NatWest Bank Group Interim Results 2026

Interim results for the period ended 30 June 2026

NWB Group reported an attributable profit for the period of £2,356 million and a Common Equity Tier 1 (CET1) ratio of 11.2% for NWB Plc. We completed the transformational acquisition of Evelyn Partners on 30 June 2026 creating the UK's leading Private Bank and Wealth Manager.

H1 2026 performance

- Total income of £7,297 million increased by £937 million compared with H1 2025 principally due to lending growth, deposit margin expansion, and higher income from economic hedging activities, partially offset by lower mortgage margins.
- Operating expenses of £3,584 million increased by £135 million compared with H1 2025 driven primarily by transformation costs. The cost:income ratio has decreased to 49.1% compared with 54.2% in H1 2025.
- An impairment loss of £423 million, compared with £351 million in H1 2025, reflecting good book charges in Commercial & Institutional driven by multiple economic scenario (MES) updates and post model adjustments (PMA). Stage 3 charges were broadly stable.

Robust balance sheet with strong capital and liquidity levels

- Net loans to customers increased by £13.3 billion to £359.0 billion in H1 2026 due to growth in our Retail Banking mortgage book and Commercial & Institutional lending.
- Customer deposits increased by £0.2 billion to £325.3 billion in H1 2026 driven by growth in Commercial & Institutional balances, partially offset by the impact of seasonal client tax outflows.
- The loan:deposit ratio increased to 100% compared with 98% at 31 December 2025, reflecting an increase in customer lending of £13.3 billion and an increase in bank deposits of £4.8 billion.
- The CET1 ratio remained stable at 11.2% due to a £0.7 billion increase in CET1 capital offset by a £5.6 billion increase in RWAs. Total RWAs increased to £139.3 billion during the period largely reflecting lending growth in Retail Banking and Commercial & Institutional, partially offset by the benefit of RWA management actions to create capacity for growth.

Financial review

Financial performance summary

The following tables provide a segmental analysis of operating profit by the main income statement captions and a note of the key performance metrics and ratios.

	Retail Banking £m	Private Banking & Wealth Management £m	Commercial & Institutional £m	Central items & other £m	Half year ended 30 June 2026 £m	30 June 2025 £m	Variance £m	%
Net interest income	**2,680**	**393**	**2,165**	**(8)**	**5,230**	4,543	687	15%
Non-interest income	**246**	**202**	**686**	**933**	**2,067**	1,817	250	14%
Total income	**2,926**	**595**	**2,851**	**925**	**7,297**	6,360	937	15%
Operating expenses	**(1,192)**	**(376)**	**(1,172)**	**(844)**	**(3,584)**	(3,449)	(135)	4%
Profit before impairment losses/releases	**1,734**	**219**	**1,679**	**81**	**3,713**	2,911	802	28%
Impairment (losses)/releases	**(260)**	**(6)**	**(158)**	**1**	**(423)**	(351)	(72)	21%
Operating profit	**1,474**	**213**	**1,521**	**82**	**3,290**	2,560	730	29%
Tax charge					**(934)**	(706)	(228)	32%
Profit for the period					**2,356**	1,854	502	27%

Attributable to:	30 June 2026	30 June 2025
Ordinary shareholders	**2,249**	1,755
Paid-in equity holders	**106**	101
Non-controlling interests	**1**	(2)
Profit for the period	**2,356**	1,854

Key metrics and ratios	Half year ended 30 June 2026	30 June 2025
Cost:income ratio (%) (1)	**49.1**	54.2
Loan impairment rate (bps) (2)	**23**	21

	As at 30 June 2026	31 December 2025
CET1 ratio (%) (3)	**11.2**	11.2
Leverage ratio (%) (4)	**4.4**	4.2
Risk-weighted assets (RWAs) (£bn)	**139.3**	133.7
Loan:deposit ratio (%) (5)	**100**	98

(1) Cost:income ratio is total operating expenses divided by total income.
(2) Loan impairment rate is the annualised loan impairment charge divided by gross customer loans.
(3) CET1 ratio is CET1 capital divided by RWAs.
(4) Leverage ratio is Tier 1 capital divided by total exposure. This is in accordance with the Leverage ratio (CRR) part of the PRA Rulebook.
(5) Loan:deposit ratio is total net loans divided by total deposits.

Total income increased by £937 million, or 15%, to £7,297 million compared with £6,360 million in H1 2025.

Net interest income increased by £687 million, or 15%, to £5,230 million, as a result of deposit margin expansion and customer lending growth, partially offset by lower mortgage margins.

Non-interest income increased by £250 million, or 14%, to £2,067 million driven by gains from economic hedging activities, fees reflecting the accelerated recognition of back book insurance income, investment management fees as a result of assets under management and administration (AUMA) growth, and income from NatWest Group subsidiaries due to the higher cost of services being recharged.

Operating expenses increased by £135 million, or 4%, to £3,584 million. This reflects investment in staff and technology, severance spend, as we front load our transformation plans, and transaction costs for the acquisition of Evelyn Partners. These investments support our continued progress towards becoming a simpler, more agile and technology-driven bank, using our capabilities to support growth, productivity and trust. Operating expenses were also impacted by higher profit share arrangements with fellow NatWest Group subsidiaries.

Net impairment losses of £423 million, compared with losses of £351 million in H1 2025, were principally due to good book charges driven by MES updates and PMA in Commercial & Institutional. Stage 3 charges were broadly stable. The ECL provision remained stable at £3.0 billion and our ECL coverage ratio has decreased from 0.84% to 0.82%.

Financial review

Business performance summary

Retail Banking

Operating profit was £1,474 million, compared with £1,251 million in H1 2025.

- **Net interest income** increased by £190 million to £2,680 million, reflecting deposit margin expansion from higher hedge income and growth in lending balances partially offset by lower margins.
- **Non-interest income** increased by £44 million to £246 million, primarily reflecting the benefit from an annual insurance profit share and the accelerated recognition of back book insurance income.
- **Operating expenses** decreased by £30 million to £1,192 million primarily due to the non-repeat of property exit costs, partially offset by the annual wage award increase, higher Bank of England levy, and the impact of the NatWest Boxed transfer from Central items & other.
- **An impairment loss** of £260 million in H1 2026, compared with a £219 million loss in H1 2025, largely due to higher Stage 3 charges driven by growth and seasoning of the unsecured portfolio.

Total assets increased by £7.6 billion to £216.5 billion in H1 2026 driven by an increase in net loans to customers, primarily due to £7.8 billion higher mortgage balances.

Total liabilities decreased by £0.6 billion to £166.8 billion in H1 2026. Customer deposits were broadly stable, down £0.5 billion, as targeted growth in ISA balances and growth in current account balances was offset by lower instant access saving balances.

Private Banking & Wealth Management

Operating profit was £213 million, compared with £201 million in H1 2025. We completed the transformational acquisition of Evelyn Partners on 30 June 2026 creating the UK's leading Private Bank and Wealth Manager.

- **Net interest income** increased by £40 million to £393 million reflecting deposit margin expansion from hedge income benefit.
- **Non-interest income** increased by £28 million to £202 million primarily reflecting increased investment income driven by AUMA growth.
- **Operating expenses** increased by £51 million to £376 million, primarily reflecting higher investment spend, property costs, severance costs and salary costs.
- **An impairment loss** of £6 million in H1 2026, compared with a loss of £1 million in H1 2025 largely reflects higher good book releases in the prior year, with Stage 3 charges remaining at low levels.

Total assets increased by £3.6 billion to £23.2 billion in H1 2026, primarily driven by goodwill and intangible assets recognised on the acquisition of Evelyn Partners. Net loans to customers increased by £0.1 billion driven by an increase in personal lending.

Total liabilities decreased by £0.8 billion to £42.1 billion in H1 2026, driven by a reduction in current and savings account balances largely reflecting the impact of seasonal client tax outflows.

Commercial & Institutional

Operating profit was £1,521 million, compared with £1,205 million in H1 2025.

- **Net interest income** increased by £303 million to £2,165 million, primarily reflecting higher deposit income as a result of higher customer balances, hedge income, and lending growth.
- **Non-interest income** remained stable at £686 million.
- **Operating expenses** decreased by £41 million to £1,172 million, primarily reflecting continuous business simplification, partially offset by increased inflation, continued investment in the business and higher restructuring costs.
- **An impairment loss** of £158 million in H1 2026 compared with a £131 million loss in H1 2025 reflecting higher good book charges, partially offset by lower Stage 3 charges.

Total assets increased by £5.4 billion to £104.6 billion in H1 2026 driven by an increase in net loans to customers, principally due to growth in Corporate & Institutions and Commercial Mid-market, partially offset by UK Government scheme repayments of £0.6 billion.

Total liabilities increased by £2.9 billion to £131.2 billion in H1 2026 driven by an increase in customer deposits largely reflecting growth within Corporate & Institutions and Business Banking.

Central items & other

Operating profit was £82 million, compared with an operating loss of £97 million in H1 2025.

- **Total income** increased by £333 million to £925 million primarily reflecting foreign exchange recycling gains and higher gains on interest and foreign exchange risk management derivatives not in hedge accounting relationships.
- **Operating expenses** increased by £155 million to £844 million driven by investment and transformation costs, £28 million of Evelyn Partners transaction costs, higher Bank of England levy and the impact of an HMRC tax credit in the prior year, partially offset by the impact of the NatWest Boxed transfer to Retail Banking.

Financial review

Capital and leverage ratios

Capital resources, RWAs and leverage for NWB Plc are set out below and have been calculated in line with the PRA rulebook.

Capital adequacy ratios	30 June 2026 %	31 December 2025 %
CET1	**11.2**	11.2
Tier 1	**13.7**	13.4
Total	**16.8**	16.2
Capital	**£m**	£m
CET1	**15,656**	14,968
Tier 1	**19,097**	17,910
Total	**23,433**	21,701
Risk-weighted assets	**£m**	£m
Credit risk	**119,751**	114,363
Counterparty credit risk	**683**	601
Market risk	**60**	23
Operational risk	**18,762**	18,762
Total RWAs	**139,256**	133,749
Leverage (2)	**£m**	£m
Tier 1 capital (£m)	**19,097**	17,910
Leverage exposure (£m)	**436,753**	424,554
Leverage ratio (%)	**4.4**	4.2

(1) NWB Plc prudential metrics are presented on an individual CRR consolidation basis.
(2) Leverage exposure is broadly aligned to the accounting value of on and off-balance sheet exposures albeit subject to specific adjustments for derivatives, securities financing positions and off-balance sheet exposures.
(3) LCR and NSFR disclosures are reported at the UK DoLSub level and will be published in the NatWest Holdings Pillar 3 Report in August 2026. Under the UK DoLSub waiver, liquidity is managed on a consolidated sub-group basis across NWB Plc, RBS plc and Coutts & Co.

- The CET1 ratio remained static at 11.2% due to a £0.7 billion increase in CET1 capital offset by a £5.6 billion increase in RWAs. The CET1 capital increase was mainly driven by an attributable profit to ordinary shareholders of £2.2 billion and other movements on reserves offset by an increase in regulatory deductions following the acquisition of Evelyn Partners.
- NWB Plc issued a £0.5 billion internal Additional Tier 1 instrument in June 2026.
- Total RWAs increased by £5.6 billion to £139.3 billion during the period largely reflecting a net increase in credit risk RWAs of £5.4 billion. The increase credit risk RWAs was mainly driven by an increase in franchise lending growth within Retail Banking and Commercial & Institutional. Additional uplifts were driven by CRD IV model updates and risk parameter movements. These increases were partially offset by the benefit of RWA management actions.

Condensed consolidated income statement

for the period ended 30 June 2026 (unaudited)

	Half year ended	
	30 June 2026 £m	30 June 2025 £m
Interest receivable	9,950	9,334
Interest payable	(4,720)	(4,791)
Net interest income	5,230	4,543
Fees and commissions receivable	1,278	1,180
Fees and commissions payable	(320)	(289)
Other operating income	1,109	926
Non-interest income	2,067	1,817
Total income	7,297	6,360
Staff costs	(1,742)	(1,727)
Premises and equipment	(578)	(539)
Other administrative expenses	(722)	(653)
Depreciation and amortisation	(542)	(530)
Operating expenses	(3,584)	(3,449)
Profit before impairment losses	3,713	2,911
Impairment losses	(423)	(351)
Operating profit before tax	3,290	2,560
Tax charge	(934)	(706)
Profit for the period	2,356	1,854
Attributable to:		
Ordinary shareholders	2,249	1,755
Paid-in equity holders	106	101
Non-controlling interests	1	(2)
	2,356	1,854

Condensed consolidated statement of comprehensive income

for the period ended 30 June 2026 (unaudited)

	Half year ended	
	30 June 2026 £m	30 June 2025 £m
Profit for the period	2,356	1,854
Items that do not qualify for reclassification		
Remeasurement of retirement benefit schemes	10	7
Tax	(3)	(3)
	7	4
Items that do qualify for reclassification		
FVOCI financial assets	53	56
Cash flow hedges (1)	90	17
Currency translation	(16)	(4)
Tax	(40)	(21)
	87	48
Other comprehensive income after tax	94	52
Total comprehensive income for the period	2,450	1,906
Attributable to:		
Ordinary shareholders	2,343	1,807
Paid-in equity holders	106	101
Non-controlling interests	1	(2)
	2,450	1,906

(1) Refer to footnote 1 and 2 of the Condensed consolidated statement of changes in equity.

