

NatWest Group plc

Investor Factbook

FY Results 2024



Our focus is on creating sustainable long-term value for our shareholders

- Our business has delivered a strong FY'24 RoTE of 17.5%
- 6th consecutive year of lending growth: 6Y CAGR 4.3% Loans, 4.1% Deposits, 10.8% AUMA
- Increasing ordinary dividend payout ratio from 40% to 50% from 2025
- 243bps capital generation pre £4bn¹ distributions, supported by active RWA management delivered £6.8bn reduction in FY'24
- TNAV per share increased 37p to 329p vs Dec'23

1. Paid and proposed.

Delivering attractive returns to shareholders

Return on Tangible Equity
>15% in 2027

Ordinary dividend payout ratio
~50% from 2025

Surplus capital returned
via buybacks

CET1 ratio in the range of
13-14%

Our business has delivered FY'24 RoTE of 17.5%

Disciplined growth
across our businesses
with ~500k¹ new
customers

£372bn
Customer Loans²
+3.5% vs Dec'23

£431bn
Customer Deposits³
+2.9% vs Dec'23

£48.9bn
AUMA
+20% vs Dec'23

Strong returns with
attributable profit
of £4.5bn

£14.6bn
Income ex notable items⁴
vs £14.3bn in FY'23

£7.9bn
Costs⁵
vs £7.6bn in FY'23

17.5%
Return on Tangible Equity
vs 17.8% in FY'23

Delivering EPS, DPS
and TNAVps growth,
underpinned by strong
CET1 ratio 13.6%

54p
EPS
+12% vs Dec'23

21.5p
Dividend per share
+26% vs Dec'23

329p
TNAV per share
+13% vs Dec'23

1. Net new customers excluding RBS Collective Investment Funds Limited (CIFL) solo customers. 2. Gross loans across 3 businesses. 3. Customer deposits across 3 businesses. 4. Excludes notable items per slide 27 of NWG FY'24 Results presentation. 5. Costs excluding litigation and conduct.

2025 Guidance¹

Total
Income

£15.2-15.7bn²

Other operating
expenses

**~£8.1bn, incl.
~£0.1bn one-time
integration costs**

Loan
impairment rate

Below 20bps

Risk
Weighted Assets

£190-195bn

Return on
Tangible Equity

15-16%

Targets¹

2027 Return on Tangible Equity Target of >15%

**Target an ordinary dividend
payout ratio ~50%**

**Surplus capital returned
via buybacks**

CET1 ratio in the range of 13-14%

1. The guidance, targets, expectations and trends discussed in this presentation represent NatWest Group management's current expectations and are subject to change, including as a result of the factors described in the "Risk Factors" in the NWG 2024 Annual Report and Accounts. These statements constitute forward-looking statements. 2. Total Income ex notable items.

Our 2025-2027 strategic priorities to deliver returns

Disciplined growth

- **Grow our three customer businesses**, increasing total customer numbers, including proportion banking digitally
- **Improve share in target segments**, subject to returns
- **Deepen engagement** through personalisation to improve customer satisfaction including NPS
- **Continue to assess value accretive inorganic opportunities** and successfully integrate Metro Bank and Sainsbury's Bank customers

Bank-wide simplification

- **Accelerate digitisation of customer journeys** with a focus on reducing and automating end to end processes
- **Streamline and modernise our technology estate** including use of cloud to increase pace of delivery
- **Accelerate data simplification and AI deployment** to provide personalised customer propositions efficiently
- **Further simplify our operational model**, including property portfolio and legal entity structure

Active balance sheet and risk management

- **Leverage our strong capital, liquidity and funding positions** as a key source of competitive advantage
- **Drive dynamic and disciplined capital allocation** through enhanced pricing capabilities and returns management to optimise risk-reward
- **Drive strategic recycling of capital** through enhanced risk distribution capabilities to optimise returns

