NatWest Markets N.V.
Interim Results 2026

NatWest Markets N.V.

Results for the half year ended 30 June 2026

The first half of the year was marked by a more challenging operating environment, as geopolitical uncertainty, market volatility and renewed inflation concerns weighed on activity, leading issuers to defer transactions and resulting in a slowdown in Capital Markets issuance. Encouragingly, the latter part of Q2 saw a recovery in activity. Maintaining our focus on supporting clients effectively and converting emerging opportunities into sustainable growth, we capitalised on improving market momentum, securing notable wins and strengthening our pipeline across Europe.

As at the end of June 2026, NWM N.V. Group had delivered €13.5 billion towards the NatWest Group climate and transition finance (CTF) target to provide £200 billion in climate and transition finance[(1)] between 1 July 2025 and the end of 2030.

Supervisory Board update

In April 2026, Maarten Klessens stepped down as Interim Chair of the Supervisory Boards of NWM N.V. and RBSH N.V., and Thierry Roland was appointed as a member and Chair of both Supervisory Boards.

Capital guidance[(2)]

We retain the Capital guidance provided in the NatWest Markets N.V. 2025 Annual Report and Accounts.

(1) The CTF framework has been developed to expand the support provided to customers to achieve their climate and/or transition ambitions and is used to determine the assets, activities, acquisition targets and companies that are eligible to be included towards the £200 billion CTF target. The climate and transition finance framework is available on natwestgroup.com. Climate and transition finance represents only a relatively small proportion of our overall financing and facilitation activities.

(2) The guidance, targets, expectations and trends discussed in this section represent management's current expectations and are subject to change, including as a result of the factors described in the Risk Factors section in the NatWest Markets N.V. 2025 Annual Report and Accounts and the Summary Risk Factors in this document. These statements constitute forward-looking statements. Refer to Forward-looking statements in this document.

Financial review

Profit for the period was €48 million, compared with €61 million in H1 2025. The €13 million decrease was primarily driven by a higher tax charge, which increased by €13 million to €18 million in H1 2026, and a €10 million increase in operating expenses to €110 million. These impacts were partially offset by a €14 million increase in net interest income to €53 million in H1 2026.

Net interest income increased to €53 million, compared with €39 million in H1 2025. The increase was primarily driven by growth in the lending portfolio and funding book, which more than offset the impact of lower average interest rates in H1 2026 compared with H1 2025.

Non-interest income was €127 million in H1 2026, consistent with H1 2025. Net fees and commissions increased by €3 million to €124 million and primarily comprised transfer pricing income from NWM Plc of €76 million (H1 2025 - €81 million) and underwriting fees of €48 million (H1 2025 - €45 million). The €5 million decrease in transfer pricing income primarily reflected lower income from revenue share models. Income from trading activities was €22 million, compared with €25 million in H1 2025. Other operating income was a loss of €19 million, consistent with H1 2025, primarily reflecting fair value movements on structured deposits.

Operating expenses were €110 million, compared with €100 million in H1 2025. Staff costs remained unchanged at €49 million, while premises and equipment costs were stable at €3 million. Administrative expenses increased by €10 million to €57 million, reflecting higher cost recharges from NatWest Group companies. Depreciation and amortisation were €1 million, consistent with H1 2025.

Impairments were a net loss of €4 million in H1 2026, compared with nil in H1 2025.

Tax charge was €18 million, compared with €5 million in H1 2025. The increase in the tax charge was largely driven by the utilisation of deferred tax assets.

Total assets and total liabilities increased by €12.2 billion and €12.3 billion to €40.6 billion and €38.7 billion, respectively, as at 30 June 2026, compared with €28.5 billion and €26.4 billion at 31 December 2025.

- Cash and balances at central banks increased by €2.7 billion to €10.3 billion as at 30 June 2026, with the full balance placed with the Dutch Central Bank.
- Trading assets increased to €8.6 billion (31 December 2025 - €6.5 billion), mainly reflecting higher loans subject to reverse repurchase agreements, which increased by €2.0 billion, and debt securities, which increased by €0.4 billion.
- Derivative assets decreased to €8.6 billion (31 December 2025 - €8.8 billion) and derivative liabilities decreased to €6.9 billion (31 December 2025 - €7.3 billion), primarily reflecting changes in the fair values of interest rate and foreign exchange derivatives.
- Amounts due from holding company and fellow subsidiaries increased to €4.0 billion, compared with €1.3 billion at 31 December 2025, mainly due to an increase in intragroup settlement balances of €2.8 billion.
- Customer deposits increased from €5.0 billion to €7.3 billion as at 30 June 2026, in line with the strategy to increase customer deposits to support planned banking book asset growth.
- Amounts due to holding companies and fellow subsidiaries increased by €0.2 billion to €2.3 billion as at 30 June 2026, driven by increases in intragroup settlement balances and intragroup bank deposits of €0.6 billion and €0.1 billion, respectively. These increases were partially offset by a €0.6 billion decrease in intragroup trading liabilities.
- Trading liabilities increased to €9.4 billion (31 December 2025 - €6.8 billion), mainly due to a €2.2 billion increase in deposits subject to repurchase agreements and a €0.5 billion increase in cash collateral received from derivative counterparties.
- Other financial liabilities increased by €0.5 billion to €4.2 billion, mainly reflecting an increase in debt securities in issue to €3.4 billion (31 December 2025 – €3.0 billion).
- Equity attributable to controlling interests decreased by €150 million to €2.0 billion as at 30 June 2026, mainly driven by ordinary dividends of €183 million, paid-in equity dividends of €8 million and cash flow hedging reserve movements of €8 million. This was partially offset by the profit for the period of €48 million and a €1 million increase in the own credit adjustment reserve.

Financial review

Capital and liquidity

Capital ratios and risk-weighted assets (RWAs) on the CRR transitional basis are set out below.

	30 June 2026	31 December 2025
Capital ratios (1)	%	%
Common Equity Tier 1 (CET1)	**17.7**	18.5
Tier 1	**20.8**	21.7
Total	**22.1**	23.2
Risk-weighted assets	€m	€m
Credit risk	**6,871**	6,535
Market risk (1)	**747**	740
Operational risk	**592**	592
Total RWAs	**8,210**	7,867
Liquidity	%	%
Liquidity Coverage Ratio (LCR)	**157**	181

(1) Market risk RWAs include Credit Valuation Adjustment (CVA) RWAs.

- Capital ratios reduced in H1 2026 primarily due to an increase in loans to customers, which resulted in higher RWAs.