Condensed consolidated balance sheet

as at 30 June 2026 (unaudited)

	30 June 2026 £m	31 December 2025 £m
Assets		
Cash and balances at central banks	**23,943**	29,939
Derivatives	**771**	1,093
Loans to banks - amortised cost	**5,365**	4,515
Loans to customers - amortised cost	**358,987**	345,643
Amounts due from holding companies and fellow subsidiaries	**7,118**	7,186
Other financial assets	**59,289**	53,124
Other assets	**10,665**	8,039
Total assets	**466,138**	449,539
Liabilities		
Bank deposits	**37,851**	33,020
Customer deposits	**325,313**	325,069
Amounts due to holding companies and fellow subsidiaries	**62,218**	57,106
Derivatives	**593**	764
Other financial liabilities	**10,190**	5,333
Subordinated liabilities	**122**	122
Notes in circulation	**1,030**	1,049
Other liabilities	**3,231**	2,947
Total liabilities	**440,548**	425,410
Owners' equity	**25,581**	24,121
Non-controlling interests	**9**	8
Total equity	**25,590**	24,129
Total liabilities and equity	**466,138**	449,539

Condensed consolidated statement of changes in equity

for the period ended 30 June 2026 (unaudited)

	Half year ended 30 June 2026 £m	30 June 2025 £m
Called-up share capital - at beginning and end of period	**1,678**	1,678
Paid-in equity - at beginning of period	**3,181**	3,317
Redeemed	**-**	(799)
Issued	**500**	1,241
At end of period	**3,681**	3,759
Share premium account - at beginning and end of period	**2,225**	2,225
Merger reserve - at beginning of period	**2**	10
Amortisation	**-**	1
At end of period	**2**	11
FVOCI reserve - at beginning of period	**18**	(63)
Unrealised gains	**68**	57
Realised gains	**(15)**	(1)
Tax	**(15)**	(16)
At end of period	**56**	(23)
Cash flow hedging reserve - at beginning of period	**(255)**	(308)
Amount recognised in equity (1)	**150**	(102)
Reclassification of OCI to P&L (2)	**(60)**	119
Tax	**(25)**	(5)
At end of period	**(190)**	(296)
Foreign exchange reserve - at beginning of period	**(117)**	(123)
Retranslation of net assets	**(25)**	14
Foreign currency gains/(losses) on hedges of net assets	**11**	(18)
Recycled to profit or loss on disposal of businesses	**(2)**	-
At end of period	**(133)**	(127)
Capital redemption reserve - at beginning and end of period	**820**	820
Retained earnings - at beginning of period	**16,569**	15,537
Profit attributable to ordinary shareholders and other equity owners	**2,355**	1,856
Paid-in equity dividends paid	**(106)**	(101)
Ordinary dividends paid	**(2,257)**	(1,584)
Capital contribution	**885**	-
Redemption of paid-in equity	**-**	22
Remeasurement of the retirement benefit schemes		
- gross	**10**	7
- tax	**(3)**	(3)
Employee share schemes	**10**	9
Share-based remuneration	**3**	(6)
Sharing in success	**(24)**	-
Amortisation of merger reserve	**-**	(1)
Purchase of non-controlling interest	**-**	(10)
At end of period	**17,442**	15,726
Owners' equity at end of period	**25,581**	23,773

For the notes to this table refer to the following page.

Condensed consolidated statement of changes in equity

for the period ended 30 June 2026 continued (unaudited)

	Half year ended	
	30 June 2026 £m	30 June 2025 £m
Non-controlling interests - at beginning of period	**8**	25
Gain/(loss) attributable to non-controlling interests	**1**	(2)
Purchase of non-controlling interest	**-**	(11)
At end of period	**9**	12
Total equity at end of period	**25,590**	23,785
Attributable to:		
Ordinary shareholders	**21,900**	20,014
Paid-in equity holders	**3,681**	3,759
Non-controlling interests	**9**	12
	25,590	23,785

(1) The change in the cash flow hedging reserve is driven by realised accrued interest transferred to the income statement and an increase in swap rates in the period. The portfolio of hedging instruments are predominantly pay fixed swaps in the shorter tenors.
(2) The amount transferred from equity to the income statement is mostly recorded within net interest income mainly within loans to banks and customers – amortised cost, balances at central banks, bank deposits and customer deposits.

Condensed consolidated cash flow statement

for the period ended 30 June 2026 (unaudited)

	Half year ended	
	30 June 2026 £m	30 June 2025 £m
Cash flows from operating activities		
Operating profit before tax	**3,290**	2,560
Adjustments for non-cash and other items	**506**	977
Net cash flows from trading activities	**3,796**	3,537
Changes in operating assets and liabilities	**102**	4,890
Net cash flows from operating activities before tax	**3,898**	8,427
Income taxes paid	**(721)**	(828)
Net cash flows from operating activities	**3,177**	7,599
Net cash flows from investing activities	**(7,450)**	(8,666)
Net cash flows from financing activities	**(898)**	(1,009)
Effects of exchange rate changes on cash and cash equivalents	**(61)**	66
Net decrease in cash and cash equivalents	**(5,232)**	(2,010)
Cash and cash equivalents at beginning of period	**39,645**	39,130
Cash and cash equivalents at end of period	**34,413**	37,120

Notes

1. Presentation of condensed consolidated financial statements

The condensed consolidated financial statements should be read in conjunction with the NatWest Bank Plc 2025 Annual Report and Accounts. The accounting policies are the same as those applied in the consolidated financial statements except for the addition of Business combinations, noted below, resulting from the acquisition of Evelyn Partners on 30 June 2026. NatWest Bank Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

The Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7 - issued May 2024) were adopted on 1 January 2026. NatWest Bank Group has made an accounting policy election to derecognise financial liabilities before the settlement date where they are settled using electronic payment systems that satisfy the specified conditions in IFRS 9. The amendments had no material impact on the financial performance or position of NatWest Bank Group.

The directors have prepared the condensed consolidated financial statements on a going concern basis after assessing the principal risks, forecasts, projections and other relevant evidence over the twelve months from the date they are approved and in accordance with IAS 34 Interim Financial Reporting, as adopted by the UK and as issued by the International Accounting Standards Board (IASB).

Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value. Acquisition-related costs are recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee Benefits respectively; and
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 Share-based *Payment* at the acquisition date.

The excess of the sum of the consideration transferred over the fair value of the identifiable assets acquired and the liabilities assumed is recognised as goodwill.

The fair value measurement of identifiable assets acquired and liabilities assumed may be adjusted if additional information is obtained during the measurement period (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

In relation to the acquisition of Evelyn Partners, NatWest Bank Group made significant judgements in respect of valuation techniques and modelling assumptions used to determine the fair value of identifiable assets acquired and liabilities assumed.

NatWest Bank Group has applied judgement in determining the allocation of acquired goodwill to the group of cash-generating units expected to benefit from the acquisition.

Further information on the acquisition of Evelyn Partners during the current period is included in Note 2.

The estimated useful economic lives set out in the intangible assets accounting policy, would be expanded to include:

Customer relationships	13 to 14 years
Brand	10 years

Notes

2. Acquisition of Evelyn Partners

Acquisition overview

On 30 June 2026, NatWest Bank Group acquired 100% of the issued share capital of Evelyn Partners Group Limited (Evelyn Partners) for total consideration of £2.2 billion, determined by adjusting the enterprise value of £2.7 billion to reflect the cash, debt and working capital position of Evelyn Partners on acquisition date.

Evelyn Partners is a UK-based wealth management and professional services business providing investment management, financial planning and advisory services to retail, mass affluent and high-net-worth clients.

The acquisition accelerates NatWest Bank's strategy, increasing the proportion of earnings generated from capital-light, fee-based income streams.

The acquisition has been accounted for as a business combination using the acquisition method in accordance with IFRS 3 Business Combinations.

Consideration transferred

	£m
Cash consideration	**2,227**
Share-based payment awards attributable to pre-combination services	**20**
Total consideration transferred	**2,247**

Provisional fair values of identifiable net assets acquired

The fair values assigned to the identifiable assets acquired and liabilities assumed at the acquisition date are provisional and may be adjusted during the measurement period of up to 12 months from the acquisition date as permitted by IFRS 3.

A summary of the provisional fair values recognised is set out below:

	£m
Cash	**212**
Right of use assets	**43**
Property, plant and equipment	**29**
Identifiable intangible assets	**1,260**
Other assets	**157**
Borrowings	**(674)**
Deferred tax liabilities	**(299)**
Lease liabilities	**(57)**
Other liabilities	**(147)**
Net identifiable assets acquired	**524**
Goodwill recognised	**1,723**

The principal identifiable intangible assets recognised comprise:

- customer relationships;
- brand-related intangible assets; and
- technology and software assets.

The goodwill recognised is principally attributable to:

- expected revenue synergies from combining NatWest Bank Group's customer base with Evelyn Partners' wealth management and advice capabilities;
- the value of the assembled workforce and management expertise of the acquired business; and
- future growth opportunities and strategic benefits that do not meet the criteria for separate recognition as identifiable intangible assets.

None of the goodwill recognised is expected to be deductible for tax purposes.

Notes

2. Acquisition of Evelyn Partners continued

Measurement period adjustments

The purchase price allocation remains subject to refinement as NatWest Bank Group finalises the valuation of acquired intangible assets and certain provisions and tax balances.

The valuation of customer relationships and investment management contracts is sensitive to assumptions relating to:

- expected future assets under management;
- client retention;
- fee margins;
- discount rates; and
- EBITDA margin.

Any adjustments identified during the measurement period will be recognised retrospectively in accordance with IFRS 3.

Transactions accounted for separately

On acquisition date, the following transactions have been accounted for separately to the acquisition:

- external debt held by Evelyn Partners amounting to £674 million was repaid, resulting in an outflow of cash and reduction in borrowings by £674 million;
- management loans held by previous investors in Evelyn Partners amounting to £11 million were settled, resulting in a cash inflow of £11 million;
- RBS Holdings N.V. (RBSH N.V.) acquired the entire share capital of Evelyn Partners Investment Management (Europe) Limited from Evelyn Partners Group Limited for cash consideration of €13.4 million (c.£11.5 million), which was settled by NatWest Markets N.V. on behalf of RBSH N.V.

Impact on the consolidated income statement

Evelyn Partners was acquired on 30 June 2026, therefore had no contribution to the income statement of NatWest Bank Group as at 30 June 2026.

During the period, NatWest Bank Group recognised £28 million of acquisition-related costs within Operating expenses.

Impact on the consolidated balance sheet

As at the 30 June 2026, the acquisition resulted in an increase in NatWest Bank Group's:

- goodwill;
- other intangible assets; and
- other assets and liabilities associated with the acquired business.

Impact on the cash flow statement

	£m
Cash consideration paid	**2,227**
Less: cash and cash equivalents acquired	**212**
Net cash outflow on acquisition	**2,015**

The net cash outflow on acquisition is presented within investing activities in the condensed consolidated cash flow statement.

Illustrative pro forma information

Had the acquisition occurred on 1 January 2026, management estimates that NatWest Bank Group would have reported:

	£m
Total income	**7,570**
Profit after tax	**2,338**

The pro forma information is presented for illustrative purposes only and is not necessarily indicative of the results of operations that would have been achieved had the acquisition been completed on that date, nor is it intended to be a projection of future results.

In determining these amounts, management has assumed that the fair value adjustments that arose on acquisition as part of the purchase price allocation would have been the same and that the external debt would have still have been paid off immediately if the acquisition had occurred on 1 January 2026, resulting in an additional amortisation charge relating to the additional identifiable intangible assets recognised and a decrease in the interest expense recognised in relation to the external debt.

Notes

3. Net interest income

	Half year ended	
	30 June 2026 £m	30 June 2025 £m
Balances at central banks and loans to banks - amortised cost	635	769
Loans to customers - amortised cost	8,130	7,618
Amounts due from holding companies and fellow subsidiaries	114	38
Other financial assets	1,071	909
Interest receivable	9,950	9,334
Bank deposits	749	691
Customer deposits	2,563	2,807
Amounts due to holding companies and fellow subsidiaries	1,181	1,084
Other financial liabilities	222	204
Subordinated liabilities	5	5
Interest payable	4,720	4,791
Net interest income	5,230	4,543

4. Operating expenses

	Half year ended	
	30 June 2026 £m	30 June 2025 £m
Salaries and other staff costs	1,347	1,347
Temporary and contract costs	61	59
Social security costs	188	169
Pension costs	146	152
- defined benefit schemes	35	50
- defined contribution schemes	111	102
Staff costs	1,742	1,727
Premises and equipment	578	539
Depreciation and amortisation (1)	542	530
Other administrative expenses	722	653
Administrative expenses	1,842	1,722
Operating expenses	3,584	3,449

(1) Includes depreciation of right of use assets of £36 million (30 June 2025 - £39 million).

Notes

5. Segmental analysis

The business is organised into the following reportable segments: Retail Banking, Private Banking & Wealth Management, Commercial & Institutional and Central items & other.

Analysis of operating profit/(loss) before tax

The following tables provide a segmental analysis of operating profit/(loss) before tax by the main income statement captions.

Half year ended 30 June 2026	Retail Banking £m	Private Banking & Wealth Management £m	Commercial & Institutional £m	Central items & other £m	Total £m
Net interest income	**2,680**	**393**	**2,165**	**(8)**	**5,230**
Net fees and commissions	**208**	**175**	**573**	**2**	**958**
Other non-interest income	**38**	**27**	**113**	**931**	**1,109**
Total income	**2,926**	**595**	**2,851**	**925**	**7,297**
Depreciation and amortisation	**(13)**	**(1)**	**(51)**	**(477)**	**(542)**
Other operating expenses	**(1,179)**	**(375)**	**(1,121)**	**(367)**	**(3,042)**
Impairment (losses)/releases	**(260)**	**(6)**	**(158)**	**1**	**(423)**
Operating profit	**1,474**	**213**	**1,521**	**82**	**3,290**
Half year ended 30 June 2025					
Net interest income	2,490	353	1,862	(162)	4,543
Net fees and commissions	167	157	565	2	891
Other non-interest income	35	17	122	752	926
Total income	2,692	527	2,549	592	6,360
Depreciation and amortisation	-	-	(53)	(477)	(530)
Other operating expenses	(1,222)	(325)	(1,160)	(212)	(2,919)
Impairment losses	(219)	(1)	(131)	-	(351)
Operating profit/(loss)	1,251	201	1,205	(97)	2,560

Total revenue (1)

Half year ended 30 June 2026	Retail Banking £m	Private Banking & Wealth Management £m	Commercial & Institutional £m	Central items & other £m	Total £m
External	**4,932**	**642**	**3,437**	**3,326**	**12,337**
Inter-segmental	**143**	**718**	**(654)**	**(207)**	**-**
Total	**5,075**	**1,360**	**2,783**	**3,119**	**12,337**
Half year ended 30 June 2025					
External	4,523	618	3,368	2,931	11,440
Inter-segmental	147	801	(607)	(341)	-
Total	4,670	1,419	2,761	2,590	11,440

(1) Total revenue comprises interest receivable, fees and commissions receivable and other operating income.