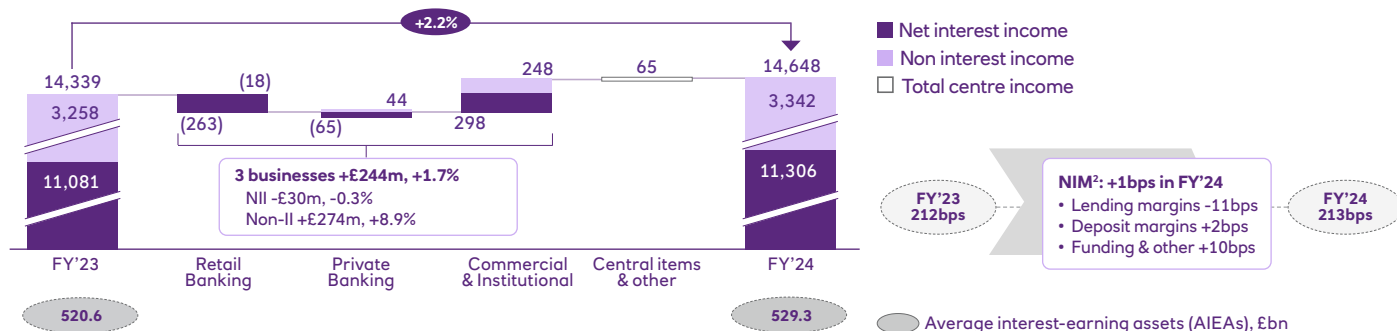
Segmental summary¹

Group FY24, £bn	Retail Banking	Private Banking	Commercial & Institutional	Central items & other	Group
Net interest income	5.2	0.6	5.3	0.1	11.3
Non-interest income	0.4	0.3	2.6	0.1	3.4
Total income	5.7	1.0	8.0	0.1	14.7
Income ex-notable items	5.7	1.0	8.0	0.1	14.6
Other operating expenses	(2.8)	(0.7)	(4.1)	(0.2)	(7.9)
Litigation and conduct	(0.1)	(0.0)	(0.2)	(0.0)	(0.3)
Operating expenses	(2.9)	(0.7)	(4.3)	(0.2)	(8.1)
Operating profit/(loss) before impairment (losses)/ releases	2.7	0.3	3.7	(0.1)	6.6
impairment (losses)/ releases	(0.3)	0.0	(0.1)	0.0	(0.4)
Operating profit/(loss)	2.4	0.3	3.6	(0.1)	6.2
£bn					
Net loans to customers – amortised cost	208.4	18.2	141.9	31.8	400.3
Customer Deposits	194.8	42.4	194.1	2.2	433.5
RWAs	65.5	11.0	104.7	2.0	183.2
Return on equity / tangible equity	19.9%	14.2%	17.2%	nm	17.5%
Cost:income ratio	50.0%	73.6%	51.8%	nm	53.4%

1. May not cast due to rounding.

Strong income momentum through year, +2.2% in 2024

Income excl. notable items¹, £m

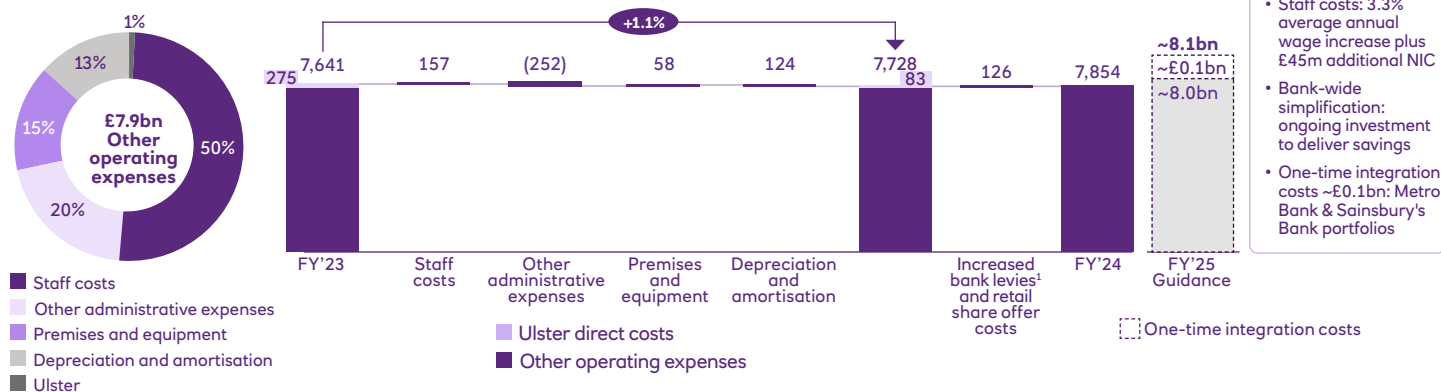


1. Excluding relevant notable income items per slide 27 of NWG FY'24 Results presentation. 2. Group Net Interest Margin = Reported Group Net Interest Income / Group Average Interest Earning Assets.