Condensed consolidated income statement
for the period ended 30 June 2026 (unaudited)

	Half year ended	
	30 June 2026	30 June 2025
	€m	€m
Interest receivable	**183**	163
Interest payable	**(130)**	(124)
Net interest income	**53**	39
Fees and commissions receivable	**139**	135
Fees and commissions payable	**(15)**	(14)
Income from trading activities	**22**	25
Other operating income	**(19)**	(19)
Non-interest income	**127**	127
Total income	**180**	166
Staff costs	**(49)**	(49)
Premises and equipment	**(3)**	(3)
Other administrative expenses	**(57)**	(47)
Depreciation and amortisation	**(1)**	(1)
Operating expenses	**(110)**	(100)
Profit before impairment losses	**70**	66
Impairment losses	**(4)**	-
Operating profit before tax	**66**	66
Tax charge	**(18)**	(5)
Profit for the period	**48**	61
Attributable to:		
Ordinary shareholders	**40**	53
Paid-in-equity holders	**8**	8
	48	61

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	**48**	61
Items that do not qualify for reclassification:		
Changes in fair value of financial liabilities designated at fair value through profit or loss (FVTPL) due to changes in credit risk	**1**	(4)
	1	(4)
Items that do qualify for reclassification:		
Cash flow hedges	**(8)**	(4)
Currency translation	**-**	(1)
	(8)	(5)
Other comprehensive losses after tax	**(7)**	(9)
Total comprehensive income for the period	**41**	52
Attributable to:		
Ordinary shareholders	**33**	44
Paid-in-equity holders	**8**	8
	41	52

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	**10,265**	7,608
Trading assets	**8,549**	6,509
Derivatives	**8,586**	8,791
Settlement balances	**3,998**	111
Loans to banks - amortised cost	**743**	613
Loans to customers - amortised cost	**2,357**	1,422
Amounts due from holding company and fellow subsidiaries	**4,041**	1,293
Other financial assets	**1,928**	1,959
Other assets	**166**	175
Total assets	**40,633**	28,481
Liabilities		
Bank deposits	**1,857**	975
Customer deposits	**7,294**	4,968
Amounts due to holding company and fellow subsidiaries	**2,274**	2,111
Settlement balances	**6,436**	182
Trading liabilities	**9,380**	6,751
Derivatives	**6,871**	7,331
Other financial liabilities	**4,189**	3,679
Subordinated liabilities	**287**	290
Other liabilities	**82**	81
Total liabilities	**38,670**	26,368
Total equity	**1,963**	2,113
Total liabilities and equity	**40,633**	28,481

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
Share capital and premium account - at beginning and end of period (1)	**1,550**	1,550
Paid-in-equity - at beginning and end of period	**250**	250
Cash flow hedging reserve - at beginning of period	**9**	31
Amount recognised in equity	**(3)**	(3)
Reclassification of OCI to P&L	**(5)**	(1)
At end of period	**1**	27
Foreign exchange reserve - at beginning of period	**2**	6
Retranslation of net assets	**-**	(1)
At end of period	**2**	5
Retained earnings - at beginning of period	**302**	206
Profit attributable to ordinary shareholders and other equity owners	**48**	61
Paid-in-equity dividends paid	**(8)**	(8)
Ordinary dividends paid	**(183)**	-
Changes in fair value of financial liabilities designated at FVTPL due to changes in credit risk	**1**	(4)
At end of period	**160**	255
Total equity at end of period	**1,963**	2,087
Attributable to:		
Ordinary shareholders	**1,713**	1,837
Paid-in-equity holders	**250**	250
	1,963	2,087

(1) Includes ordinary share capital of €50,004 (2025 - €50,004).

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	**66**	66
Adjustments for non-cash and other items	**(27)**	(4)
Net cash flows from trading activities	**39**	62
Changes in operating assets and liabilities	**2,986**	3,164
Net cash flows from operating activities before tax	**3,025**	3,226
Income taxes paid	**(3)**	(6)
Net cash flows from operating activities	**3,022**	3,220
Net cash flows from investing activities	**64**	(41)
Net cash flows from financing activities	**(205)**	(12)
Effects of exchange rate changes on cash and cash equivalents	**6**	(45)
Net increase in cash and cash equivalents	**2,887**	3,122
Cash and cash equivalents at beginning of period	**9,189**	9,018
Cash and cash equivalents at end of period	**12,076**	12,140

Notes

1. Presentation of condensed consolidated financial statements

The condensed consolidated financial statements should be read in conjunction with NatWest Markets N.V. 2025 Annual Report and Accounts. The accounting policies are the same as those applied in the consolidated financial statements. NWM N.V. 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. NWM N.V. 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 NWM N.V. 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 European Union and as issued by the International Accounting Standards Board (IASB).

The condensed consolidated financial statements have not been audited or reviewed by the external auditor.

2. Analysis of net fees and commissions

	Half year ended	
	30 June 2026 €m	30 June 2025 €m
Fees and commissions receivable		
- Transfer pricing arrangements (Note 10)	**76**	81
- Underwriting fees	**48**	45
- Lending and financing	**14**	9
- Other	**1**	-
Total	**139**	135
Fees and commissions payable	**(15)**	(14)
Net fees and commissions	**124**	121

3. Tax

The actual tax charge differs from the expected tax charge computed by applying the statutory tax rate of the Netherlands of 25.8% (2025 - 25.8%) as follows:

	Half year ended	
	30 June 2026 €m	30 June 2025 €m
Profit before tax	**66**	66
Expected tax charge	**(17)**	(17)
Foreign profits taxed at other rates	**(1)**	(1)
Losses brought forward and utilised	**-**	11
Tax on paid-in equity dividends	**2**	2
Non-taxable items	**(2)**	-
Actual tax charge	**(18)**	(5)

Deferred tax assets of €140 million have been recognised at 30 June 2026 in respect of tax losses and unused tax credits (31 December 2025 - €151 million). NWM N.V. Group has considered the carrying value of this asset as at 30 June 2026 and concluded that it is recoverable based on future profit projections.

Notes

4. Derivatives

The table below shows third party derivatives by type of contract. The master netting agreements and collateral shown do not result in a net presentation on the balance sheet under IFRS.

	30 June 2026							31 December 2025		
	Notional									
	GBP	USD	EUR	Other	Total	Assets	Liabilities	Notional	Assets	Liabilities
	€bn	€bn	€bn	€bn	€bn	€m	€m	€bn	€m	€m
Gross exposure						6,366	4,380		5,974	5,291
IFRS offset and clearing house settlements						(60)	(60)		(178)	(178)
Carrying value	26	99	1,288	49	1,462	6,306	4,320	1,372	5,796	5,113
Of which:										
Interest rate (1)	11	11	1,222	1	1,245	3,915	2,272	1,170	3,954	2,539
Exchange rate	15	88	66	48	217	2,390	2,042	202	1,840	2,567
Credit	-	-	-	-	-	1	6	-	2	7
Carrying value					1,462	6,306	4,320	1,372	5,796	5,113
Counterparty mark-to-market netting						(2,441)	(2,441)		(2,669)	(2,669)
Cash collateral						(2,623)	(1,398)		(2,217)	(1,698)
Securities collateral						(950)	(60)		(621)	(352)
Net exposure						292	421		289	394
Banks (2)						33	27		18	54
Other financial institutions (3)						166	163		183	139
Corporate (4)						93	225		88	195
Government (5)						-	6		-	6
Net exposure						292	421		289	394
UK						-	5		2	2
Europe						289	414		284	391
US						-	2		-	1
RoW						3	-		3	-
Net exposure						292	421		289	394
Asset quality of uncollateralised derivative assets										
AQ1-AQ4						274			252	
AQ5-AQ10						18			37	
Net exposure						292			289	

(1) The notional amount of interest rate derivatives includes €1,137 billion (31 December 2025 – €1,036 billion) in respect of contracts cleared through central clearing counterparties.
(2) Transactions with certain counterparties with whom NWM N.V. has netting arrangements, but collateral is not posted on a daily basis; certain transactions with specific terms that may not fall within netting and collateral arrangements; derivative positions in certain jurisdictions where the collateral agreements are not deemed to be legally enforceable.
(3) Includes transactions with securitisation vehicles and funds where collateral posting is contingent on NWM N.V.'s external rating.
(4) Mainly large corporates with whom NWM N.V. may have netting arrangements in place, but operational capability does not support collateral posting.
(5) Sovereigns and supranational entities with no collateral arrangements, collateral arrangements that are not considered enforceable, or one-way collateral agreements in their favour.