Notes

5. Segmental analysis continued

Analysis of net fees and commissions

Half year ended 30 June 2026	Retail Banking £m	Private Banking & Wealth Management £m	Commercial & Institutional £m	Central items & other £m	Total £m
Fees and commissions receivable					
- Payment services	**155**	**19**	**285**	**-**	**459**
- Credit and debit card fees	**170**	**10**	**104**	**-**	**284**
- Lending and financing	**7**	**4**	**269**	**-**	**280**
- Brokerage	**54**	**6**	**-**	**-**	**60**
- Investment management, trustee and fiduciary services	**1**	**145**	**-**	**-**	**146**
- Other	**10**	**3**	**39**	**(3)**	**49**
Total	**397**	**187**	**697**	**(3)**	**1,278**
Fees and commissions payable	**(189)**	**(12)**	**(124)**	**5**	**(320)**
Net fees and commissions	**208**	**175**	**573**	**2**	**958**
Half year ended 30 June 2025					
Fees and commissions receivable					
- Payment services	143	20	283	-	446
- Credit and debit card fees	166	10	102	-	278
- Lending and financing	7	4	248	-	259
- Brokerage	16	5	-	-	21
- Investment management, trustee and fiduciary services	1	124	-	-	125
- Other	5	2	41	3	51
Total	338	165	674	3	1,180
Fees and commissions payable	(171)	(8)	(109)	(1)	(289)
Net fees and commissions	167	157	565	2	891

Total assets and liabilities

30 June 2026	Retail Banking £m	Private Banking & Wealth Management £m	Commercial & Institutional £m	Central items & other £m	Total £m
Assets	**216,468**	**23,179**	**104,614**	**121,877**	**466,138**
Liabilities	**166,804**	**42,132**	**131,153**	**100,459**	**440,548**
31 December 2025					
Assets	208,851	19,564	99,203	121,921	449,539
Liabilities	167,353	42,895	128,269	86,893	425,410

Notes

6. Tax

The actual tax charge differs from the expected tax charge computed by applying the standard UK corporation tax rate of 25% (2025 – 25%), as analysed below:

	Half year ended	
	30 June 2026	30 June 2025
	£m	£m
Profit before tax	**3,290**	2,560
Expected tax charge	**(823)**	(640)
Items not allowed for tax:		
- losses on disposals and write-downs	**(2)**	(6)
- UK bank levy	**(12)**	(10)
- regulatory and legal actions	**-**	(1)
- other disallowable items	**(20)**	(13)
Non-taxable items	**3**	10
Banking surcharge	**(92)**	(72)
Tax on paid-in equity dividends	**26**	33
Adjustments in respect of prior years	**(14)**	(7)
Actual tax charge	**(934)**	(706)

At 30 June 2026, NWB Group has recognised a deferred tax asset of £337 million (31 December 2025 - £415 million) and a deferred tax liability of £341 million (31 December 2025 - £63 million). These amounts include deferred tax assets recognised in respect of trading losses of £39 million (31 December 2025 - £55 million). NWB Group has considered the carrying value of these assets as at 30 June 2026 and concluded that they are recoverable.

Deferred tax liabilities of £299 million relate to the net identifiable assets acquired as part of the Evelyn Partners acquisition (refer to Note 2 for further information).

Notes

7. Financial instruments - classification

The following tables analyse financial assets and liabilities in accordance with the categories of financial instruments in IFRS 9.

	MFVTPL £m	FVOCI £m	Amortised cost £m	Other assets £m	Total £m
Assets					
Cash and balances at central banks			**23,943**		**23,943**
Derivatives (1)	**771**				**771**
Loans to banks - amortised cost (2)			**5,365**		**5,365**
Loans to customers - amortised cost (3)			**358,987**		**358,987**
Amounts due from holding companies and fellow subsidiaries	**19**		**6,857**	**242**	**7,118**
Other financial assets	**450**	**36,578**	**22,261**		**59,289**
Other assets				**10,665**	**10,665**
30 June 2026	**1,240**	**36,578**	**417,413**	**10,907**	**466,138**
Cash and balances at central banks			29,939		29,939
Derivatives (1)	1,093				1,093
Loans to banks - amortised cost (2)			4,515		4,515
Loans to customers - amortised cost (3)			345,643		345,643
Amounts due from holding companies and fellow subsidiaries	8		6,969	209	7,186
Other financial assets	639	30,167	22,318		53,124
Other assets				8,039	8,039
31 December 2025	1,740	30,167	409,384	8,248	449,539

	Held-for-trading £m	Amortised cost £m	Other liabilities £m	Total £m
Liabilities				
Bank deposits		**37,851**		**37,851**
Customer deposits		**325,313**		**325,313**
Amounts due to holding companies and fellow subsidiaries	**5**	**62,123**	**90**	**62,218**
Derivatives (1)	**593**			**593**
Other financial liabilities	**104**	**10,086**		**10,190**
Subordinated liabilities		**122**		**122**
Notes in circulation		**1,030**		**1,030**
Other liabilities (4)		**474**	**2,757**	**3,231**
30 June 2026	**702**	**436,999**	**2,847**	**440,548**
Bank deposits		33,020		33,020
Customer deposits		325,069		325,069
Amounts due to holding companies and fellow subsidiaries	28	57,010	68	57,106
Derivatives (1)	764			764
Other financial liabilities	175	5,158		5,333
Subordinated liabilities		122		122
Notes in circulation		1,049		1,049
Other liabilities (4)		465	2,482	2,947
31 December 2025	967	421,893	2,550	425,410

(1) Includes net hedging derivative assets of £226 million (31 December 2025 – £343 million) and net hedging derivative liabilities of £87 million (31 December 2025 – £200 million).
(2) Includes items in the course of collection from other banks of £13 million (31 December 2025 – £7 million).
(3) Includes finance lease receivables of £9,173 million (31 December 2025 – £8,937 million).
(4) Includes lease liabilities of £425 million (31 December 2025 – £419 million), held at amortised cost.

Notes

8. Financial instruments - valuation

Disclosures relating to the control environment, valuation techniques and related aspects pertaining to financial instruments measured at fair value are included in the NatWest Bank Plc 2025 Annual Report and Accounts. Valuation, sensitivity methodologies and inputs at 30 June 2026 are consistent with those described in Note 10 to the financial statements in the NatWest Bank Plc 2025 Annual Report and Accounts.

Fair value hierarchy

The table below shows the assets and liabilities held by NWB Group split by fair value hierarchy level. Level 1 are considered the most liquid instruments, and level 3 the most illiquid, valued using expert judgment and so carrying the most significant price uncertainty.

	30 June 2026				31 December 2025			
	Level 1	**Level 2**	**Level 3**	**Total**	Level 1	Level 2	Level 3	Total
	£m	**£m**	**£m**	**£m**	£m	£m	£m	£m
Assets								
Derivatives								
Interest rate	**-**	**607**	**3**	**610**	-	850	3	853
Foreign exchange	**-**	**160**	**-**	**160**	-	240	-	240
Other	**-**	**1**	**-**	**1**	-	-	-	-
Amounts due from holding companies and fellow subsidiaries	**-**	**19**	**-**	**19**	-	8	-	8
Other financial assets								
Loans	**-**	**32**	**929**	**961**	-	66	634	700
Securities	**21,074**	**14,988**	**5**	**36,067**	17,426	12,677	3	30,106
Total financial assets held at fair value	**21,074**	**15,807**	**937**	**37,818**	17,426	13,841	640	31,907
As % of total fair value assets	**56%**	**42%**	**2%**		55%	43%	2%	
Liabilities								
Derivatives								
Interest rate	**-**	**527**	**2**	**529**	-	686	5	691
Foreign exchange	**-**	**60**	**-**	**60**	-	70	-	70
Other	**-**	**3**	**1**	**4**	-	3	-	3
Amounts due to holding companies and fellow subsidiaries	**-**	**5**	**-**	**5**	-	28	-	28
Other financial liabilities								
Deposits	**-**	**104**	**-**	**104**	-	175	-	175
Total financial liabilities held at fair value	**-**	**699**	**3**	**702**	-	962	5	967
As % of total fair value liabilities	**-**	**100%**	**0%**		-	99%	1%	

(1) Level 1 – Instruments valued using unadjusted quoted prices in active and liquid markets, for identical financial instruments. Examples include government bonds, listed equity shares and certain exchange-traded derivatives.
Level 2 - Instruments valued using valuation techniques that have observable inputs. Observable inputs are those that are readily available with limited adjustments required. Examples include most government agency securities, investment-grade corporate bonds, certain mortgage products - including collateralised loan obligations (CLOs), most bank loans, repos and reverse repos, state and municipal obligations, most notes issued, certain money market securities, loan commitments and most over the counter (OTC) derivatives.
Level 3 - Instruments valued using a valuation technique where at least one input which could have a significant effect on the instrument's valuation, is not based on observable market data. Examples include non-derivative instruments which trade infrequently, certain syndicated and commercial mortgage loans, private equity, and derivatives with unobservable model inputs.

(2) Transfers between levels are deemed to have occurred at the beginning of the quarter in which the instruments were transferred.

Notes

8. Financial instruments – valuation continued

Fair value of financial instruments measured at amortised cost on the balance sheet

The following table shows the carrying value and fair value of financial instruments carried at amortised cost on the balance sheet.

30 June 2026	Carrying value £bn	Fair value £bn
Financial assets		
Loans to banks	**5.4**	**5.4**
Loans to customers	**359.0**	**354.0**
Amounts due from holding companies and fellow subsidiaries	**6.9**	**6.9**
Other financial assets - Securities	**22.3**	**22.2**
31 December 2025		
Financial assets		
Loans to banks	4.5	4.5
Loans to customers	345.6	341.5
Amounts due from holding companies and fellow subsidiaries	7.0	7.0
Other financial assets - Securities	22.3	22.4
30 June 2026		
Financial liabilities		
Bank deposits	**37.9**	**37.8**
Customer deposits	**325.3**	**325.3**
Amounts due to holding companies and fellow subsidiaries	**62.1**	**62.4**
Other financial liabilities - Debt securities in issue	**9.7**	**9.7**
Subordinated liabilities	**0.1**	**0.2**
31 December 2025		
Financial liabilities		
Bank deposits	33.0	33.0
Customer deposits	325.1	306.5
Amounts due to holding companies and fellow subsidiaries	57.0	56.9
Other financial liabilities - Debt securities in issue	5.2	5.2
Subordinated liabilities	0.1	0.2

The assumptions and methodologies underlying the calculation of fair values of financial instruments at the balance sheet date are as follows:

Loans to banks and customers

In estimating the fair value of net loans to customers and banks measured at amortised cost, NWB Group's loans are segregated into appropriate portfolios reflecting the characteristics of the constituent loans. Two principal methods are used to estimate fair value: contractual cash flows and expected cash flows.

Debt securities and subordinated liabilities

Most debt securities are valued using quoted prices in active markets or from quoted prices of similar financial instruments in active markets. For the remaining population, fair values are determined using market standard valuation techniques, such as discounted cash flows.

Bank and customer deposits

Fair value of deposits is estimated using discounted cash flow valuation techniques.

Other financial instruments

For certain short-term financial instruments: cash and balances at central banks, items in the course of collection from other banks, items in the course of transmission to other banks, customer demand deposits and notes in circulation, carrying value is deemed a reasonable approximation of fair value.

Notes

9. Loan impairment provisions

Economic drivers

Introduction

The portfolio segmentation and selection of economic drivers for IFRS 9 follows the approach used in stress testing. The stress models for each portfolio segment (defined by product or asset class and where relevant, industry sector and region) are based on a selected, small number of economic variables that best explain the movements in portfolio loss rates. The process to select economic drivers uses empirical analysis and expert judgement.

The most significant economic drivers for material portfolios are shown in the table below:

Portfolio	Economic drivers
Personal mortgages	Unemployment rate, sterling swap rate, house price index, real wage
Personal unsecured	Unemployment rate, sterling swap rate, real wage
Corporates	Stock price index, gross domestic product (GDP)
Commercial real estate	Stock price index, commercial property price index, GDP

Economic scenarios

NWB Group uses the economic scenarios produced by NatWest Group. At 30 June 2026, the range of anticipated future economic conditions was defined by a set of four internally developed scenarios and their respective probabilities. In addition to the base case, they comprised upside, downside and extreme downside scenarios.

At 30 June 2026, the four scenarios were deemed appropriate in capturing the uncertainty in economic forecasts and the non-linearity in outcomes under different scenarios. These four scenarios were developed to provide sufficient coverage to current risks faced by the economy and consider varying outcomes across inflation, interest rate, the labour market, asset price and economic growth, around which there remains pronounced levels of uncertainty.

Since 31 December 2025, the near-term economic growth outlook weakened, mainly due to rising energy prices following the Middle East conflict. To reflect the impact, changes have been made to the base case economic outlook. Inflation is expected to peak at approximately 4%. Real incomes are expected to come under pressure, with economic growth slowing to 1.0%.

The unemployment rate is assumed to peak higher at 5.5%. Given the risks of second round inflationary impacts, it is assumed that the bank rate is held at the current level of 3.75%. Asset prices growth weakens due to weaker GDP growth and higher than anticipated interest rates.

At 30 June 2026, the extreme downside scenario was updated to further incorporate physical and transition climate risks, as detailed on the next page.