Delivered broadly stable costs

Composition of FY'24 cost base

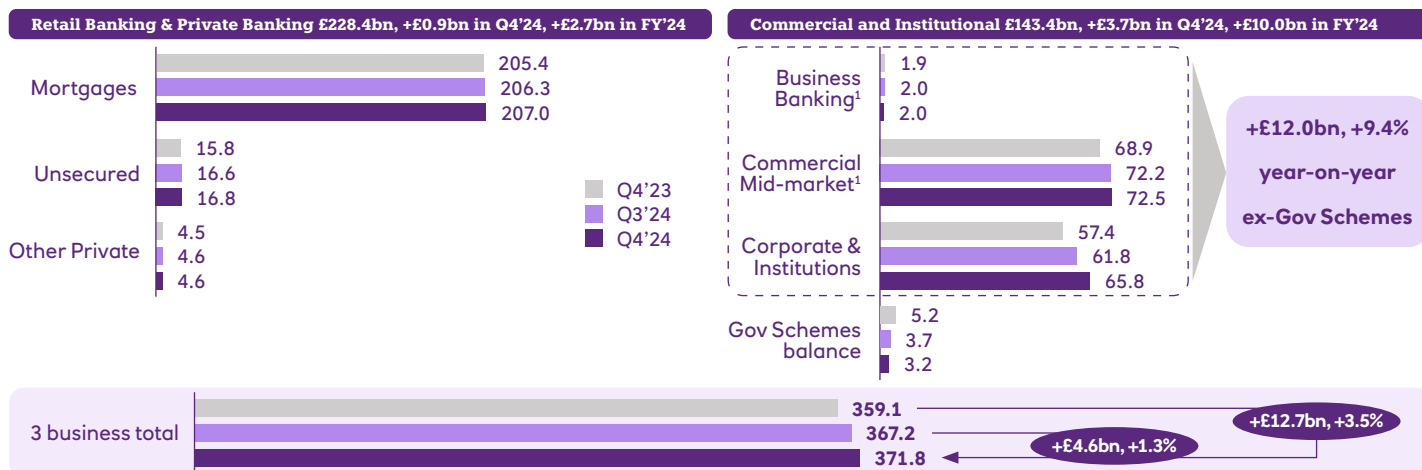
Other operating expenses, £m



1. Increase in HMRC bank levy and new Bank of England levy.

Disciplined approach to loan growth: +£13bn, +3.5% in 2024

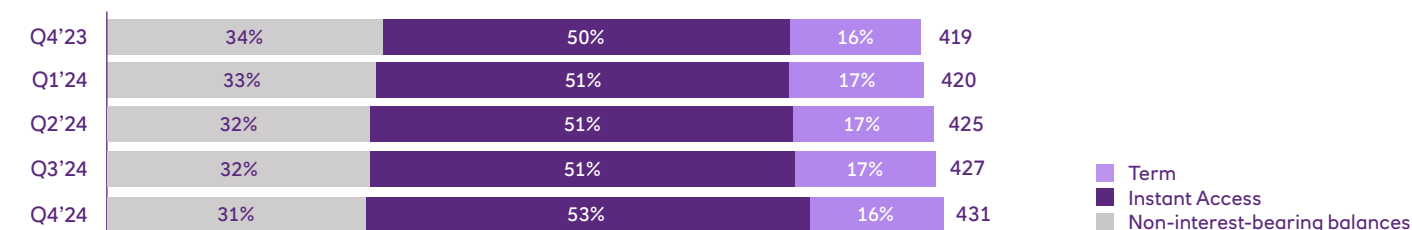
Gross loans to customers (amortised cost) at Q4'24, £bn