Notes

5. 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			**10,265**		**10,265**
Trading assets	**8,549**				**8,549**
Derivatives	**8,586**				**8,586**
Settlement balances			**3,998**		**3,998**
Loans to banks - amortised cost (1)			**743**		**743**
Loans to customers - amortised cost			**2,357**		**2,357**
Amounts due from holding companies and fellow subsidiaries	**758**	**-**	**3,266**	**17**	**4,041**
Other financial assets	**-**	**615**	**1,313**		**1,928**
Other assets				**166**	**166**
30 June 2026	**17,893**	**615**	**21,942**	**183**	**40,633**
Cash and balances at central banks			7,608		7,608
Trading assets	6,509				6,509
Derivatives	8,791				8,791
Settlement balances			111		111
Loans to banks - amortised cost (1)			613		613
Loans to customers - amortised cost			1,422		1,422
Amounts due from holding companies and fellow subsidiaries	821	-	450	22	1,293
Other financial assets	-	695	1,264		1,959
Other assets				175	175
31 December 2025	16,121	695	11,468	197	28,481

	Held-for-trading €m	DFV €m	Amortised cost €m	Other liabilities €m	Total €m
Liabilities					
Bank deposits (2)			**1,857**		**1,857**
Customer deposits			**7,294**		**7,294**
Amounts due to holding companies and fellow subsidiaries	**610**	**-**	**1,654**	**10**	**2,274**
Settlement balances			**6,436**		**6,436**
Trading liabilities	**9,380**				**9,380**
Derivatives	**6,871**				**6,871**
Other financial liabilities	**-**	**1,215**	**2,974**		**4,189**
Subordinated liabilities (3)		**268**	**19**		**287**
Other liabilities (4)			**5**	**77**	**82**
30 June 2026	**16,861**	**1,483**	**20,239**	**87**	**38,670**
Bank deposits (2)			975		975
Customer deposits			4,968		4,968
Amounts due to holding companies and fellow subsidiaries	1,171	-	913	27	2,111
Settlement balances			182		182
Trading liabilities	6,751				6,751
Derivatives	7,331				7,331
Other financial liabilities	-	1,137	2,542		3,679
Subordinated liabilities (3)		271	19		290
Other liabilities (4)			7	74	81
31 December 2025	15,253	1,408	9,606	101	26,368

(1) Includes items in the course of collection from other banks of €275 million (31 December 2025 - €27 million).
(2) Includes items in the course of transmission to other banks - nil (31 December 2025 - €18 million).
(3) The cumulative own credit adjustment, representing an increase of the subordinated liability value, was €1 million (31 December 2025 - €16 million).
(4) Includes lease liabilities of €4 million (31 December 2025 - €6 million), held at amortised cost.

Notes

5. 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 Markets N.V. 2025 Annual Report and Accounts. Valuation, sensitivity methodologies and input methodologies as at 30 June 2026 are consistent with those described in Note 8 to the financial statements in the NatWest Markets N.V. 2025 Annual Report and Accounts.

Fair value hierarchy

The table below shows the assets and liabilities held by NWM N.V. 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 hence carry 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								
Trading assets								
Loans	-	8,126	-	8,126	-	6,509	-	6,509
Securities	423	-	-	423	-	-	-	-
Derivatives								
Interest rate	-	3,905	24	3,929	-	3,922	36	3,958
Foreign exchange	-	4,654	2	4,656	-	4,828	3	4,831
Other	-	1	-	1	-	2	-	2
Amounts due from holding companies and fellow subsidiaries	-	758	-	758	-	821	-	821
Other financial assets								
Securities	398	217	-	615	399	296	-	695
Total financial assets held at fair value	821	17,661	26	18,508	399	16,378	39	16,816
As % of total fair value assets	5%	95%	0%		2%	98%	0%	
Liabilities								
Amounts due to holding companies and fellow subsidiaries	-	610	-	610	-	1,171	-	1,171
Trading liabilities								
Deposits	-	9,380	-	9,380	-	6,751	-	6,751
Derivatives								
Interest rate	-	2,249	47	2,296	-	2,526	54	2,580
Foreign exchange	-	4,567	2	4,569	-	4,741	3	4,744
Other	-	6	-	6	-	7	-	7
Other financial liabilities								
Debt securities in issue	-	450	-	450	-	466	-	466
Deposits	-	735	30	765	-	640	31	671
Subordinated liabilities	-	268	-	268	-	271	-	271
Total financial liabilities held at fair value	-	18,265	79	18,344	-	16,573	88	16,661
As % of total fair value liabilities	-	100%	0%	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 CLOs, most bank loans, repos and reverse repos, state and municipal obligations, most notes issued, certain money market securities, loan commitments and most 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

5. Financial instruments – valuation continued

Level 3 sensitivities

The table below shows the favourable and unfavourable range of fair value of the level 3 assets and liabilities.

	30 June 2026			31 December 2025		
	Level 3	Favourable	Unfavourable	Level 3	Favourable	Unfavourable
	€m	€m	€m	€m	€m	€m
Assets						
Derivatives						
Interest rate	24	-	-	36	-	-
Foreign exchange	2	-	-	3	-	-
Total financial assets held at fair value	26	-	-	39	-	-
Liabilities						
Derivatives						
Interest rate	47	-	-	54	-	-
Foreign exchange	2	-	-	3	-	-
Other financial liabilities						
Deposits	30	-	-	31	-	-
Total financial liabilities held at fair value	79	-	-	88	-	-

Alternative assumptions

Reasonably plausible alternative assumptions of unobservable inputs are determined based on a specified target level of certainty of 90%. Alternative assumptions are determined with reference to all available evidence including consideration of the following: quality of independent pricing information considering consistency between different sources, variation over time, perceived tradability or otherwise of available quotes; consensus service dispersion ranges; volume of trading activity and market bias (e.g. one-way inventory); day 1 profit or loss arising on new trades; number and nature of market participants; market conditions; modelling consistency in the market; size and nature of risk; length of holding of position; and market intelligence.

Notes

5. Financial instruments – valuation continued

Movement in level 3 assets and liabilities

The following table shows the movement in level 3 assets and liabilities.