High-level narrative - potential developments, vulnerabilities and risks

Growth	**Outperformance** - above trend growth supported by consumer sentiment recovery	Upside
	Modest - soft in 2026, close to trend pace afterwards	Base case
	Stalling - economic and policy uncertainty lead to consumer caution which weighs on activity	Downside
	Extreme stress - extreme fall in GDP followed by a weak recovery	Extreme downside
Inflation	**Sticky** - strong growth and/or wage policies keep services inflation above target in medium term	Upside
	Reversal - ongoing progress against inflation halted, inflation rises to around 4%	Base case
	Slow - swift fall to lower levels as demand shock dominates	Downside
	Stagflation - crystallisation of physical risks, acceleration of transition policy, surging energy prices and second round impacts, leading to double digit inflation	Extreme downside
Labour market	**Recovery** - job growth rebounds strongly, reversing much of the recent rise in unemployment rate	Upside
	Cooling continues - gradual loosening continues into 2026, before improving	Base case
	Job shedding - redundancies, reduced hours, building slack	Downside
	Depression - unemployment hits levels close to previous peaks amid severe stress	Extreme downside
Rates short-term	**Careful** - cautious hikes in the face of higher growth and inflation	Upside
	Pause - rate cutting cycle on pause given the risk of second round inflation impacts	Base case
	Supportive - sharp declines to support recovery	Downside
	Sharp rise - sharp rates tightening in response to double digit inflation	Extreme downside
Rates long-term	**Above consensus** - 4%	Upside
	Flat - 3.75%	Base case
	Low - 2%	Downside
	High - around 4%	Extreme downside

9. Loan impairment provisions continued

Main macroeconomic variables

The main macroeconomic variables for each of the four scenarios used for expected credit loss (ECL) modelling are set out in the table below.

	30 June 2026					31 December 2025				
	Upside	Base case	Downside	Extreme downside	Weighted average	Upside	Base case	Downside	Extreme downside	Weighted average
Five-year summary (1,2)	%	%	%	%	%	%	%	%	%	%
GDP	2.0	1.3	0.6	(0.3)	1.1	2.1	1.4	0.5	0.1	1.2
Unemployment rate	4.4	5.2	6.0	7.2	5.4	4.3	5.1	5.6	7.0	5.3
House price index	5.7	2.4	-	(4.5)	2.0	5.7	3.3	0.6	(3.8)	2.6
Commercial real estate price	5.8	1.1	(1.4)	(5.5)	1.0	6.1	2.2	(0.3)	(5.0)	1.9
Consumer price index	2.3	2.4	2.0	4.6	2.6	2.6	2.4	2.4	1.8	2.3
Bank of England base rate	4.0	3.8	1.9	5.5	3.7	4.0	3.5	2.6	1.4	3.2
Stock price index	9.0	4.1	2.5	(1.0)	4.4	6.2	4.8	2.8	1.1	4.3
World GDP	3.6	2.9	2.4	1.5	2.8	3.7	3.1	2.5	2.2	3.0
Probability weight	22.8	45.0	19.0	13.2		22.4	45.0	19.5	13.1	

(1) The five-year summary runs from 2026-2030 for 30 June 2026 and from 2025-2029 for 31 December 2025.
(2) The table shows compound annual growth rate (CAGR) for GDP, average levels for the unemployment rate and Bank of England base rate and Q4 to Q4 CAGR for other parameters.

Climate risks

NWB Group follows NatWest Group's approach to climate risk. Since 2023, NWB Group has incorporated transition policy assumptions into the base case macroeconomic scenario. From Q1 2026, transition and physical climate risks have also been incorporated into the extreme downside scenario, reflecting the potential impacts of chronic physical risks on productivity and acute physical events risks on business activity, alongside higher emissions costs arising from more stringent transition policies. The Network of Central Banks and Supervisors for Greening the Financial System climate scenarios were used to calibrate the climate elements of the scenario. These enhancements did not have a material impact on total ECL, as overall severity of scenarios did not change materially. The sensitivity analysis on page 23 illustrates the impact on ECL of applying a 100% weighting to the extreme downside scenario, which incorporates a range of climate-related risks.

Probability weightings of scenarios

NWB Group follows NatWest Group's approach to assign probability weights to scenarios. NWB Group applies a quantitative approach for IFRS 9 multiple economic scenarios by selecting specific discrete scenarios that represent the range of risks in the economic outlook and assigning appropriate probability weights.

The approach involves comparing GDP paths for NWB Group's scenarios against a set of model simulations to determine the percentile in the distribution that aligns most closely with each scenario.

The probability weight for the base case is determined first using expert judgement, while probability weights for the alternative scenarios are then assigned based on the percentiles scores mentioned above.

The assigned probability weights were judged to be aligned with the subjective assessment of the balance of the risks in the economy. Given the balance of risks that the economies in which NWB Group operates are exposed to, NWB Group judges it appropriate that downside-biased scenarios have higher combined probability weights than the upside-biased scenario. Compared to 31 December 2025, the scenario weights were broadly similar.

The weights present good coverage to the range of outcomes assumed in the scenarios, including the potential for a robust recovery on the upside and exceptionally challenging outcomes on the downside. A 22.8% weighting was applied to the upside scenario, a 45.0% weighting applied to the base case scenario, a 19.0% weighting applied to the downside scenario and a 13.2% weighting applied to the extreme downside scenario.

Notes

9. Loan impairment provisions continued

Annual figures

GDP - annual growth	Upside %	Base case %	Downside %	Extreme downside %	Weighted average %
2026	1.2	1.0	0.4	0.3	0.8
2027	2.6	1.2	(1.3)	(3.9)	0.4
2028	2.8	1.4	1.2	-	1.5
2029	1.8	1.4	1.4	1.0	1.5
2030	1.6	1.4	1.4	1.0	1.4
2031	1.5	1.4	1.4	1.0	1.4
Unemployment rate - annual average					
2026	5.1	5.3	5.3	5.4	5.3
2027	4.4	5.4	6.1	6.8	5.5
2028	4.2	5.2	6.5	8.3	5.6
2029	4.2	5.1	6.2	8.1	5.5
2030	4.1	5.0	5.8	7.5	5.3
2031	4.1	4.8	5.4	6.9	5.1
House price index - four quarter change					
2026	4.3	0.8	(0.3)	(2.9)	0.9
2027	7.9	1.7	(3.2)	(12.6)	0.4
2028	5.8	3.0	(4.0)	(11.7)	0.8
2029	5.2	3.2	3.6	(0.2)	3.5
2030	5.6	3.2	4.3	6.4	4.3
2031	5.5	3.2	4.2	6.0	4.3
Commercial real estate price - four quarter change					
2026	9.1	0.4	(5.0)	(9.9)	(0.0)
2027	6.3	0.9	(9.7)	(22.6)	(2.4)
2028	5.7	1.3	3.3	(3.3)	2.4
2029	4.7	1.2	2.6	6.4	2.9
2030	3.3	1.4	2.5	4.9	2.5
2031	3.0	1.6	2.5	4.9	2.4
Consumer price index - four quarter change					
2026	3.5	4.0	2.7	7.5	4.1
2027	2.1	2.1	1.3	6.7	2.6
2028	2.0	2.0	1.8	4.3	2.3
2029	2.0	2.0	2.0	2.4	2.0
2030	2.0	2.0	2.0	2.1	2.0
2031	2.0	2.0	1.6	1.3	1.8
Bank of England base rate - annual average					
2026	3.92	3.75	3.26	4.57	3.80
2027	4.08	3.75	1.62	6.76	3.82
2028	4.00	3.75	1.50	6.17	3.70
2029	4.00	3.75	1.50	5.38	3.59
2030	4.00	3.75	1.65	4.60	3.52
2031	4.00	3.75	2.00	4.20	3.53
Stock price index - four quarter change					
2026	19.2	7.1	(14.2)	(26.8)	1.3
2027	12.0	3.3	7.1	(17.1)	4.3
2028	7.8	3.3	7.1	18.9	6.4
2029	3.7	3.3	7.1	15.9	5.1
2030	3.3	3.3	7.1	13.7	4.9
2031	3.3	3.3	7.1	12.6	4.9

9. Loan impairment provisions continued

Worst points

	30 June 2026 (1)					31 December 2025 (1)				
	Downside %	Quarter	Extreme downside %	Quarter	Weighted average %	Downside %	Quarter	Extreme downside %	Quarter	Weighted average %
GDP	(1.2)	Q2 2027	(4.3)	Q3 2027	-	-	Q4 2027	(3.8)	Q4 2026	-
Unemployment rate - peak	6.5	Q2 2028	8.5	Q3 2028	5.6	6.2	Q4 2027	8.5	Q4 2027	5.6
House price index	(7.4)	Q4 2028	(27.7)	Q2 2029	-	(2.4)	Q2 2028	(25.9)	Q2 2028	-
Commercial real estate price	(14.1)	Q4 2027	(34.9)	Q2 2028	(2.4)	(7.3)	Q2 2027	(33.3)	Q3 2027	-
Consumer price index										
- extreme four quarter change	1.1	Q1 2026	10.0	Q2 2027	4.4	3.8	Q3 2025	3.8	Q3 2025	3.8
Bank of England base rate										
- extreme level	1.5	Q2 2026	7.0	Q2 2027	3.9	2.0	Q1 2025	0.1	Q1 2025	2.8
Stock price index	(14.2)	Q4 2026	(45.1)	Q2 2027	-	(6.7)	Q4 2026	(47.7)	Q4 2026	-

(1) The figures show falls relative to the starting period for GDP, house price index, commercial real estate price and stock price index. For unemployment rate, it shows highest value through the scenario horizon. For consumer price index, it shows highest or lowest annual percentage change. For Bank of England base rate, it shows highest or lowest value through the horizon. The calculations are performed over five years, with a starting point of Q4 2025 for 30 June 2026 scenarios and Q4 2024 for 31 December 2025 scenarios.

Measurement uncertainty and ECL sensitivity analysis

The recognition and measurement of ECL is complex and requires significant judgement and estimation, especially during times of economic volatility and uncertainty. This includes the formulation and incorporation of multiple forward-looking economic conditions into ECL to meet the measurement objectives of IFRS 9. The ECL provision is sensitive to the model inputs and economic assumptions used in the estimation.

Simulations were conducted to assess the impact of various economic scenarios, including base case, upside, downside and extreme downside scenarios. The potential ECL impacts reflected the simulated impact as at 30 June 2026. In the simulations, it was assumed that the macroeconomic variables associated with each scenario would replace the existing base case economic assumptions, giving them a 100% probability weighting and therefore serving as a single economic scenario. These scenarios were applied to all modelled portfolios with the simulation affecting both probability of defaults and loss given defaults. Post model adjustments included in the ECL estimates were adjusted in line with the modelled ECL movements. However, adjustments that were judgemental in nature, such as those for deferred model calibrations and economic uncertainty, were not automatically recalculated. Instead, they will be re-evaluated by management through ECL governance for any new economic scenario outlook.

As expected, the scenarios created varying impacts on ECL by portfolio, and these impacts were deemed reasonable. The simulations assumed that existing modelled relationships between key economic variables and drivers would hold. However, in practice, other factors such as potential changes in customer behaviour and policy changes could also impact the wider availability of credit.

The focus of the simulations was on ECL provisioning requirements for performing exposures in Stage 1 and Stage 2. The simulations were run on a stand-alone basis and were independent of each other. Scenario impacts on significant increase in credit risk were considered when evaluating the ECL movements of Stage 1 and Stage 2.

Stage 3 provisions are not subject to the same level of measurement uncertainty, as default is an observed event as at the balance sheet date and defaulted loss given default is typically more impacted by borrower specific factors rather than economics. Therefore, Stage 3 provisions were not considered in this analysis.

9. Loan impairment provisions continued

Measurement uncertainty and ECL sensitivity analysis

30 June 2026 (1)	Actual	Base scenario	Moderate upside scenario	Downside scenario	Extreme downside scenario
Stage 1 modelled loans (£m)					
Retail Banking - mortgages	179,906	180,575	181,836	179,664	172,910
Retail Banking - unsecured	10,796	10,932	11,335	10,712	9,273
Non-Personal - property	22,353	22,403	22,456	22,290	14,381
Non-Personal - non-property	98,594	99,004	99,420	98,402	71,480
	311,649	312,914	315,047	311,068	268,044
Stage 1 modelled ECL (£m)					
Retail Banking - mortgages	37	36	35	37	41
Retail Banking - unsecured	255	260	251	248	237
Non-Personal - property	53	40	31	69	80
Non-Personal - non-property	168	144	125	202	205
	513	480	442	556	563
Stage 2 modelled loans (£m)					
Retail Banking - mortgages	15,138	14,469	13,208	15,380	22,134
Retail Banking - unsecured	3,507	3,371	2,968	3,591	5,030
Non-Personal - property	2,037	1,987	1,934	2,100	10,009
Non-Personal - non-property	15,563	15,153	14,737	15,755	42,677
	36,245	34,980	32,847	36,826	79,850
Stage 2 modelled ECL (£m)					
Retail Banking - mortgages	31	27	22	31	64
Retail Banking - unsecured	377	362	310	387	570
Non-Personal - property	41	35	31	44	344
Non-Personal - non-property	286	270	236	324	1,127
	735	694	599	786	2,105
Stage 1 and Stage 2 modelled loans (£m)					
Retail Banking - mortgages	195,044	195,044	195,044	195,044	195,044
Retail Banking - unsecured	14,303	14,303	14,303	14,303	14,303
Non-Personal - property	24,390	24,390	24,390	24,390	24,390
Non-Personal - non-property	114,157	114,157	114,157	114,157	114,157
	347,894	347,894	347,894	347,894	347,894
Stage 1 and Stage 2 modelled ECL (£m)					
Retail Banking - mortgages	68	63	57	68	105
Retail Banking - unsecured	632	622	561	635	807
Non-Personal - property	94	75	62	113	424
Non-Personal - non-property	454	414	361	526	1,332
	1,248	1,174	1,041	1,342	2,668
Stage 1 and Stage 2 coverage (%)					
Retail Banking - mortgages	0.03%	0.03%	0.03%	0.03%	0.05%
Retail Banking - unsecured	4.42%	4.35%	3.92%	4.44%	5.64%
Non-Personal - property	0.39%	0.31%	0.25%	0.46%	1.74%
Non-Personal - non-property	0.40%	0.36%	0.32%	0.46%	1.17%
	0.36%	0.34%	0.30%	0.39%	0.77%
Reconciliation to Stage 1 and Stage 2 ECL (£m)					
ECL on modelled exposures	1,248	1,174	1,041	1,342	2,668
ECL on non-modelled exposures	41	44	42	43	42
Total Stage 1 and Stage 2 ECL	1,289	1,218	1,083	1,385	2,710
Variance to actual total Stage 1 and Stage 2 ECL	-	(71)	(206)	96	1,421
Reconciliation to Stage 1 and Stage 2 flow exposure (£m)					
Modelled loans	347,894	347,894	347,894	347,894	347,894
Non-modelled loans	19,219	19,219	19,219	19,219	19,219
Other asset classes	78,303	78,303	78,303	78,303	78,303

(1) Refer to the NatWest Bank Plc 2025 Annual Report and Accounts for 31 December 2025 comparatives.