1. C&I total figure for Q4'24 will not cast to Financial Supplement due to rounding.

Strong deposit growth across all 3 businesses: +£12bn, +2.9% in 2024

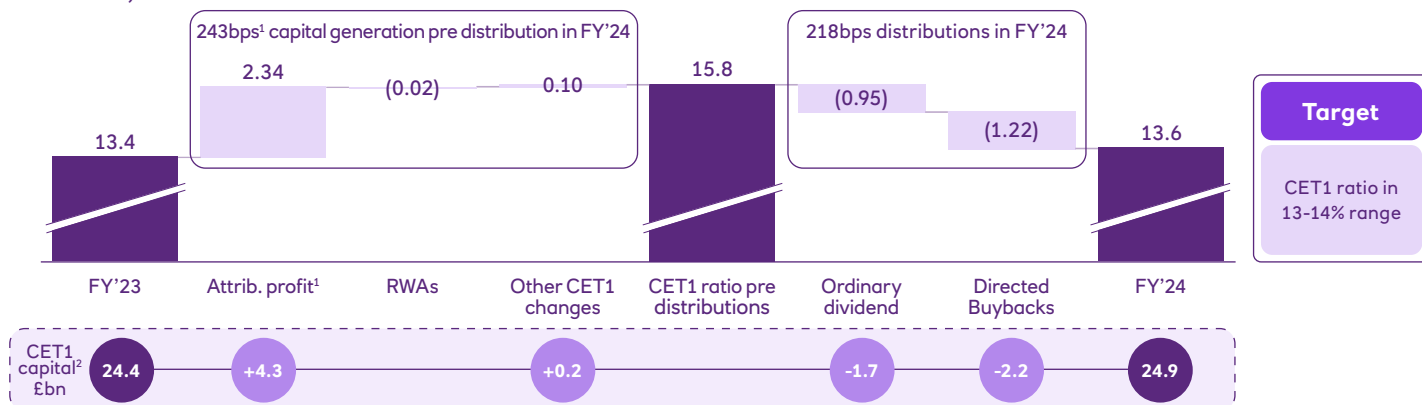
Deposit mix by interest type across the 3 customer businesses¹ %, £bn



1. Q1'24 deposit mix split doesn't add up to 100% due to rounding.

Strong capital generation supporting distributions

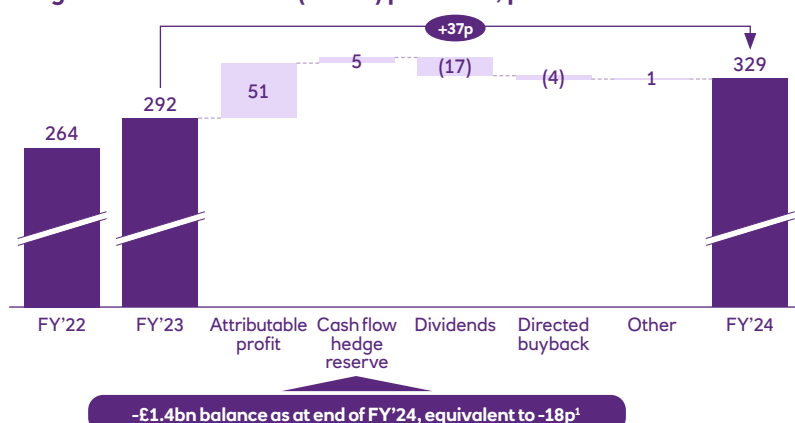
CET1 ratio, %



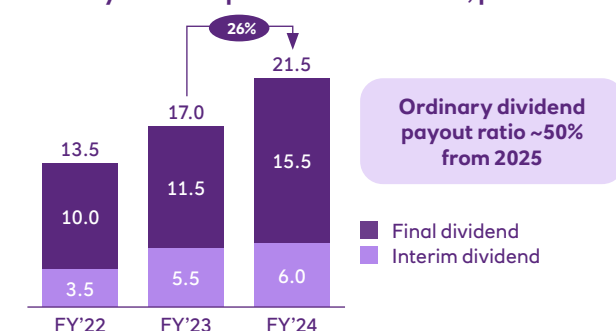
1. Attributable profit adjusted for £232m loss DTA credit. 2. May not cast due to rounding.