	Derivatives assets €m	Other trading assets (2) €m	Other financial assets (3) €m	Total assets €m	Derivatives liabilities €m	Other trading liabilities (2) €m	Other financial liabilities €m	Total liabilities €m
At 1 January 2026	**39**	**-**	**-**	**39**	**57**	**-**	**31**	**88**
Amounts recorded in the income statement (1)	**(12)**	**-**	**-**	**(12)**	**(6)**	**-**	**(1)**	**(7)**
Level 3 transfers in	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Level 3 transfers out	**(1)**	**-**	**-**	**(1)**	**-**	**-**	**-**	**-**
Purchases/originations	**1**	**-**	**-**	**1**	**5**	**-**	**-**	**5**
Settlements/other decreases	**-**	**-**	**-**	**-**	**(1)**	**-**	**-**	**(1)**
Sales	**(1)**	**-**	**-**	**(1)**	**(5)**	**-**	**-**	**(5)**
Foreign exchange and other adjustments	**-**	**-**	**-**	**-**	**(1)**	**-**	**-**	**(1)**
At 30 June 2026	**26**	**-**	**-**	**26**	**49**	**-**	**30**	**79**
Amounts recorded in the income statement in respect of balances held at period end - unrealised	**(7)**	**-**	**-**	**(7)**	**(1)**	**-**	**-**	**(1)**
At 1 January 2025	61	108	-	169	94	-	-	94
Amounts recorded in the income statement (1)	9	-	-	9	(12)	-	2	(10)
Level 3 transfers in	2	-	-	2	2	-	28	30
Level 3 transfers out	(1)	-	-	(1)	(1)	-	-	(1)
Purchases/originations	7	-	-	7	8	-	-	8
Settlements/other decreases	-	-	-	-	-	-	-	-
Sales	(7)	(108)	-	(115)	(6)	-	-	(6)
Foreign exchange and other adjustments	(1)	-	-	(1)	(2)	-	-	(2)
At 30 June 2025	70	-	-	70	83	-	30	113
Amounts recorded in the income statement in respect of balances held at period end - unrealised	25	-	-	25	7	-	2	9

(1) There was €6 million net losses on trading assets and liabilities (30 June 2025 – €21 million net losses) recorded in income from trading activities. Net gains on other instruments of €1 million (30 June 2025 – €2 million net losses) were recorded in other operating income and interest income as appropriate.
(2) Other trading assets and other trading liabilities comprise assets and liabilities held at fair value in trading portfolios.
(3) Other financial assets comprise fair value through other comprehensive income, designated as at fair value through profit or loss and other fair value through profit or loss.
(4) During the period ended 30 June 2026, transfers out of level 3 included £1 million of assets transferred out of level 3 driven by increase in observability of inputs
(5) Other financial assets comprise fair value through other comprehensive income, designated as at fair value through profit or loss and other fair value through profit or loss.

Notes

6. Trading assets and liabilities

Trading assets and liabilities comprise assets and liabilities held at fair value in trading portfolios.

	30 June 2026 €m	31 December 2025 €m
Assets		
Loans		
Reverse repos	**6,569**	4,630
Cash Collateral given	**1,545**	1,867
Other loans	**12**	12
Total loans	**8,126**	6,509
Securities	**423**	-
Total	**8,549**	6,509
Liabilities		
Deposits		
Repos	**6,599**	4,424
Cash Collateral received	**2,779**	2,325
Other deposits	**2**	2
Total	**9,380**	6,751

Notes

7. 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.

Economic scenarios

NWM N.V. 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.

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 sustained** – above trend growth supported by consumer sentiment recovery	Upside
	Steady growth – 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 – higher energy prices push inflation above target in 2026	Base case
	Slow – above target inflation in 2026 but swiftly falls to lower levels	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	Upside
	Cooling continues – labour market remains resilient	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/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	**Middle** – c.2.5%	Upside/Base case/Extreme downside
	Low – c.1%	Downside

7. 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)	%	%	%	%	%	%	%	%	%	%
GDP - CAGR	**1.8**	**1.2**	**0.6**	**(0.4)**	**1.0**	1.9	1.3	0.8	0.1	1.2
Unemployment - average	**5.6**	**5.9**	**8.0**	**9.8**	**6.8**	5.7	6.1	7.2	8.8	6.6
European Central Bank - main refinancing rate - average	**2.6**	**2.6**	**0.9**	**4.0**	**2.5**	2.2	2.2	1.5	0.7	1.9
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.

Climate risks

NWM N.V. Group follows NatWest Group's approach to climate risk. Since 2023, NWM N.V. 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.

Probability weightings of scenarios

NWM N.V. Group follows NatWest Group's approach to assign probability weights to scenarios. NWM N.V. 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 NWM N.V. 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 NWM N.V. Group operates are exposed to, NWM N.V. 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

7. Loan impairment provisions continued

Worst points

	30 June 2026				31 December 2025			
	Downside		Extreme downside		Downside		Extreme downside	
Eurozone (1)	%	Quarter	%	Quarter	%	Quarter	%	Quarter
GDP	**(1.2)**	**Q2 2027**	**(6.6)**	**Q3 2027**	-	Q4 2026	(3.5)	Q4 2026
Unemployment rate - peak	**9.3**	**Q2 2028**	**12.3**	**Q4 2028**	7.9	Q1 2028	10.9	Q4 2027

(1) For the unemployment rate, the figures show the peak levels. For GDP, the figures show decline relative to the starting period. The calculations are performed over five years, with a starting point of Q4 2025 for 30 June 2026 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.

ECL post model adjustments

For H1 2026, the economic uncertainty post model adjustment remained at €4 million (31 December 2025 – €4 million) with €2 million in Stage 1 and €2 million in Stage 2 (31 December 2025 – €2 million (Stage 1) and €2 million (Stage 2)).

Notes

7. Loan impairment provisions continued

Portfolio summary

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

	30 June 2026 €m	31 December 2025 €m
Loans - amortised cost and fair value through other comprehensive income (FVOCI)		
Stage 1	**2,680**	1,901
Stage 2	**168**	121
Stage 3	**2**	-
Inter-group (1)	**327**	284
Total	**3,177**	2,306
Total ECL provisions		
Stage 1	**8**	8
Stage 2	**6**	4
Stage 3	**1**	-
Total	**15**	12
ECL provisions coverage (2)		
Stage 1 (%)	**0.30**	0.42
Stage 2 (%)	**3.57**	3.31
Stage 3 (%)	**50.00**	-
Total	**0.53**	0.59
Other financial assets - gross exposure	**12,192**	9,569
Other financial assets - ECL provision	**-**	2

	Half year ended	
	30 June 2026 €m	30 June 2025 €m
Impairment losses		
ECL charge - third party (3)	**4**	-
Amounts written-off	**1**	-

(1) The NWM N.V. intercompany assets were classified in Stage 1. The ECL for these loans was nil (31 December 2025 –€0.1).
(2) 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.
(3) Includes €1.4 million release (30 June 2025 – €1.3 million release) related to other financial assets and nil (30 June 2025 – nil) relating to contingent liabilities.
(4) The table shows gross loans only and excludes amounts that are outside the scope of the ECL framework. Refer to page 31 for Financial instruments within the scope of the IFRS 9 ECL framework in the NatWest Markets N.V. Group 2025 Annual Report for further details. Other financial assets within the scope of the IFRS 9 ECL framework were cash and balances at central banks totalling €10.3 billion (31 December 2025 – €7.6 billion) and debt securities of €1.9 billion (31 December 2025 – €2.0 billion).

- The Stage 3 assets related to a single asset that is going through the sale process and is expected to come-off the books before the year-end.