Notes

9. Loan impairment provisions continued

ECL post model adjustments

The table below shows ECL post model adjustments.

	Retail Banking		Private Banking & Wealth	Commercial &	
	Mortgages	Other	Management	Institutional	Total
30 June 2026	£m	£m	£m	£m	£m
Deferred model calibrations	**-**	**-**	**1**	**11**	**12**
Economic uncertainty	**31**	**45**	**11**	**163**	**250**
Other adjustments	**-**	**13**	**-**	**6**	**19**
Total	**31**	**58**	**12**	**180**	**281**
Of which:					
- Stage 1	***27***	***33***	***3***	***60***	***123***
- Stage 2	***4***	***21***	***9***	***120***	***154***
- Stage 3	***-***	***4***	***-***	***-***	***4***
31 December 2025					
Deferred model calibrations	-	-	1	11	12
Economic uncertainty	42	36	11	120	209
Other adjustments	-	19	-	14	33
Total	42	55	12	145	254
Of which:					
- Stage 1	*31*	*36*	*4*	*57*	*128*
- Stage 2	*11*	*16*	*8*	*88*	*123*
- Stage 3	*-*	*3*	*-*	*-*	*3*

Retail Banking

- As at 30 June 2026, the post model adjustment for economic uncertainty remained broadly stable at £76 million (31 December 2025 – £78 million). This reflected a review of at-risk populations and observed default experience, with a reduced requirement for mortgages offset by an increase in credit cards, reflecting growth and maturation in credit card balances and continued resilience in mortgage credit performance. The economic uncertainty post model adjustment continued to address risks in segments of the Retail Banking portfolio considered more susceptible to affordability pressures, including customers with over indebtedness, weaker credit card affordability status and lower income customers exposed to fuel poverty.
- A £13 million (31 December 2025 – £19 million) post model adjustment remains as a judgemental measure while additional loss data is accumulated on the recently migrated Sainsbury's Bank lending portfolio.

Commercial & Institutional

- As at 30 June 2026, the post model adjustment for economic uncertainty increased to £163 million (31 December 2025 – £120 million). The economic uncertainty post model adjustments comprises of risk rating downgrades applied to sectors considered most vulnerable to current economic and geopolitical headwinds. The increase was driven by an assessment of potential second-order impacts associated with the Middle East conflict.
- The remaining £17 million (31 December 2025 – £25 million) of post model adjustments were for deferred model calibrations relating to refinance risk and to mitigate the effect of operational timing delays in the identification and flagging of a significant increase in credit risk.

Notes

9. Loan impairment provisions continued

Loan exposure and impairment metrics

The table below shows gross loans and ECL, within the scope of the IFRS 9 ECL framework.

	30 June 2026 £m	31 December 2025 £m
Loans - amortised cost and FVOCI (1)		
Stage 1	**325,929**	316,363
Stage 2	**38,402**	33,379
Stage 3	**3,852**	3,737
Inter-group (2)	**6,858**	6,970
Total	**375,041**	360,449
ECL provisions (3)		
Stage 1	**529**	516
Stage 2	**760**	683
Stage 3	**1,725**	1,770
Inter-group	**2**	1
	3,016	2,970
ECL provisions coverage (4)		
Stage 1 (%)	**0.16**	0.16
Stage 2 (%)	**1.98**	2.05
Stage 3 (%)	**44.78**	47.36
Inter-group (%)	**0.03**	0.01
	0.82	0.84

	Half year ended	
	30 June 2026 £m	30 June 2025 £m
Impairment losses		
ECL (release)/charge (5)		
Stage 1	**(51)**	(43)
Stage 2	**257**	143
Stage 3	**217**	250
Third party	**423**	350
Inter-group	**-**	1
	423	351
Amounts written off	**415**	154

(1) The table shows gross loans only and excludes amounts that were outside the scope of the ECL framework. Refer to the Financial instruments within the scope of the IFRS 9 ECL framework section in the NatWest Bank Plc 2025 Annual Report and Accounts for further details. Other financial assets within the scope of the IFRS 9 ECL framework were cash and balances at central banks totalling £23.5 billion (31 December 2025 – £29.3 billion) and debt securities of £58.5 billion (31 December 2025 – £52.4 billion).
(2) NWB Group's intercompany assets were classified in Stage 1.
(3) Includes £6 million (31 December 2025 – £3 million) related to assets classified as fair value through other comprehensive income (FVOCI).
(4) ECL provisions coverage is calculated as ECL provisions divided by loans – amortised cost and FVOCI. It is calculated on loans and total ECL provisions, including ECL for other (non-loan) assets and unutilised exposure.
(5) Includes a £1 million charge (30 June 2025 – nil) related to other financial assets, of which a £1 million charge (30 June 2025 – nil) related to assets classified as FVOCI; and nil (30 June 2025 – £10 million charge) related to contingent liabilities.

Notes

9. Loan impairment provisions continued

Segmental loans and impairment metrics

- **Retail Banking** – Year-to-date balance sheet growth was primarily driven by expansion in the mortgage portfolio. Asset quality remained stable through H1 2026, reflecting continued customer resilience and disciplined risk management. Unsecured flows into Stage 3 increased during the first half of the year, largely reflecting the maturation of credit card cohorts originated through strategic new business growth since 2022. Despite a quarter-on-quarter improvement in multiple economic scenarios and weights, performing book ECL coverage remained marginally above the 2025 year-end position, reflecting continued macroeconomic uncertainty. Overall Retail Banking ECL coverage decreased compared with 31 December 2025, primarily due to a sale of Stage 3 unsecured assets in June.
- **Commercial & Institutional** – Balance sheet growth was mainly across strategic areas in financial institutions and corporates. Performing book provisions increased reflecting continued macroeconomic uncertainty through updated economic scenarios and weights along with an increase in post model adjustments. Total provision balances reduced with subdued flows into Stage 3 along with some individual write-offs which more than offset the increase in the performing book ECL. Performing book coverage increased due to increased economic uncertainty, but overall total coverage reduced due to the decrease in Stage 3 ECL provisions.

Sector analysis

The table below shows ECL by stage, for the Personal portfolio and Non-Personal portfolio, including the three largest borrowing sector clusters included in corporate and other.

	Loans - amortised cost and FVOCI				Off-balance sheet		ECL provisions			
	Stage 1	Stage 2	Stage 3	Total	Loan commitments	Contingent liabilities	Stage 1	Stage 2	Stage 3	Total
30 June 2026	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Personal	**208,025**	**18,615**	**2,239**	**228,879**	**40,632**	**35**	**296**	**409**	**902**	**1,607**
Mortgages	**195,066**	**15,224**	**1,237**	**211,527**	**14,392**	**-**	**40**	**31**	**124**	**195**
Credit cards	**5,179**	**1,977**	**262**	**7,418**	**20,240**	**-**	**111**	**201**	**210**	**522**
Other personal	**7,780**	**1,414**	**740**	**9,934**	**6,000**	**35**	**145**	**177**	**568**	**890**
Non-Personal	**117,904**	**19,787**	**1,613**	**139,304**	**65,332**	**2,948**	**233**	**351**	**823**	**1,407**
Financial institutions	**40,423**	**313**	**136**	**40,872**	**5,047**	**584**	**12**	**7**	**106**	**125**
Sovereign	**413**	**303**	**14**	**730**	**378**	**-**	**5**	**3**	**7**	**15**
Corporate and other	**77,068**	**19,171**	**1,463**	**97,702**	**59,907**	**2,364**	**216**	**341**	**710**	**1,267**
Of which:										
Mobility and logistics	***10,162***	***5,825***	***74***	***16,061***	***8,905***	***250***	***25***	***53***	***38***	***116***
Commercial real estate	***14,421***	***604***	***245***	***15,270***	***4,558***	***88***	***46***	***12***	***83***	***141***
Consumer industries	***8,665***	***2,965***	***297***	***11,927***	***9,975***	***449***	***29***	***75***	***161***	***265***
Total	**325,929**	**38,402**	**3,852**	**368,183**	**105,964**	**2,983**	**529**	**760**	**1,725**	**3,014**
31 December 2025										
Personal	201,210	17,642	1,986	220,838	38,975	36	309	374	889	1,572
Mortgages	188,219	14,593	976	203,788	13,062	-	43	33	117	193
Credit cards	5,350	1,795	211	7,356	19,698	-	116	180	165	461
Other personal	7,641	1,254	799	9,694	6,215	36	150	161	607	918
Non-Personal	115,153	15,737	1,751	132,641	63,489	2,704	207	309	881	1,397
Financial institutions	37,562	228	139	37,929	4,282	449	12	3	111	126
Sovereign	1,374	265	15	1,654	427	-	5	5	6	16
Corporate and other	76,217	15,244	1,597	93,058	58,780	2,255	190	301	764	1,255
Of which:										
Mobility and logistics (1)	*11,611*	*4,001*	*70*	*15,682*	*8,137*	*368*	*22*	*43*	*36*	*101*
Commercial real estate (1)	*13,525*	*784*	*188*	*14,497*	*4,910*	*82*	*43*	*12*	*68*	*123*
Consumer industries	*9,336*	*2,328*	*319*	*11,983*	*9,239*	*394*	*27*	*55*	*163*	*245*
Total	316,363	33,379	3,737	353,479	102,464	2,740	516	683	1,770	2,969

(1) In the prior period comparative, the sector headings for Commercial real estate and Mobility and logistics were transposed. This has been corrected, with no impact on gross loans, expected credit losses, or any other financial statement line item

Notes

9. Loan impairment provisions continued

Flow statements

The flow statements that follow show the main ECL and related income statement movements. They also show the changes in ECL as well as the changes in related financial assets used in determining ECL. Due to differences in scope, exposures may differ from those reported in other tables. These differences do not have a material ECL effect. Other points to note:

- Financial assets include treasury liquidity portfolios, comprising balances at central banks and debt securities, as well as loans. Both modelled and non-modelled portfolios are included.
- Stage transfers (for example, exposures moving from Stage 1 into Stage 2) are a key feature of the ECL movements, with the net re-measurement cost of transitioning to a worse stage being a primary driver of income statement charges. Similarly, there is an ECL benefit for accounts improving stage.
- Changes in risk parameters shows the reassessment of the ECL within a given stage, including any ECL overlays and residual income statement gains or losses at the point of write-off or accounting write-down.
- Other (P&L only items) includes any subsequent changes in the value of written-down assets (for example, fortuitous recoveries) along with other direct write-off items such as direct recovery costs. Other (P&L only items) affects the income statement but does not affect balance sheet ECL movements.
- Amounts written-off represent the gross asset written-off against accounts with ECL, including the net asset written-off for any debt sale activity.
- There were some flows from Stage 1 into Stage 3 including transfers due to unexpected default events with a post model adjustment in place for Commercial & Institutional to account for this risk.
- The effect of any change in post model adjustments during the year is typically reported under changes in risk parameters, as are any effects arising from changes to the underlying models.
- All movements are captured monthly and aggregated. Interest suspended post default is included within Stage 3 ECL with the increase in the value of suspended interest during the year reported under currency translation and other adjustments.

