1) This table reports details of new hire guarantees and severance. The disclosures do not include buy-outs or retention bonuses (where these have been granted).
(2) No severance payments in excess of contractual payments, local policies, standards, statutory amounts or amounts assessed by reference to legal risk and/or exposure to litigation were made to MRTs during the year.

UK REM3 - Outstanding deferred remuneration

The table below includes deferred remuneration awarded or paid out in 2025 relating to prior performance years.

Deferred and retained remuneration	Total amount of deferred remuneration awarded for previous performance periods £m	Of which: due to vest in the financial year £m	Of which: vesting in subsequent financial years £m	Amount of performance adjustment to deferred remuneration that was due to vest in the financial year £m	Amount of performance adjustment to deferred remuneration due to vest in future financial years £m	Total amount of adjustment during the financial year due to ex post implicit adjustments* £m	Total amount of deferred remuneration awarded before the financial year actually paid out in the financial year £m	Total amount of deferred remuneration awarded for previous performance period that has vested but is subject to retention £m
NWM NEDs - No deferred or retained remuneration held								
NWM EDs								
Cash-based	0.9	0.1	0.9	-	-	-	0.1	-
Shares or equivalent interests	1.2	0.2	1.0	-	-	1.5	0.2	0.2
Share-linked or equivalent non-cash instruments								
Other instruments or forms								
Other senior management								
Cash-based	3.1	0.6	2.5	-	-	-	0.6	-
Shares or equivalent interests	4.4	1.3	3.1	-	-	5.2	1.3	1.3
Share-linked or equivalent non-cash instruments								
Other instruments or forms								
Other MRTs								
Cash-based	10.3	3.0	7.3	-	-	-	3.0	-
Shares or equivalent interests	11.9	4.0	7.9	-	-	13.1	4.0	3.6
Share-linked or equivalent non-cash instruments								
Other instruments or forms								
Total amount	31.9	9.2	22.7	-	-	19.9	9.2	5.2

* i.e. Changes of value of deferred remuneration due to the changes of prices of instruments.

(1) Deferred remuneration reduced during the year relates to long-term incentives that lapsed when performance conditions were not met, long-term incentives and deferred awards forfeited on leaving and malus adjustments applied to prior year deferred awards and long-term incentives.

UK REM4 - Total remuneration by band for all colleagues earning >€1million

Total remuneration by band for employees earning >€1 million for 2025	Number of MRTs
€1.0 million to below €1.5 million	29
€1.5 million to below €2.0 million	10
€2.0 million to below €2.5 million	2
€2.5 million to below €3.0 million	3
€3.0 million to below €3.5 million	—
€3.5 million to below €4.0 million	—
More than €4.0 million	—
Total	44

(1) Total remuneration in the table above includes fixed pay, pension and benefit funding and variable pay (including severance, where applicable).
(2) Where applicable, the table is based on an average exchange rate of €1.1672559 to £1 for 2025.