Notes

7. Loan impairment provisions continued

Sector analysis – portfolio summary

The table below shows financial assets and off-balance sheet exposures gross of ECL and related ECL provisions, impairment by sector, asset quality and geographical region based on the country of operation of the customer. The tables below show only third-party exposures and related ECL provisions, charges and write-offs.

30 June 2026	Corporate & other €m	Financial institutions €m	Sovereign €m	Total €m
Loans by geography	989	1,861	-	2,850
- The Netherlands	49	63	-	112
- Other Europe	794	892	-	1,686
- RoW	146	906	-	1,052
Loans by asset quality (1)	989	1,861	-	2,850
- AQ2	-	26	-	26
- AQ3	117	51	-	168
- AQ4	217	1,197	-	1,414
- AQ5	145	475	-	620
- AQ6	333	74	-	407
- AQ7	167	2	-	169
- AQ8	8	36	-	44
- AQ10	2	-	-	2
Loans by stage	989	1,861	-	2,850
- Stage 1	901	1,779	-	2,680
- Stage 2	86	82	-	168
- Stage 3	2	-	-	2
Weighted average life - ECL measurement (years)	4	4	-	4
Weighted average 12 months PDs				
- IFRS 9 (%)	1.21	0.50	-	0.74
- Basel (%)	1.25	0.46	-	0.73
ECL provisions by geography	12	3	-	15
- The Netherlands	1	-	-	1
- Other Europe	9	2	-	11
- RoW	2	1	-	3
ECL provisions by stage	12	3	-	15
- Stage 1	6	2	-	8
- Stage 2	5	1	-	6
- Stage 3	1	-	-	1
ECL provisions coverage (%)	1.21	0.16	-	0.53
- Stage 1 (%)	0.67	0.11	-	0.30
- Stage 2 (%)	5.81	1.22	-	3.57
- Stage 3 (%)	50.00	-	-	50.00
ECL charge - third party	4	-	-	4
Amounts written-off	1	-	-	1
Other financial assets by asset quality (1)	89	1,229	10,874	12,192
- AQ1-AQ4	83	1,229	10,874	12,186
- AQ5-AQ8	6	-	-	6
Off-balance sheet	7,409	1,216	-	8,625
- Loan commitments	7,409	694	-	8,103
- Financial guarantees	-	522	-	522
Off-balance sheet by asset quality (1)	7,409	1,216	-	8,625
- AQ1-AQ4	6,643	1,177	-	7,820
- AQ5-AQ8	766	39	-	805

Notes

7. Loan impairment provisions continued

Sector analysis – portfolio summary

31 December 2025	Corporate & other €m	Financial institutions €m	Sovereign €m	Total €m
Loans by geography	930	1,092	-	2,022
- The Netherlands	*61*	*57*	-	*118*
- Other Europe	*719*	*720*	-	*1,439*
- RoW	*150*	*315*	-	*465*
Loans by asset quality (1)	930	1,092	-	2,022
- AQ2	-	*36*	-	*36*
- AQ3	*10*	*75*	-	*85*
- AQ4	*274*	*551*	-	*825*
- AQ5	*186*	*375*	-	*561*
- AQ6	*297*	*24*	-	*321*
- AQ7	*153*	*31*	-	*184*
- AQ8	*10*	-	-	*10*
Loans by stage	930	1,092	-	2,022
- Stage 1	*848*	*1,053*	-	*1,901*
- Stage 2	*82*	*39*	-	*121*
Weighted average life - ECL measurement (years)	4	5	-	4
Weighted average 12 months PDs				
- IFRS 9 (%)	*1.24*	*0.40*	-	*0.80*
- Basel (%)	*1.33*	*0.45*	-	*0.85*
ECL provisions by geography	10	2	-	12
- The Netherlands	*1*	-	-	*1*
- Other Europe	*8*	*2*	-	*10*
- RoW	*1*	-	-	*1*
ECL provisions by stage	10	2	-	12
- Stage 1	*6*	*2*	-	*8*
- Stage 2	*4*	-	-	*4*
ECL provisions coverage (%)	1.08	0.18	-	0.59
- Stage 1 (%)	*0.71*	*0.19*	-	*0.42*
- Stage 2 (%)	*4.88*	-	-	*3.31*
ECL release - third party	*4*	*1*	-	*5*
Amounts written-off	*1*	-	-	*1*
Other financial assets by asset quality (1)	273	1,173	8,123	9,569
- AQ1-AQ4	*265*	*997*	*8,123*	*9,385*
- AQ5-AQ8	*8*	*176*	-	*184*
Off-balance sheet	7,036	1,111	-	8,147
- Loan commitments	*7,036*	*584*	-	*7,620*
- Financial guarantees	-	*527*	-	*527*
Off-balance sheet by asset quality (1)	*7,036*	*1,111*	-	*8,147*
- AQ1-AQ4	*6,329*	*1,062*	-	*7,391*
- AQ5-AQ8	*707*	*49*	-	*756*

(1) AQ bandings are based on Basel PDs and mapping is as follows

Internal asset quality band	Probability of default range	Indicative S&P rating
AQ1	0% - 0.034%	AAA to AA
AQ2	0.034% - 0.048%	AA to AA-
AQ3	0.048% - 0.095%	A+ to A
AQ4	0.095% - 0.381%	BBB+ to BBB-
AQ5	0.381% - 1.076%	BB+ to BB
AQ6	1.076% - 2.153%	BB- to B+
AQ7	2.153% - 6.089%	B+ to B
AQ8	6.089% - 17.222%	B- to CCC+
AQ9	17.222% - 100%	CCC to C
AQ10	100%	D

7. Loan impairment provisions continued

Flow statement

The flow statement that follows shows the main ECL and related income statement movements. It also shows 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 because they relate to balances at central banks. 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.
- Amounts written-off represent the gross asset written-down against accounts with ECL, including the net asset write-down for any debt sale activity.

	Stage 1		Stage 2		Stage 3		Total	
	Financial assets €m	Financial ECL €m	Financial assets €m	Financial ECL €m	Financial assets €m	Financial ECL €m	Financial assets €m	Financial ECL €m
At 1 January 2026	**11,961**	**8**	**157**	**4**	**-**	**-**	**12,118**	**12**
Currency translation and other adjustments	**25**	**-**	**(1)**	**-**	**-**	**-**	**24**	**-**
Transfers from Stage 1 to Stage 2	**(154)**	**(1)**	**154**	**1**	**-**	**-**	**-**	**-**
Transfers from Stage 2 to Stage 1	**119**	**2**	**(119)**	**(2)**	**-**	**-**	**-**	**-**
Transfers to Stage 3	**-**	**-**	**(6)**	**-**	**6**	**-**	**-**	**-**
Net re-measurement of ECL on stage transfer		**(1)**		**3**		**2**		**4**
Changes in risk parameters		**-**		**-**		**-**		**-**
Other changes in net exposure	**1,635**	**-**	**(1)**	**-**	**(3)**	**-**	**1,631**	**-**
Income statement (releases)/charges		**(1)**		**3**		**2**		**4**
Amounts written-off		**-**		**-**	**(1)**	**(1)**	**(1)**	**(1)**
At 30 June 2026	**13,586**	**8**	**184**	**6**	**2**	**1**	**13,772**	**15**
Net carrying amount	**13,578**		**178**		**1**		**13,757**	
At 1 January 2025	10,817	5	114	2	34	1	10,965	8
2025 movements	(1,853)	(1)	75	1	(5)	(1)	(1,783)	(1)
At 30 June 2025	8,964	4	189	3	29	-	9,182	7
Net carrying amount	8,960		186		29		9,175	

(1) The table above excludes inter-group.