	Stage 1		Stage 2		Stage 3		Total	
	Financial assets	ECL	Financial assets	ECL	Financial assets	ECL	Financial assets	ECL
NWB Group total	£m	£m	£m	£m	£m	£m	£m	£m
At 1 January 2026	**397,806**	**516**	**34,516**	**683**	**3,887**	**1,770**	**436,209**	**2,969**
Currency translation and other adjustments	**(105)**	**-**	**(20)**	**(1)**	**45**	**68**	**(80)**	**67**
Transfers from Stage 1 to Stage 2	**(20,433)**	**(138)**	**20,433**	**138**	**-**	**-**	**-**	**-**
Transfers from Stage 2 to Stage 1	**11,618**	**198**	**(11,618)**	**(198)**	**-**	**-**	**-**	**-**
Transfers to Stage 3	**(93)**	**(2)**	**(1,069)**	**(130)**	**1,162**	**132**	**-**	**-**
Transfers from Stage 3	**64**	**8**	**147**	**13**	**(211)**	**(21)**	**-**	**-**
Net re-measurement of ECL on stage transfer		**(133)**		**293**		**184**		**344**
Changes in risk parameters		**14**		**53**		**134**		**201**
Other changes in net exposure	**16,889**	**66**	**(2,719)**	**(91)**	**(513)**	**(74)**	**13,657**	**(99)**
Other (P&L only items)		**2**		**2**		**(27)**		**(23)**
Income statement (releases)/charges		**(51)**		**257**		**217**		**423**
Amounts written-off	**-**	**-**	**-**	**-**	**(415)**	**(415)**	**(415)**	**(415)**
Unwinding of discount		**-**		**-**		**(53)**		**(53)**
At 30 June 2026	**405,746**	**529**	**39,670**	**760**	**3,955**	**1,725**	**449,371**	**3,014**
Net carrying amount	**405,217**		**38,910**		**2,230**		**446,357**	
At 1 January 2025	368,461	482	37,181	667	4,758	1,599	410,400	2,748
2025 movements	12,892	57	(889)	(40)	(118)	209	11,885	226
At 30 June 2025	381,353	539	36,292	627	4,640	1,808	422,285	2,974
Net carrying amount	380,814		35,665		2,832		419,311	

Notes

9. Loan impairment provisions continued

Flow statements

Retail Banking - mortgages	Stage 1 Financial assets £m	Stage 1 ECL £m	Stage 2 Financial assets £m	Stage 2 ECL £m	Stage 3 Financial assets £m	Stage 3 ECL £m	Total Financial assets £m	Total ECL £m
At 1 January 2026	**174,286**	**43**	**14,477**	**33**	**751**	**101**	**189,514**	**177**
Currency translation and other adjustments	**-**	**-**	**-**	**-**	**19**	**19**	**19**	**19**
Transfers from Stage 1 to Stage 2	**(5,891)**	**(4)**	**5,891**	**4**	**-**	**-**	**-**	**-**
Transfers from Stage 2 to Stage 1	**4,035**	**4**	**(4,035)**	**(4)**	**-**	**-**	**-**	**-**
Transfers to Stage 3	**(1)**	**-**	**(360)**	**(4)**	**361**	**4**	**-**	**-**
Transfers from Stage 3	**1**	**-**	**66**	**1**	**(67)**	**(1)**	**-**	**-**
Net re-measurement of ECL on stage transfer		**(2)**		**6**		**3**		**7**
Changes in risk parameters		**-**		**(3)**		**24**		**21**
Other changes in net exposure	**7,474**	**(1)**	**(900)**	**(2)**	**(56)**	**(16)**	**6,518**	**(19)**
Other (P&L only items)		**-**		**-**		**(6)**		**(6)**
Income statement (releases)/charges		**(3)**		**1**		**5**		**3**
Amounts written-off	**-**	**-**	**-**	**-**	**(6)**	**(6)**	**(6)**	**(6)**
Unwinding of discount		**-**		**-**		**(16)**		**(16)**
At 30 June 2026	**179,904**	**40**	**15,139**	**31**	**1,002**	**112**	**196,045**	**183**
Net carrying amount	**179,864**		**15,108**		**890**		**195,862**	
At 1 January 2025	162,865	73	19,152	55	1,857	217	183,874	345
2025 movements	3,130	(17)	435	(8)	(335)	(32)	3,230	(57)
At 30 June 2025	165,995	56	19,587	47	1,522	185	187,104	288
Net carrying amount	165,939		19,540		1,337		186,816	

- ECL coverage for mortgages remained consistent during the first half of 2026, supported by stable credit performance.
- PDs and Stage 3 inflows remained broadly stable, with the portfolio showing continued resilience during an ongoing period of relatively high inflation and interest rates.
- The growth in Stage 3 assets reflected a reduction in Stage 3 write-offs and recoveries in 2026 after a significant securitisation of Stage 3 assets in Q4 2025.
- The net flows into Stage 2 from Stage 1 were offset by outflows from Stage 2 to Stage 1 and balance paydown in Stage 2, supporting a stable Stage 2 level during 2026 to date.
- The relatively small ECL cost for net re-measurement on transfer into Stage 3 included the effect of risk targeted ECL adjustments, when previously in the good book.
- Write-off occurs once the repossessed property has been sold and there is a residual shortfall balance remaining outstanding. This would typically be within five years from default but can be longer

Notes

9. Loan impairment provisions continued

Flow statements

Retail Banking - credit cards	Stage 1 Financial assets £m	Stage 1 ECL £m	Stage 2 Financial assets £m	Stage 2 ECL £m	Stage 3 Financial assets £m	Stage 3 ECL £m	Total Financial assets £m	Total ECL £m
At 1 January 2026	**5,124**	**115**	**1,867**	**179**	**234**	**165**	**7,225**	**459**
Currency translation and other adjustments	**-**	**-**	**-**	**-**	**4**	**4**	**4**	**4**
Transfers from Stage 1 to Stage 2	**(1,194)**	**(33)**	**1,194**	**33**	**-**	**-**	**-**	**-**
Transfers from Stage 2 to Stage 1	**613**	**50**	**(613)**	**(50)**	**-**	**-**	**-**	**-**
Transfers to Stage 3	**(20)**	**-**	**(150)**	**(51)**	**170**	**51**	**-**	**-**
Transfers from Stage 3	**2**	**1**	**6**	**3**	**(8)**	**(4)**	**-**	**-**
Net re-measurement of ECL on stage transfer		**(32)**		**93**		**68**		**129**
Changes in risk parameters		**11**		**37**		**8**		**56**
Other changes in net exposure	**318**	**(2)**	**(250)**	**(43)**	**(36)**	**(4)**	**32**	**(49)**
Other (P&L only items)		**-**		**-**		**-**		**-**
Income statement (releases)/charges		**(23)**		**87**		**72**		**136**
Amounts written-off	**-**	**-**	**-**	**-**	**(70)**	**(70)**	**(70)**	**(70)**
Unwinding of discount		**-**		**-**		**(8)**		**(8)**
At 30 June 2026	**4,843**	**110**	**2,054**	**201**	**294**	**210**	**7,191**	**521**
Net carrying amount	**4,733**		**1,853**		**84**		**6,670**	
At 1 January 2025	3,876	66	1,716	159	134	98	5,726	323
2025 movements	1,174	51	(19)	11	46	26	1,201	88
At 30 June 2025	5,050	117	1,697	170	180	124	6,927	411
Net carrying amount	4,933		1,527		56		6,516	

- Credit cards ECL increased during 2026, primarily reflecting continued organic portfolio growth within risk appetite, together with the expected maturation of credit card cohorts originated through strategic new business growth since 2022.
- Flows into Stage 3 were higher than in 2025, consistent with recent portfolio growth and cohort maturation, and remained in line with expectations. Debt sale activity partially offset these higher flows from a Stage 3 balance and ECL perspective.
- This maturation dynamic also contributed to net migration from Stage 1 into Stage 2, reflecting the natural seasoning of newer lending cohorts rather than a material deterioration in credit quality.
- Charge-off (analogous to partial write-off) typically occurs after 12 missed payments.

Notes

9. Loan impairment provisions continued

Flow statements

Retail Banking - other personal unsecured	Stage 1 Financial assets £m	Stage 1 ECL £m	Stage 2 Financial assets £m	Stage 2 ECL £m	Stage 3 Financial assets £m	Stage 3 ECL £m	Total Financial assets £m	Total ECL £m
At 1 January 2026	**5,761**	**145**	**1,235**	**159**	**789**	**599**	**7,785**	**903**
Currency translation and other adjustments	**-**	**-**	**-**	**-**	**12**	**12**	**12**	**12**
Inter-group transfers	**70**	**3**	**12**	**1**	**-**	**-**	**82**	**4**
Transfers from Stage 1 to Stage 2	**(1,177)**	**(58)**	**1,177**	**58**	**-**	**-**	**-**	**-**
Transfers from Stage 2 to Stage 1	**661**	**77**	**(661)**	**(77)**	**-**	**-**	**-**	**-**
Transfers to Stage 3	**(38)**	**(1)**	**(159)**	**(56)**	**197**	**57**	**-**	**-**
Transfers from Stage 3	**5**	**2**	**9**	**3**	**(14)**	**(5)**	**-**	**-**
Net re-measurement of ECL on stage transfer		**(50)**		**116**		**34**		**100**
Changes in risk parameters		**(20)**		**(10)**		**36**		**6**
Other changes in net exposure	**448**	**45**	**(183)**	**(19)**	**(81)**	**(22)**	**184**	**4**
Other (P&L only items)		**-**		**-**		**11**		**11**
Income statement (releases)/charges		**(25)**		**87**		**59**		**121**
Amounts written-off	**-**	**-**	**-**	**-**	**(141)**	**(141)**	**(141)**	**(141)**
Unwinding of discount		**-**		**-**		**(16)**		**(16)**
At 30 June 2026	**5,730**	**143**	**1,430**	**175**	**762**	**554**	**7,922**	**872**
Net carrying amount	**5,587**		**1,255**		**208**		**7,050**	
At 1 January 2025	4,542	106	1,236	156	688	529	6,466	791
2025 movements	1,476	49	(35)	(4)	99	74	1,540	119
At 30 June 2025	6,018	155	1,201	152	787	603	8,006	910
Net carrying amount	5,863		1,049		184		7,096	

- Total ECL and associated coverage levels reduced during H1 2026, reflecting resilient credit performance across the portfolio together with the impact of the sale of Stage 3 assets in June.
- Arrears performance remained broadly stable during H1 2026. Consistent with this, performing book ECL coverage reduced modestly compared with 31 December 2025.
- Flow rates into Stage 3 remained broadly unchanged, consistent with wider arrears trends and overall portfolio performance.
- Loans are written off when recovery activity has been exhausted or no further recoveries are expected, and in all cases no later than six years after default.

9. Loan impairment provisions continued

Flow statements

Commercial & Institutional - corporate	Stage 1 Financial assets £m	Stage 1 ECL £m	Stage 2 Financial assets £m	Stage 2 ECL £m	Stage 3 Financial assets £m	Stage 3 ECL £m	Total Financial assets £m	Total ECL £m
At 1 January 2026	**52,614**	**134**	**12,873**	**251**	**1,316**	**611**	**66,803**	**996**
Currency translation and other adjustments	**85**	**-**	**(21)**	**-**	**11**	**26**	**75**	**26**
Inter-group transfers	**206**	**-**	**11**	**1**	**(1)**	**-**	**216**	**1**
Transfers from Stage 1 to Stage 2	**(10,504)**	**(35)**	**10,504**	**35**	**-**	**-**	**-**	**-**
Transfers from Stage 2 to Stage 1	**5,323**	**57**	**(5,323)**	**(57)**	**-**	**-**	**-**	**-**
Transfers to Stage 3	**(12)**	**-**	**(222)**	**(14)**	**234**	**14**	**-**	**-**
Transfers from Stage 3	**20**	**4**	**43**	**5**	**(63)**	**(9)**	**-**	**-**
Net re-measurement of ECL on stage transfer		**(41)**		**64**		**73**		**96**
Changes in risk parameters		**22**		**26**		**56**		**104**
Other changes in net exposure	**6,226**	**16**	**(1,050)**	**(23)**	**(237)**	**(34)**	**4,939**	**(41)**
Other (P&L only items)		**2**		**3**		**(27)**		**(22)**
Income statement (releases)/charges		**(1)**		**70**		**68**		**137**
Amounts written-off	**-**	**-**	**-**	**-**	**(181)**	**(181)**	**(181)**	**(181)**
Unwinding of discount		**-**		**-**		**(9)**		**(9)**
At 30 June 2026	**53,958**	**157**	**16,815**	**288**	**1,079**	**547**	**71,852**	**992**
Net carrying amount	**53,801**		**16,527**		**532**		**70,860**	
At 1 January 2025	50,516	143	10,082	233	1,321	536	61,919	912
2025 movements	448	(21)	(456)	(34)	28	69	20	14
At 30 June 2025	50,964	122	9,626	199	1,349	605	61,939	926
Net carrying amount	50,842		9,427		744		61,013	

- ECL remained stable with write-offs exceeding impairment charges and other movements.
- Stage 2 exposure and ECL increased reflecting continued macroeconomic uncertainty through updated economic scenarios and weights along with an increase in post model adjustments.
- Stage 3 exposure and ECL reduced with low flows into Stage 3 and write-offs significantly exceeding impairment charges.

Commercial & Institutional - property	Stage 1 Financial assets £m	Stage 1 ECL £m	Stage 2 Financial assets £m	Stage 2 ECL £m	Stage 3 Financial assets £m	Stage 3 ECL £m	Total Financial assets £m	Total ECL £m
At 1 January 2026	**20,478**	**46**	**1,871**	**39**	**298**	**126**	**22,647**	**211**
Currency translation and other adjustments	**(2)**	**-**	**-**	**-**	**-**	**7**	**(2)**	**7**
Inter-group transfers	**(113)**	**(1)**	**(8)**	**(1)**	**1**	**-**	**(120)**	**(2)**
Transfers from Stage 1 to Stage 2	**(837)**	**(5)**	**837**	**5**	**-**	**-**	**-**	**-**
Transfers from Stage 2 to Stage 1	**388**	**7**	**(388)**	**(7)**	**-**	**-**	**-**	**-**
Transfers to Stage 3	**(4)**	**-**	**(90)**	**(3)**	**94**	**3**	**-**	**-**
Transfers from Stage 3	**7**	**2**	**8**	**1**	**(15)**	**(3)**	**-**	**-**
Net re-measurement of ECL on stage transfer		**(5)**		**8**		**6**		**9**
Changes in risk parameters		**1**		**4**		**4**		**9**
Other changes in net exposure	**1,118**	**4**	**(178)**	**(5)**	**(63)**	**4**	**877**	**3**
Other (P&L only items)		**-**		**-**		**(1)**		**(1)**
Income statement (releases)/charges		**-**		**7**		**13**		**20**
Amounts written-off	**-**	**-**	**-**	**-**	**(11)**	**(11)**	**(11)**	**(11)**
Unwinding of discount		**-**		**-**		**(1)**		**(1)**
At 30 June 2026	**21,035**	**49**	**2,052**	**41**	**304**	**135**	**23,391**	**225**
Net carrying amount	**20,986**		**2,011**		**169**		**23,166**	
At 1 January 2025	18,526	58	2,124	44	357	139	21,007	241
2025 movements	825	(3)	63	(2)	(20)	3	868	(2)
At 30 June 2025	19,351	55	2,187	42	337	142	21,875	239
Net carrying amount	19,296		2,145		195		21,636	

- There was a small increase in ECL as impairment charges exceeded write-offs.
- Stage 2 exposure increased reflecting continued macroeconomic uncertainty through updated economic scenarios and weights.
- Stage 3 exposure and ECL remained broadly stable with impairment charges being largely offset by write-offs.