Creating shareholder value

Tangible Net Asset Value (TNAV) per share, pence



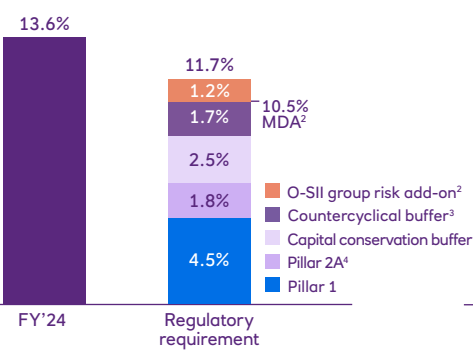
Ordinary dividend per share announced, pence



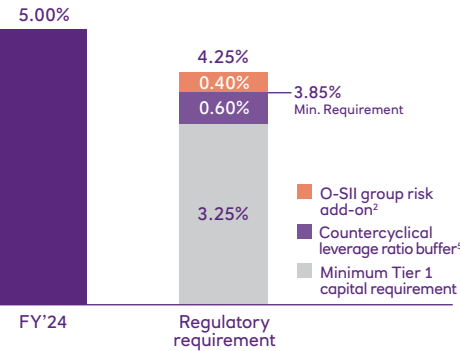
1. Based on 8,043m shares as at end of FY'24.

Strong capital and liquidity positions provide confidence and flexibility

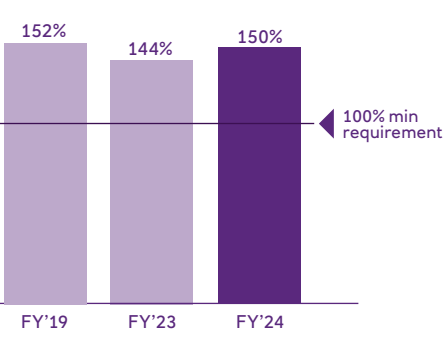
CET1 capital
(% RWA)¹



UK leverage ratio
(Tier 1 capital as % leverage exposure)



Liquidity coverage ratio (LCR)
FY'24 Headroom of £53.4bn



1. Based on assumption of static regulatory capital requirement. 2. O-SII buffer of 1.5% applies to the ring-fenced bank holding company. The equivalent O-SII Group Risk Add-on is ~1.2%. The O-SII Group Risk Add-on is included in the Group's minimum supervisory minimum. 3. Countercyclical buffer - The UK CCyB rate increased from 0% to 1% effective from 13 December 2022. A further increase from 1% to 2% was announced on 5 July 2022, effective 5 July 2023. Foreign exposures may be subject to different CCyB rates depending on the rate set in those jurisdictions. 4. Pillar 2A requirements are expected to vary over time and are subject to at least annual review. 56.25% of the total Pillar 2A requirement must be met from CET1 capital. 5. The countercyclical leverage ratio buffer is set at 35% of NatWest Group's CCyB.

Credit ratings	Moody's	S&P	Fitch
Group holding company			
NatWest Group plc	A3/Sta	BBB+/Sta	A/Pos
Tier 2 ¹	Baa1	BBB-	BBB+
AT1 ¹	Baa3	BB-	BBB-
Ring-fenced bank operating companies			
NatWest Bank Plc	A1/Sta ²	A+/Sta	A+/Pos
NatWest Bank Europe GMBH	NR	A+/Sta	A+/Pos
Royal Bank of Scotland plc	A1/Sta ²	A+/Sta	A+/Pos
Non ring-fenced bank operating companies			
NatWest Markets Plc	A1/Sta	A/Sta	A+/Pos
NatWest Markets N.V.	A1/Sta	A/Sta	A+/Pos
NatWest Markets Securities Inc	NR	A/Sta	A/Pos
RBSI Ltd	A1/Sta ³	A/Sta	A/Pos

1. Ratings are based on outstanding instruments issued by NatWest Group. Ratings as of 19/02/2025. 2. Moody's long-term Issuer and Deposit Rating. The ring-fenced bank operating companies do not issue rated senior unsecured debt. Nevertheless, Moody's assigns an Issuer Rating. The outlook on both ratings is Stable. 3. Moody's Deposit rating. Senior Unsecured Debt rating is A2. The outlook on both ratings is Stable.

ESG Rating ¹	Scale:	2021:	2022:	2023:	2024:
MSCI	AAA to CCC	AA	AA	AA	AA

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Legal entity issuing structure