Notes

8. 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 NWM N.V. 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 NWM N.V. Group's expectation of future losses.

	30 June 2026 €m	31 December 2025 €m
Contingent liabilities and commitments		
Guarantees and assets pledged as collateral security	**522**	527
Standby facilities, credit lines and other commitments	**8,103**	7,619
Total	**8,625**	8,146

Commitments and contingent obligations are subject to NWM N.V. Group's normal credit approval processes.

Included within guarantees and assets pledged as collateral security as at 30 June 2026 was €0.5 billion (31 December 2025 – €0.5 billion) which relates to the NatWest Group's obligations over liabilities held within the Dutch State acquired businesses included in ABN AMRO Bank N.V.

Risk-sharing agreements

NWM Plc and NWM N.V. have limited risk-sharing arrangements in place to facilitate the smooth provision of services to NatWest Markets' customers. The arrangements, which NWM Plc recognises as financial guarantees within Amounts due to fellow subsidiaries, include:

- The provision of a funded guarantee of up to €0.8 billion by NWM Plc to NWM N.V. that limits certain NWM N.V.'s exposures to large individual customer credits. Funding is provided by NWM Plc deposits placed with NWM N.V. of not less than the guaranteed amount. As at 30 June 2026, the deposits amounted to €0.1 billion and the guarantee fees in the period were €0.2 million.

- The provision of unfunded guarantees by NWM Plc in respect of NWM N.V.'s legacy portfolio. As at 30 June 2026 the exposure at default covered by the guarantees was approximately €8 million (of which none was cash collateralised). Fees recognised in the period in relation to the guarantees were immaterial.

Notes

9. Litigation and regulatory matters

NWM N.V. and certain members of NatWest 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 Netherlands, the United Kingdom (UK), the European Union (EU), the United States (US) and other jurisdictions.

NWM N.V. 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 NWM N.V. 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. NWM N.V. 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 NWM N.V. 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 NWM N.V. 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 NWM N.V. 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.

Matters which are, or could be, material, either individually or in aggregate, having regard to NWM N.V. Group, considered as a whole, in which NWM N.V. 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.

NatWest Group is involved in ongoing litigation and regulatory matters that are not described below but are described on pages 93 to 98 in the NatWest Group plc 2026 Interim Results. NatWest Group expects that in future periods, additional provisions and economic outflows relating to Matters that may or may not be currently known by NatWest Group will be necessary, in amounts that are expected to be substantial in some instances. While NWM N.V. Group may not be directly involved in such NatWest Group matters, any final adverse outcome of those matters may also have an adverse effect on NWM N.V. Group.

For a discussion of certain risks associated with NWM N.V. 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 141 to 143 of the NatWest Markets N.V. 2025 Annual Report and Accounts.

Litigation

Foreign exchange litigation

NatWest Group plc, NWM Plc and/or NWMSI are defendants in several cases relating to NWM Plc's foreign exchange (FX) business.

In December 2021, a summons was served in the Netherlands against NatWest Group plc, NWM Plc and NWM N.V. by Stichting FX Claims on behalf of a number of parties, seeking declarations from the court concerning liability for anti-competitive FX market conduct described in decisions of the European Commission (EC) of 16 May 2019, along with unspecified damages. The claimant amended its claim to also refer to a 2 December 2021 decision by the EC, which described anti-competitive FX market conduct. NatWest Group plc, NWM Plc and other defendants contested the jurisdiction of the Dutch court.

In March 2023, the district court in Amsterdam accepted that it has jurisdiction to hear claims against NWM N.V. but refused jurisdiction to hear any claims against the other defendant banks (including NatWest Group plc and NWM Plc) brought on behalf of the parties represented by the claimant that are domiciled outside of the Netherlands. The claimant is appealing that decision.

Notes

9. Litigation and regulatory matters continued

The defendant banks have brought cross-appeals which seek a ruling that the Dutch court has no jurisdiction to hear any claims against the defendant banks domiciled outside of the Netherlands, irrespective of whether the claim has been brought on behalf of a party represented by the claimant that is domiciled within or outside of the Netherlands. The Amsterdam Court of Appeal has stayed these appeal proceedings until the Court of Justice of the European Union has answered preliminary questions that have been referred to it in another matter.

In September 2023, a second summons was served by Stichting FX Claims on NatWest Group plc, NWM Plc and NWM N.V., on behalf of a new group of parties. The claimant seeks declarations from the district court in Amsterdam concerning liability for anti-competitive FX market conduct described in the above referenced decisions of the EC of 16 May 2019 and 2 December 2021, along with unspecified damages. NatWest Group plc, NWM Plc and other defendants are contesting the Dutch court's jurisdiction. The district court has stayed the proceedings pending judgment in the above-mentioned appeals.

In January 2025, a third summons was served by Stichting FX Claims on NatWest Group plc, NWM Plc and NWM N.V., on behalf of another new group of parties. The claimant seeks similar declarations from the district court in Amsterdam to those being sought in the above-mentioned claims, along with unspecified damages.

NatWest Group plc, NWM Plc and other defendants are contesting the Dutch court's jurisdiction. The district court has stayed the proceedings pending judgment in the above-mentioned appeals.

Certain other foreign exchange transaction related claims have been or may be threatened. NatWest Group cannot predict whether all or any of these claims will be pursued.

Madoff

NWM N.V. was named as a defendant in two actions filed by the trustee for the bankrupt estates of Bernard L. Madoff and Bernard L. Madoff Investment Securities LLC, in bankruptcy court in New York, which together seek to clawback more than US$300 million (plus pre-judgment interest) that NWM N.V. allegedly received from certain Madoff feeder funds and certain swap counterparties.

The claims were previously dismissed, but as a result of an August 2021 decision by the US Court of Appeals, they are now proceeding in the discovery phase in the bankruptcy court, where they have been consolidated into one action.

US Anti-Terrorism Act litigation

NWM N.V. and certain other financial institutions are defendants in several actions filed by a number of US nationals (or their estates, survivors, or heirs), most of whom are, or were, US military personnel who were killed or injured in attacks in Iraq between 2003 and 2011.

NWM Plc is also a defendant in some of these cases.

According to the plaintiffs' allegations, the defendants are liable for damages arising from the attacks because they allegedly conspired with and/or aided and abetted Iran and certain Iranian banks to assist Iran in transferring money to Hezbollah and the Iraqi terror cells that committed the attacks, in violation of the US Anti-Terrorism Act, by agreeing to engage in 'stripping' of transactions initiated by the Iranian banks so that the Iranian nexus to the transactions would not be detected.

In the lead matters, filed in the United States District Court for the Eastern District of New York ('EDNY') the district court has dismissed both conspiracy and aiding abetting claims finding that the claims were deficient for several reasons, including lack of sufficient allegations as to the alleged conspiracy and causation.