Notes

9. Loan impairment provisions continued

Flow statements

Commercial & Institutional - other	Stage 1 Financial assets £m	Stage 1 ECL £m	Stage 2 Financial assets £m	Stage 2 ECL £m	Stage 3 Financial assets £m	Stage 3 ECL £m	Total Financial assets £m	Total ECL £m
At 1 January 2026	**6,063**	**10**	**462**	**7**	**144**	**118**	**6,669**	**135**
Currency translation and other adjustments	**(4)**	**-**	**1**	**-**	**-**	**3**	**(3)**	**3**
Inter-group transfers	**(93)**	**-**	**(3)**	**-**	**-**	**-**	**(96)**	**-**
Transfers from Stage 1 to Stage 2	**(158)**	**-**	**158**	**-**	**-**	**-**	**-**	**-**
Transfers from Stage 2 to Stage 1	**144**	**-**	**(144)**	**-**	**-**	**-**	**-**	**-**
Transfers to Stage 3	**-**	**-**	**(2)**	**(1)**	**2**	**1**	**-**	**-**
Net re-measurement of ECL on stage transfer		**(1)**		**1**		**-**		**-**
Changes in risk parameters		**(1)**		**-**		**(2)**		**(3)**
Other changes in net exposure	**1,173**	**1**	**(2)**	**2**	**(10)**	**-**	**1,161**	**3**
Income statement (releases)/charges		**(1)**		**3**		**(2)**		**-**
Amounts written-off	**-**	**-**	**-**	**-**	**(4)**	**(4)**	**(4)**	**(4)**
Unwinding of discount		**-**		**-**		**(1)**		**(1)**
At 30 June 2026	**7,125**	**9**	**470**	**9**	**132**	**115**	**7,727**	**133**
Net carrying amount	**7,116**		**461**		**17**		**7,594**	
At 1 January 2025	5,347	10	1,367	8	72	43	6,786	61
2025 movements	926	-	(801)	(1)	61	62	186	61
At 30 June 2025	6,273	10	566	7	133	105	6,972	122
Net carrying amount	6,263		559		28		6,850	

- Exposure increased with strong growth in financial institutions.
- The reduction in ECL was due to improving risk metrics.

Mortgage LTV distribution by stage

The table below shows gross mortgage lending and related ECL by LTV band for the Retail Banking portfolio.

	Mortgages				ECL provisions				ECL provisions coverage			
30 June 2026	Stage 1 £m	Stage 2 £m	Stage 3 £m	Total £m	Stage 1 £m	Stage 2 £m	Stage 3 £m	Total £m	Stage 1 %	Stage 2 %	Stage 3 %	Total %
≤50%	**59,071**	**6,058**	**450**	**65,579**	**7**	**7**	**53**	**67**	**-**	**0.1**	**11.8**	**0.1**
>50% and ≤70%	**61,085**	**5,601**	**348**	**67,034**	**12**	**11**	**35**	**58**	**-**	**0.2**	**10.1**	**0.1**
>70% and ≤80%	**29,506**	**1,996**	**108**	**31,610**	**7**	**6**	**11**	**24**	**-**	**0.3**	**10.2**	**0.1**
>80% and ≤90%	**23,488**	**1,064**	**60**	**24,612**	**7**	**5**	**7**	**19**	**-**	**0.5**	**11.7**	**0.1**
>90% and ≤100%	**9,159**	**258**	**15**	**9,432**	**2**	**2**	**3**	**7**	**-**	**0.8**	**20.0**	**0.1**
>100%	**7**	**3**	**6**	**16**	**-**	**-**	**2**	**2**	**-**	**-**	**33.3**	**12.5**
Total with LTVs	**182,316**	**14,980**	**987**	**198,283**	**35**	**31**	**111**	**177**	**-**	**0.2**	**11.2**	**0.1**
Other	**242**	**-**	**1**	**243**	**5**	**-**	**1**	**6**	**2.1**	**-**	**100.0**	**2.5**
Total	**182,558**	**14,980**	**988**	**198,526**	**40**	**31**	**112**	**183**	**-**	**0.2**	**11.3**	**0.1**
31 December 2025												
≤50%	60,940	6,165	386	67,491	9	9	54	72	-	0.1	14.0	0.1
>50% and ≤70%	62,077	5,613	247	67,937	15	14	31	60	-	0.2	12.6	0.1
>70% and ≤80%	27,278	1,704	59	29,041	8	6	7	21	-	0.4	11.9	0.1
>80% and ≤90%	20,609	732	35	21,376	7	4	5	16	-	0.5	14.3	0.1
>90% and ≤100%	4,420	76	6	4,502	1	-	2	3	-	-	33.3	0.1
>100%	8	1	6	15	-	-	2	2	-	-	33.3	13.3
Total with LTVs	175,332	14,291	739	190,362	40	33	101	174	-	0.2	13.7	0.1
Other	385	-	3	388	3	-	-	3	0.8	-	-	0.8
Total	175,717	14,291	742	190,750	43	33	101	177	-	0.2	13.6	0.1

Notes

10. Provisions for liabilities and charges

	Redress and other litigation £m	Property £m	Financial commitments and guarantees £m	Other (1) £m	Total £m
At 1 January 2026	233	53	46	103	435
Expected credit losses impairment charge	-	-	3	-	3
Currency translation and other movements	-	-	-	-	-
Acquisition of companies and businesses	8	7	-	4	19
Charge to income statement	5	5	-	167	177
Release to income statement	(26)	(7)	-	(42)	(75)
Provisions utilised	(72)	(5)	-	(47)	(124)
At 30 June 2026	148	53	49	185	435

(1) Other materially comprises provisions relating to restructuring costs and Bank of England levy.

Provisions are liabilities of uncertain timing or amount and are recognised when there is a present obligation as a result of a past event, the outflow of economic benefit is probable, and the outflow can be estimated reliably. Any difference between the final outcome and the amounts provided will affect the reported results in the period when the matter is resolved.

11. Dividends

The Board of National Westminster Bank Plc has not declared an interim dividend for H1 2026 (H1 2025 - £1,404 million).

12. Contingent liabilities and commitments

The amounts shown in the table below are intended only to provide an indication of the volume of business outstanding at 30 June 2026. Although NWB Group is exposed to credit risk in the event of non-performance of the obligations undertaken by customers, the amounts shown do not, and are not intended to, provide any indication of NWB Group's expectation of future losses.

	30 June 2026 £m	31 December 2025 £m
Contingent liabilities and commitments		
Guarantees	1,671	1,580
Other contingent liabilities	1,236	1,127
Standby facilities, credit lines and other commitments	105,991	102,451
Total	108,898	105,158

Commitments and contingent obligations are subject to NWB Group's normal credit approval processes.

Indemnity deed

In April 2019, NWM Plc and NWB Plc entered into a cross indemnity agreement for losses incurred within the entities in relation to business transferred to or from the ring-fenced bank under the NatWest Group's structural re organisation. Under the agreement, NWM Plc is indemnified by NWB Plc against losses relating to the NWB Plc transferring businesses and ring-fenced bank obligations and NWB Plc is indemnified by NWM Plc against losses relating to NWM Plc transferring businesses and non-ring-fenced bank obligations with effect from the relevant transfer date.

Notes

13. Litigation and regulatory matters

NWB Plc and its subsidiary and associated undertakings ('NWB Group') are party to various legal proceedings and are involved in, or subject to, various regulatory matters, including as the subject of investigations and other regulatory and governmental action (Matters) in the United Kingdom (UK), the United States (US), the European Union (EU) and other jurisdictions.

NWB Group recognises a provision for a liability in relation to these Matters when it is probable that an outflow of economic benefits will be required to settle an obligation resulting from past events, and a reliable estimate can be made of the amount of the obligation.

In many of the Matters, it is not possible to determine whether any loss is probable, or to estimate reliably the amount of any loss, either as a direct consequence of the relevant proceedings and regulatory matters or as a result of adverse impacts or restrictions on NWB Group's reputation, businesses and operations. Numerous legal and factual issues may need to be resolved, including through potentially lengthy discovery and document production exercises and determination of important factual matters, and by addressing novel or unsettled legal questions relevant to the proceedings in question, before the probability of a liability, if any, arising can reasonably be estimated in respect of any Matter. NWB Group cannot predict if, how, or when such claims will be resolved or what the eventual settlement, damages, fine, penalty or other relief, if any, may be, particularly for Matters that are at an early stage in their development or where claimants seek substantial or indeterminate damages.

There are situations where NWB Group may pursue an approach that in some instances leads to a settlement agreement. This may occur in order to avoid the expense, management distraction or reputational implications of continuing to contest liability, or in order to take account of the risks inherent in defending or contesting Matters, even for those for which NWB Group believes it has credible defences and should prevail on the merits. The uncertainties inherent in all Matters affect the amount and timing of any potential economic outflows for both Matters with respect to which provisions have been established and other contingent liabilities in respect of any such Matter.

It is not practicable to provide an aggregate estimate of potential liability for our Matters as a class of contingent liabilities.

The future economic outflow in respect of any Matter may ultimately prove to be substantially greater than, or less than, the aggregate provision, if any, that NWB Group has recognised in respect of such Matter. Where a reliable estimate of the economic outflow cannot be reasonably made, no provision has been recognised. NWB Group expects that in future periods, additional provisions and economic outflows relating to Matters that may or may not be currently known by NWB Group will be necessary, in amounts that are expected to be substantial in some instances. Refer to Note 10 for information on material provisions.

Matters which are, or could be, material, either individually or in aggregate, having regard to NWB Group, considered as a whole, in which NWB Group is currently involved are set out below. We have provided information on the procedural history of certain Matters, where we believe appropriate, to aid the understanding of the Matter.

For a discussion of certain risks associated with NWB Group's litigation and regulatory matters (including the Matters), refer to the Risk Factor relating to legal, regulatory and governmental actions and investigations set out on pages 180 to 182 of the NatWest Bank Plc 2025 Annual Report and Accounts.

Litigation

Offshoring VAT assessments

HMRC, as part of an industry-wide review, issued protective tax assessments in 2018 against NatWest Group plc totalling £143 million relating to unpaid VAT in respect of the UK branches of two NatWest Group companies registered in India for the period from 1 January 2014 until 31 December 2017 inclusive. NatWest Group formally requested reconsideration by HMRC of their assessments, and this process was completed in November 2020. HMRC upheld their original decision and, as a result, NatWest Group plc lodged an appeal with the Tax Tribunal and an application for judicial review with the High Court of Justice of England and Wales, both in December 2020.

In order to lodge the appeal with the Tax Tribunal, NatWest Group plc was required to pay amounts totalling £153 million (including statutory interest) to HMRC in December 2020 and May 2022. The appeal and the application for judicial review were previously stayed behind a separate case involving another bank.

NatWest Group plc was informed in late 2024 that the other bank had settled its case with HMRC by agreement. NatWest Group plc is progressing its appeal before the Tax Tribunal in its own name. NatWest Group plc will also continue to review next steps relevant to the judicial review.

The amount of £153 million continues to be recognised as an asset that NatWest Group plc expects to recover. Since 1 January 2018, NatWest Group plc has paid VAT on intra-group supplies from the India-registered NatWest Group companies.

Notes

13. Litigation and regulatory matters continued

Regulatory matters

NWB Group's financial condition can be affected by the actions of various governmental and regulatory authorities in the UK, the US, the EU and elsewhere. NWB Group and/or NatWest Group have engaged, and will continue to engage, in discussions with relevant governmental and regulatory authorities, including in the UK, the US, the EU and elsewhere, on an ongoing and regular basis, and in response to informal and formal inquiries or investigations, regarding operational, systems and control evaluations and issues including those related to compliance with applicable laws and regulations, including consumer protection, investment advice, business conduct, competition/anti-trust, VAT recovery, anti-bribery, anti-money laundering and sanctions regimes.

NWB Group expects government and regulatory intervention in financial services to be high for the foreseeable future, including increased scrutiny from competition and other regulators in the retail and SME business sectors.

Any matters discussed or identified during such discussions and inquiries may result in, among other things, further inquiry or investigation, other action being taken by governmental and regulatory authorities, increased costs being incurred by NWB Group, remediation of systems and controls, public or private censure, restriction of NWB Group's business activities and/or fines. Any of the events or circumstances mentioned in this paragraph or below could have a material adverse effect on NWB Group, its business, authorisations and licences, reputation, results of operations or the price of securities issued by it, or lead to material additional provisions being taken.

NWB Group is co-operating fully with the matters described below.

Investment advice review

In October 2019, the FCA notified NatWest Group of its intention to appoint a Skilled Person under section 166 of the Financial Services and Markets Act 2000 to conduct a review of whether NatWest Group's past business review of investment advice provided during 2010 to 2015 was subject to appropriate governance and accountability and led to appropriate customer outcomes.

The Skilled Person's review concluded in 2021 and, after discussion with the FCA, NatWest Group is undertaking additional review/remediation work which is expected to be fully complete by the end of July 2026.

Notes

14. Related party transactions

Related parties

(a) In their roles as providers of finance, NWB Group companies provide development and other types of capital support to businesses. These investments are made in the normal course of business.

(b) To further strategic partnerships, NWB Group may seek to invest in third parties or allow third parties to hold a minority interest in a subsidiary of NWB Group. We disclose as related parties for associates and joint ventures and where equity interests are over 10%. Ongoing business transactions with these entities are on normal commercial terms.

(c) NWB Group recharges the NatWest Group Pension Fund with the cost of pension management services incurred by it.

(d) In accordance with IAS 24, transactions or balances between NWB Group entities that have been eliminated on consolidation are not reported.

The nature of related party transactions in H1 2026 was similar to those disclosed in the NatWest Bank Plc 2025 Annual Report and Accounts.