In January 2023, the US Court of Appeals affirmed the district court's dismissal of conspiracy-based claims. The district court's dismissal of aiding and abetting claims is subject to a potential future appeal to the US Court of Appeals.

On 30 September 2025, the district court denied a motion by the plaintiffs to re-open the case to assert aiding and abetting claims that they previously did not assert. Another action, filed in the SDNY in 2017, which asserted both conspiracy and aiding and abetting claims, was dismissed by the SDNY in March 2019 on similar grounds as the EDNY cases, but remains subject to appeal to the US Court of Appeals.

Other follow-on actions that are substantially similar to the lead cases described above are pending in the same courts.

Tandanor Litigation in Argentina

In October 2012, a claim was filed in the District Court of Buenos Aires by 'Argentina Talleres Navales Dársena Norte Sociedad Anónima Comercial, Industrial y Naviera' ("Tandanor") (a naval repair business) against what is now the Representative Office of The Royal Bank of Scotland NV, Argentine Branch (in liquidation) (the "Representative Office") and eleven private individuals. (The Representative Office inherited the claim from Banco Holandés Unido, Argentine Branch.) The claim, which was unquantified, sought damages for alleged fraudulent conduct during Tandanor's privatisation, which concluded in 1993. The Representative Office's participation in the privatisation was 2.9%. The Argentine Ministry of Defence joined Tandanor as a plaintiff in 2014.

Notes

9. Litigation and regulatory matters continued

The claim was dismissed on limitation grounds in 2018, and the plaintiffs were unsuccessful in subsequent appeals. In November 2024, however, the Argentine Supreme Court set the appealed judgments aside and, in June 2025, the Argentine Federal Court of Appeal returned the case to the Argentine Federal District Court for further consideration.

In December 2025, the plaintiffs filed an update quantifying damages at USD1.1 billion. The Representative Office continues to defend the claim and has requested a hearing.

Regulatory matters

NWM N.V. Group's financial condition can be affected by the actions of various governmental and regulatory authorities in the Netherlands, the UK, the EU, the US and elsewhere. NatWest Group has engaged, and will continue to engage, in discussions with relevant governmental and regulatory authorities, including in the Netherlands, the UK, the EU, the US 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.

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 NWM N.V. Group, remediation of systems and controls, public or private censure, restriction of NWM N.V. Group's business activities and/or fines. Any of these events or circumstances could have a material adverse effect on NWM N.V. 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.

Notes

10. Related party transactions

NWM N.V. has a related party relationship with associates, joint ventures, key management and shareholders. NWM N.V. enters into transactions with related parties.

Transfer pricing

NWM N.V. is a party to transfer pricing arrangements with NWM Plc under which NWM N.V. received income of €76 million (H1 2025 - €81 million) for business interactions with NWM Plc. The at arm's length nature of the transfer pricing arrangements is confirmed by transfer pricing documentation which has been prepared by an external expert.

Full details of NWM N.V. Group's related party transactions for the year ended 31 December 2025 are included in the NatWest Markets N.V. 2025 Annual Report and Accounts.

Holding companies and fellow subsidiaries

Amounts due from/to holding companies and fellow subsidiaries are as below:

	30 June 2026			31 December 2025		
	Holding companies	**Fellow subsidiaries**	**Total**	Holding companies	Fellow subsidiaries	Total
	€m	**€m**	**€m**	€m	€m	€m
Assets						
Trading assets	**758**	**-**	**758**	770	51	821
Loans to banks - amortised cost	**301**	**7**	**308**	260	7	267
Loans to customers - amortised cost	**19**	**-**	**19**	19	-	19
Settlement balances	**2,911**	**28**	**2,939**	165	-	165
Other assets	**17**	**-**	**17**	21	-	21
Amounts due from holding companies and fellow subsidiaries	**4,006**	**35**	**4,041**	1,235	58	1,293
Derivatives (1)	**2,280**	**-**	**2,280**	2,994	-	2,994
Liabilities						
Trading liabilities	**564**	**46**	**610**	1,166	5	1,171
Bank deposits - amortised cost	**763**	**-**	**763**	685	-	685
Customer deposits - amortised cost	**-**	**2**	**2**	-	2	2
Other financial liabilities - subordinated liabilities	**150**	**-**	**150**	150	-	150
Settlement balances	**737**	**2**	**739**	75	-	75
Other liabilities	**8**	**2**	**10**	10	18	28
Amounts due to holding companies and fellow subsidiaries	**2,222**	**52**	**2,274**	2,086	25	2,111
Derivatives (1)	**2,551**	**-**	**2,551**	2,218	-	2,218

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

11. 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.

12. Date of approval

The interim results for the half year ended 30 June 2026 were approved by the Supervisory Board on 30 July 2026.

NatWest Markets N.V. 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 NWM N.V. 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 127 to 146 of the NatWest Markets N.V. 2025 Annual Report and Accounts and on pages 6 to 43 of the NatWest Markets N.V. 2026 EMTN Programme Base Prospectus dated 4 June 2026 (as supplemented and amended from time to time). Any of the risks identified may have a material adverse effect on NWM N.V. Group’s business, operations, financial condition or prospects.

Economic and political risk

- NWM N.V. Group, its customers and its counterparties face continued economic and political risks and uncertainties in the UK, European and global markets, including as a result of fluctuations in economic growth, markets, inflation, interest rates, asset prices, protectionist policies, and geopolitical developments (including armed conflicts).
- Changes in interest rates will continue to affect NWM N.V. Group's business and results.

Business change and execution risk

- NWM N.V. is NatWest Group's operating entity located in the EU to serve European customers and is directly supervised by the ECB.
- NWM Group (including NWM N.V. Group) has been in a period of, and may continue to be subject to, significant structural and other change.
- NWM N.V. Group operates in markets that are highly competitive, with competitive pressures and technology disruption.
- The transfer of NatWest Group's EU corporate portfolio involves certain risks.

Financial resilience risk

- NWM Group, including NWM N.V. Group, may not achieve its ambitions or targets, meet its guidance, generate returns or implement its strategy effectively.
- NWM N.V. may not meet the prudential regulatory requirements for capital.
- NWM N.V. 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.
- NWM N.V. Group may be adversely affected if it is unable to access the capital markets to meet its funding requirements.
- NWM N.V. may not manage its capital, liquidity or funding effectively which could trigger the execution of certain management actions or recovery options.
- Any reduction in the credit rating and/or outlooks assigned to NatWest Group plc, any of its subsidiaries (including NWM Plc or NWM N.V.) or any of their respective debt securities could adversely affect the availability of funding for NWM N.V. Group, reduce NWM N.V. Group's liquidity and funding position and increase the cost of funding.
- NWM N.V. Group has significant exposure to counterparty and borrower risk including credit losses, which may have an adverse effect on NWM N.V. Group.
- NWM N.V. Group could incur losses or be required to maintain higher levels of capital as a result of limitations or failure of various models.
- NWM N.V. Group's financial statements are sensitive to underlying accounting policies, judgements, estimates and assumptions.
- Changes in accounting standards may materially impact NWM N.V. Group's financial results.
- NWM N.V. Group could be adversely affected if NWM N.V. Group or NatWest Group fail to meet the requirements of regulatory stress tests, or if NatWest Group's resolution preparations are deemed inadequate.
- NatWest Group (including NWM N.V.) may become subject to the application of statutory stabilisation or resolution powers which may result in, for example, the write-down or conversion of certain Eligible Liabilities (including NWM N.V.'s Eligible Liabilities).

Operational and IT resilience risk

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

NatWest Markets N.V. Summary Risk Factors

Summary of principal risks and uncertainties continued

Legal, regulatory and conduct risk

- NWM N.V. Group's businesses are subject to substantial regulation and oversight, which are constantly evolving and may adversely affect NWM N.V. Group.
- NWM N.V. Group and NWM Plc are exposed to the risk 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 NWM N.V. Group.

Climate and sustainability-related risks

- NWM N.V. Group and its Value Chain face climate and sustainability-related risks that may adversely affect NWM N.V. Group.
- NatWest Group's (including NWM N.V. Group) strategy relating to climate and sustainability is subject to execution and reputational risks. NatWest Group’s (including NWM N.V. 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.
- NWM N.V. 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.

Additional Information

Presentation of Information

NatWest Markets N.V. (NWM N.V.) is a wholly owned subsidiary of RBS Holdings N.V. (RBSH N.V.). NWM N.V. Group or 'we' refers to NWM N.V. and its subsidiary and associated undertakings. The term 'RBSH Group' refers to RBSH N.V. its subsidiaries, NWM N.V and RBS International Depository Services S.A. RBSH N.V. is a wholly owned subsidiary of NatWest Markets Plc (NWM Plc). The term 'NWM Group' refers to NWM Plc and its subsidiary and associated undertakings.

The term 'NatWest Group' refers to NatWest Group plc and its subsidiaries. NatWest Group plc (the ultimate holding company) is registered at 36 St Andrew Square, Edinburgh, Scotland.

NWM N.V. publishes its financial statements in 'euro', the European single currency. The abbreviation '€' represents the 'euro', and the abbreviations '€m' and '€bn' represent millions and thousands of millions of euros, respectively, and references to 'cents' represent cents in the European Union ('EU'). The abbreviations '£m' and '£bn' represent millions and thousands of millions of pounds sterling, respectively, and references to 'pence' represent pence in the United Kingdom ('UK'). 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, and references to 'cents' represent cents in the US. The term 'EEA' refers to European Economic Area.

Contact

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Additional Information

Forward-looking statements

This document may include forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995, such as statements with respect to NWM N.V. 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 NWM N.V. Group's beliefs and expectations, are forward-looking statements. Words, such as 'expect', 'estimate', 'project', 'anticipate', 'commit', 'believe', 'should', 'intend', 'will', 'plan', 'could', 'target', 'goal', 'objective', 'may', 'outlook', 'prospects' and similar expressions or variations on these expressions are intended to identify forward-looking statements. In particular, this document may include forward-looking statements relating, but not limited to: NWM N.V. Group's economic and political risks financial position, profitability and financial performance (including financial, capital, cost savings and operational targets), the implementation of NatWest Group's (including NWM N.V. Group's) strategy and NatWest Group's (including NWM N.V. Group's) climate and sustainability-related ambitions, targets and commitments, its access to adequate sources of liquidity and funding, its regulatory capital position and related requirements, its impairment losses and credit exposures under certain specified scenarios, substantial regulation and oversight, ongoing legal, regulatory and governmental actions and investigations. Forward-looking statements are subject to a number of risks and uncertainties that might cause actual results and performance to differ materially from any expected future results or performance expressed or implied by the forward-looking statements. Factors that could cause or contribute to differences in current expectations include, but are not limited to, the outcome of legal, regulatory and governmental actions and investigations, the level and extent of future impairments and write-downs, legislative, political, fiscal and regulatory developments, accounting standards, competitive conditions, technological developments, interest and exchange rate fluctuations, general economic and political conditions and uncertainties, exposure to third party risk, operational risk, conduct risk, cyber, data and IT risk, financial crime risk, key person risk, credit rating risk and the impact of climate and sustainability related risks and the transitioning to a net zero economy. These and other factors, risks and uncertainties that may impact any forward-looking statement or NWM N.V. Group's actual results are discussed in NWM N.V. Group 2025 Annual Report and Accounts, NWM N.V. Group's 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 NWM N.V. Group does not assume or undertake any obligation or responsibility to update any of the forward-looking statements contained in this document, whether as a result of new information, future events or otherwise, except to the extent legally required.

Caution on non-financial reporting

The processes we have adopted to define, collect and report data on our climate and sustainability-related performance, as well as the associated metrics and disclosures in this document, are not subject to the same formal processes adopted for financial reporting in accordance with established reporting standards. They involve a higher degree of judgement, assumptions and estimates, including in relation to the classification of climate and sustainability-related (including social, sustainability, sustainability-linked, green, climate and transition) funding, financing and facilitation activities, than what is required for reporting of historical financial information prepared in accordance with established reporting standards. As a result, climate and sustainability-related disclosures may be amended, updated or restated over time. However, NWM N.V. Group does not undertake to restate prior disclosures except where required by applicable law or regulation, even if subsequently available data or methodologies differ from those used at the time of the original disclosure. In addition, non-financial reporting systems are less developed than financial reporting systems, often involving manual processes and less robust controls, which may affect data quality and consistency. Refer also to the 'Climate and sustainability-related risk factors' on pages 143 to 146 of the NatWest Markets N.V. 2025 Annual Report and Accounts, the cautionary statement in the section entitled 'Additional cautionary statement regarding climate and sustainability-related data, metrics and other matters' on page 147 of the NatWest Markets N.V. 2025 Annual Report and Accounts and the cautionary statement in the section entitled 'Caution about climate-related metrics and data required for climate reporting' on pages 70 to 72 of the NatWest Group plc 2025 Climate Transition Plan Report published by NatWest Group plc for the consolidated group, including NatWest Markets N.V.

Caution about sustainability-related funding, financing and facilitation

Sustainability-related (including social, sustainability, sustainability-linked, green, climate, transition) funding, financing and facilitation currently represents only a relatively small proportion of NWM Group's overall funding, financing and facilitation activities. Accordingly, disclosures relating to sustainability-related funding, financing and facilitation should be read in the context of NWM Group's broader balance sheet, risk profile and funding, financing and facilitation activities, and should not be interpreted as indicative of NWM Group's overall funding, financing or facilitation strategy.

Management's report on the interim financial statements

Pursuant to section 5:25d, paragraph 2(c), of the Dutch Financial Supervision Act (Wet op het financieel toezicht (Wft)), the members of the Managing Board state that to the best of their knowledge:

- The interim financial statements give a true and fair view, in all material respects, of the assets and liabilities, financial position, and profit or loss of NatWest Markets N.V. and the companies included in the consolidation as at 30 June 2026 and for the six month period then ended.
- The interim report, for the six month period ending on 30 June 2026, gives a true and fair view of the information required pursuant to section 5:25d, paragraphs 8 and 9, of the Dutch Financial Supervision Act of NatWest Markets N.V. and the companies included in the consolidation.

Amsterdam
30 July 2026

Managing Board

Legal Entity Identifier:
NatWest Group plc 2138005O9XJIJN4JPN90
NatWest Markets N.V. X3CZP3CK64YBHON1LE12