NWB Group's financial assets and liabilities include amounts due from/to holding companies and fellow subsidiaries as below:

	30 June 2026			31 December 2025		
	Holding companies £m	Fellow subsidiaries £m	Total £m	Holding companies £m	Fellow subsidiaries £m	Total £m
Assets						
Loans to banks - amortised cost	-	6,840	6,840	-	6,950	6,950
Loans to customers - amortised cost	-	17	17	-	18	18
Other financial assets	19	-	19	-	8	8
Other assets	7	235	242	8	202	210
Amounts due from holding companies and fellow subsidiaries	26	7,092	7,118	8	7,178	7,186
Derivatives (1)	142	475	617	123	632	755
Liabilities						
Bank deposits	-	40,116	40,116	-	34,584	34,584
Customer deposits	9,325	106	9,431	9,876	258	10,134
Subordinated liabilities	4,638	-	4,638	4,150	-	4,150
MREL instruments issued to NatWest Holdings Ltd	7,928	-	7,928	8,143	-	8,143
Other financial liabilities	-	15	15	28	-	28
Other liabilities	16	74	90	2	65	67
Amounts due to holding companies and fellow subsidiaries	21,907	40,311	62,218	22,199	34,907	57,106
Derivatives (1)	85	390	475	50	574	624

(1) Intercompany derivatives are included within derivative classification on the balance sheet.

15. Post balance sheet events

There have been no significant events between 30 June 2026 and the date of approval of this announcement which would require a change to, or additional disclosure in, the announcement.

16. Date of approval

This announcement was approved by the Board of Directors on 30 July 2026.

Independent review report to National Westminster Bank Plc

Report on the condensed consolidated interim financial statements

Our conclusion

We have reviewed National Westminster Bank Plc's condensed consolidated interim financial statements (the "interim financial statements") in the NatWest Bank Group Interim Results 2026 of National Westminster Bank Plc for the 6-month period ended 30 June 2026 (the "period").

Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements are not prepared, in all material respects, in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting', International Accounting Standard 34, 'Interim Financial Reporting' as issued by the International Accounting Standards Board ('IASB') and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

The interim financial statements comprise:
- the Condensed consolidated balance sheet as at 30 June 2026;
- the Condensed consolidated income statement for the period then ended;
- the Condensed consolidated statement of comprehensive income for the period then ended;
- the Condensed consolidated statement of changes in equity for the period then ended;
- the Condensed consolidated cash flow statement for the period then ended; and
- the explanatory notes to the interim financial statements.

The interim financial statements included in the NatWest Bank Group Interim Results 2026 of National Westminster Bank Plc have been prepared in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting', International Accounting Standard 34, 'Interim Financial Reporting' as issued by the IASB and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

Basis for conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Financial Reporting Council for use in the United Kingdom ("ISRE (UK) 2410"). A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We have read the other information contained in the NatWest Bank Group Interim Results 2026 and considered whether it contains any apparent misstatements or material inconsistencies with the information in the interim financial statements.

Conclusions relating to going concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for conclusion section of this report, nothing has come to our attention to suggest that the directors have inappropriately adopted the going concern basis of accounting or that the directors have identified material uncertainties relating to going concern that are not appropriately disclosed. This conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410. However, future events or conditions may cause the group to cease to continue as a going concern.

Responsibilities for the interim financial statements and the review

Our responsibilities and those of the directors

The NatWest Bank Group Interim Results 2026, including the interim financial statements, is the responsibility of, and has been approved by the directors. The directors are responsible for preparing the NatWest Bank Group Interim Results 2026 in accordance with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority. In preparing the NatWest Bank Group Interim Results 2026, including the interim financial statements, the directors are responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or to cease operations, or have no realistic alternative but to do so.

Our responsibility is to express a conclusion on the interim financial statements in the NatWest Bank Group Interim Results 2026 based on our review. Our conclusion, including our Conclusions relating to going concern, is based on procedures that are less extensive than audit procedures, as described in the Basis for conclusion paragraph of this report.

Use of this report

This report, including the conclusion, has been prepared for and only for the company for the purpose of complying with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority and for no other purpose. We do not, in giving this conclusion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

PricewaterhouseCoopers LLP
Chartered Accountants
Edinburgh
30 July 2026

NatWest Bank Plc Summary Risk Factors

Summary of Principal risks and uncertainties

Set out below is a summary of the principal risks and uncertainties for the remaining six months of the financial year which could adversely affect NWB Group. This summary should not be regarded as a complete and comprehensive statement of all potential risks and uncertainties; a fuller description of these and other risk factors is included on pages 168 to 184 of the NatWest Bank Plc 2025 Annual Report and Accounts. Any of the risks identified may have a material adverse effect on NatWest Group's business, operations, financial condition or prospects.

Economic and political risk

- NWB Group, its customers and its counterparties face continued economic and political risks and uncertainties in the UK and global markets, including as a result of inflation and interest rates, supply chain disruption, protectionist policies, and geopolitical developments.
- Changes in interest rates will continue to affect NWB Group's business and results.
- Fluctuations in currency exchange rates may adversely affect NWB Group's results and financial condition.

Business change and execution risk

- The implementation and execution of NatWest Group's (of which NWB Group forms part) strategy carries execution and operational risks and it may not achieve its stated aims and targeted outcomes.
- Acquisitions, divestments, or other transactions by NatWest Group (and/or NWB Group) may not be successful.
- NWB Group operates in markets that are highly competitive, with evolving competitive pressures and technology disruption.
- The transfer of NatWest Group's EU corporate portfolio involves certain risks.

Financial resilience risk

- NWB Group may not achieve its ambitions or targets, meet its guidance, or generate sustainable returns.
- NWB Group has significant exposure to counterparty and borrower risk including credit losses, which may have an adverse effect on NWB Group.
- NWB Group may not meet the prudential regulatory requirements for liquidity and funding or may not be able to adequately access sources of liquidity and funding, which could trigger the execution of certain management actions or recovery options.
- NWB Group may not meet the prudential regulatory requirements for regulatory capital and MREL, or manage its capital effectively, which could trigger the execution of certain management actions or recovery options.
- NWB Group is reliant on NatWest Group for capital and funding support, and is substantially reliant on NatWest Group plc's ability to issue sufficient amounts of capital and external MREL securities and downstream the proceeds to NWB Group. The inability to do so may adversely affect NWB Group.
- Any reduction in the credit rating and/or outlooks assigned to NatWest Group plc, any of its subsidiaries (including NWB Plc or other NWB Group subsidiaries) or any of their respective debt securities could adversely affect the availability of funding for NWB Group, reduce NWB Group's liquidity and funding position and increase the cost of funding.
- NWB Group could incur losses or be required to maintain higher levels of capital as a result of limitations or failure of various models.
- NWB Group's financial statements are sensitive to underlying accounting policies, judgements, estimates and assumptions.
- Changes in accounting standards may materially impact NWB Group's financial results.
- The value or effectiveness of any credit protection that NatWest Group (including NWB Group) has acquired depends on the value of the underlying assets and the financial condition of the insurers and counterparties.
- NatWest Group (including NWB Group) may become subject to the application of UK statutory stabilisation or resolution powers which may result in, for example, the write-down or conversion of NWB Group's Eligible Liabilities.
- NatWest Group, and NWB Group, could be adversely affected if NatWest Group fails to meet the requirements of regulatory stress tests, or if its resolution preparations are deemed inadequate.

NatWest Bank Plc Summary Risk Factors

Summary of Principal risks and uncertainties continued

Operational and IT resilience risk

- Operational risks (including reliance on third party suppliers and outsourcing of certain activities) are inherent in NWB Group's businesses.
- NWB Group is subject to sophisticated and frequent cyberattacks, and compliance with cybersecurity and data protection regulations is becoming increasingly complex.
- NWB Group's operations and strategy are highly dependent on the accuracy and effective use of data.
- NWB Group's operations are highly dependent on its complex IT systems and any IT failure could adversely affect NWB Group.
- NWB Group relies on attracting, retaining and developing diverse senior management and skilled personnel, and is required to maintain good employee relations.
- A failure in NWB Group's risk management framework could adversely affect NWB Group, including its ability to achieve its strategic objectives.
- NWB Group's operations are subject to inherent reputational risk.

Legal and regulatory risk

- NWB Group's businesses are subject to substantial regulation and oversight, which are constantly evolving and may adversely affect NWB Group.
- NWB Group is exposed to the risks of various litigation matters, regulatory and governmental actions and investigations as well as remedial undertakings, the outcomes of which are inherently difficult to predict, and which could have an adverse effect on NWB Group.
- Changes in tax legislation (or application thereof) or failure to generate future taxable profits may impact the recoverability of certain deferred tax assets recognised by NWB Group.

Climate and sustainability-related risks

- NWB Group and its Value Chain face climate and sustainability-related risks that may adversely affect NWB Group.
- NatWest Group's (including NWB Group) strategy relating to climate and sustainability is subject to execution and reputational risks. NatWest Group's (including NWB Group) climate and sustainability-related ambitions, targets and commitments may not be achieved, and NatWest Group's climate transition plan may not be implemented, without timely and appropriate government policy, technology developments, and suppliers, customers and society supporting the transition.
- There are significant limitations related to accessing accurate, reliable, verifiable, auditable, consistent and comparable climate and sustainability-related data that contribute to substantial uncertainties in accurately assessing, managing and reporting on climate and sustainability-related information and risks, as well as making informed decisions.
- NWB Group is subject to an increasingly complex and evolving landscape of climate and sustainability-related legal, regulatory, and supervisory expectations and there is an increasing risk of regulatory non-compliance, investigations, litigation, and enforcement actions.

Statement of directors' responsibilities

We, the directors listed below, confirm that to the best of our knowledge:

- the condensed financial statements have been prepared in accordance with IAS 34 'Interim Financial Reporting'; as adopted by the UK and as issued by the International Accounting Standards Board (IASB) and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority;
- the interim management report includes a fair review of the information required by DTR 4.2.7R (indication of important events during the first six months and description of principal risks and uncertainties for the remaining six months of the year); and
- the interim management report includes a fair review of the information required by DTR 4.2.8R (disclosure of related parties' transactions and changes therein).

By order of the Board

Richard Haythornthwaite Chair	John-Paul Thwaite Chief Executive Officer	Katie Murray Chief Financial Officer

30 July 2026

Board of directors

Chair	Executive directors	Non-executive directors
Richard Haythornthwaite	John-Paul Thwaite	Francesca Barnes
	Katie Murray	Karin Cook
		Joshua Critchley
		Roisin Donnelly
		Patrick Flynn
		Geeta Gopalan
		Albert Hitchcock
		Erminia Johannson
		Stuart Lewis
		Mark Rennison
		Gillian Whitehead
		Lena Wilson

Erminia Johannson was appointed as non-executive director on 1 July 2026.

Additional Information

Presentation of information

National Westminster Bank Plc (NWB Plc or NatWest Bank Plc) is a wholly-owned subsidiary of NatWest Holdings Limited (‘NWH Ltd’ or ‘the intermediate holding company’). The term ‘NatWest Bank Group’ or ‘NWB Group’ or ‘we’ refers to NWB Plc and its subsidiary and associated undertakings. The term ‘NWH Group’ refers to NWH Ltd and its subsidiary and associated undertakings. NatWest Group plc is ‘the ultimate holding company’. The term ‘NatWest Group’ refers to NatWest Group plc and its subsidiary and associated undertakings. The term Evelyn Partners refers to Evelyn Partners Group Limited.

NWB Plc publishes its financial statements in pounds sterling (‘£’ or ‘sterling’). The abbreviations ‘£m’ and ‘£bn’ represent millions and thousands of millions of pounds sterling (GBP), respectively, and references to ‘pence’ or ‘p’ represent pence where the amounts are denominated in sterling. Reference to ‘dollars’ or ‘$’ are to United States of America (‘US’) dollars. The abbreviations ‘$m’ and ‘$bn’ represent millions and thousands of millions of dollars, respectively. The abbreviation ‘€’ represents the ‘euro’, and the abbreviations ‘€m’ and ‘€bn’ represent millions and thousands of millions of euros, respectively.

Statutory accounts

Financial information contained in this document does not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006 (“the Act”). The statutory accounts for the year ended 31 December 2025 have been filed with the Registrar of Companies. The report of the auditor on those statutory accounts was unqualified, did not draw attention to any matters by way of emphasis and did not contain a statement under section 498(2) or (3) of the Act.

Contact

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Forward-looking statements

This document may include forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995, such as statements with respect to NWB Group’s financial condition, results of operations and business, including its strategic priorities, financial, investment and capital targets, and climate and sustainability related ambitions, targets and commitments described herein. Statements that are not historical facts, including statements about NWB 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: NWB Group’s economic and political risks, its regulatory capital position and related requirements, its financial position, profitability and financial performance (including financial, capital, cost savings and operational targets), the implementation of NatWest Group’s (including NWB Group) strategy, NatWest Group’s (including NWB Group) climate and sustainability-related ambitions, targets and commitments, its access to adequate sources of liquidity and funding, its ongoing compliance with the UK ring-fencing regime and ensuring operational continuity in resolution, 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, future growth initiatives (including acquisitions, joint ventures and strategic partnerships), the outcome of legal, regulatory and governmental actions and investigations, the level and extent of future impairments and write-downs, legislative, political, fiscal and regulatory developments, accounting standards, competitive conditions, technological developments, interest and exchange rate fluctuations, and general economic and political conditions, exposure to third party risk, operational risk, compliance and conduct risk, cyber, data and IT risk, financial crime risk, key person risk, credit rating risk, model risk, reputational risk, and the impact of climate and sustainability related risks and the transitioning to a net zero economy. These and other factors, risks and uncertainties that may impact any forward-looking statement or the NWB Group's actual results are discussed in the NatWest Bank Plc 2025 Annual Report and Accounts, NWB Plc Interim Results for H1 2026, and its other public filings. The forward-looking statements contained in this document speak only as of the date of this document and NWB Plc 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.

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