

United Nations Global Compact
Communication on Progress
November 2021



“NatWest Group is proud to have been a signatory of the United Nations Global Compact since 2003. We seek to align our policies and processes to the 10 Guiding Principles and advance the case for responsible business practices with customers, stakeholders, partners and within the communities that we serve.”

A handwritten signature in black ink, appearing to read "Alison Rose".

Alison Rose, Chief Executive

24th November 2021

Implementing the Ten Principles into Strategies & Operations

| Criteria | Comment | Reference |
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| <p>1. The COP describes mainstreaming into corporate functions and business units</p> | <p>Our purpose is to champion potential, helping people, families and business to thrive. Our strategy is to deliver on Our Purpose and drive sustainable returns to shareholders through four strategic priorities. We will support our customers at every stage of their lives by being more relevant to them and by building deeper relationships as we evolve our propositions to meet their needs throughout their lives. We will be much simpler as a bank and much simpler to deal with for our customers, through a focus on great customer service technology and improving customer journeys. We will be powered by innovation and partnerships by using new technology and digital expertise to deliver an excellent customer experience – harnessing our internal knowledge and experience and partnering with leading external organisations around the world. We will allocate our capital better to drive growth and optimise returns from a safe and secure base. We will deliver these priorities from a strong balance sheet and capital generative businesses, which give us the necessary flexibility to navigate an uncertain outlook, to support our customers, and deliver sustainable returns to shareholders.</p> <p>There are three focus areas of Our Purpose where we can make a meaningful contribution to our customers, colleagues and communities: climate, enterprise and learning. We will lead the fight against climate change by playing an active role in the transition to a low-carbon economy. As the champion of businesses in the UK and Ireland we will remove barriers to enterprise and help the economy build back better. And we will build financial capability by helping those who want to take control of their finances and their futures to make the most of their money.</p> <p>Our Purpose applies to all NatWest Group entities – including for example Coutts & Company, our primary asset management entity. Coutts became a BCorp™ in 2021. A BCorp™ company is a business that meets the highest standards of verified social and environmental performance, public transparency, and legal accountability to balance profit and purpose.</p> <p>We continue to embed sustainable management practices and policies across our business,</p> | <p>https://investors.natwestgroup.com/~media/Files/R/RBS-IR-V2/results-center/19022021/natwest-group-annual-report-accounts-2020-v1.pdf</p> |

Implementing the Ten Principles into Strategies & Operations

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| | <p>including the areas of human rights, labour, environment and anti-corruption.</p> <p>Topics relating to the UNGC’s objectives are covered throughout our 2020 Annual Report and Accounts and our 2020 Environmental, Social and Governance (ESG) Supplement.</p> | |
| 2: The COP describes value chain implementation | <p>Guided by the Blueprint for Better Business, we seek to have a positive impact in all our relationships: from how we deal with our customers and suppliers; to creating an inclusive working culture; our responsible and transparent approach to tax; to giving back to our communities, upholding human rights and considering future generations. We are operating as a responsible business and creating sustainable value for a wide range of stakeholder groups, as well as our shareholders.</p> <p>Our Supplier Charter outlines several supplier expectations, including on the topics of Human Rights, Labour, Environment and Anti-Corruption. In line with good practice, we conduct review meetings with suppliers. Compliance with our Supplier Charter is a standing agenda item at these meetings. If a supplier is unable to comply with the human rights commitments within the Supplier Charter, this is raised through the Group’s operational risk process. This includes engagement with the supplier to offer support and identify possible remediation measures. In 2020, we created a new relationship working with EcoVadis. EcoVadis are a leading organisation in providing companies with independent, third-party evidence-based assessments of an organisation’s sustainability performance. EcoVadis undertake over 75,000 assessments annually and benchmarks against its 440+ other clients across multiple sectors and industries. EcoVadis will help us to understand and measure our performance and the performance of our suppliers against the Charter, enabling us to identify social, environmental and ethical improvements.</p> <p>Environmental, social and ethical risk management- we recognise that the activities of our customers can have environmental, social and ethical (ESE) impacts – including polluting activities and the potential for human rights</p> | <p>https://investors.natwestgroup.com/~media/Files/R/RBS-IR-V2/esg-docs/esg-supplement-2020.pdf</p> <p>https://investors.natwestgroup.com/~media/Files/R/RBS-IR-V2/results-center/19022021/natwest-group-annual-report-accounts-2020-v1.pdf</p> <p>https://investors.natwestgroup.com/~media/Files/R/RBS-IR-V2/results-center/19022021/2020-climate-related-disclosure-report.pdf</p> |

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| | <p>infringements. To help us assess and manage these risks, we have an ESE Risk Framework comprising of policies and processes to give us better insight into our customers' activities and address issues of concern to minimise risks to the bank and manage stakeholder expectations. A specialist team is responsible for developing and maintaining our ESE Risk Framework and assisting the business and support functions on its implementation and oversight. Risk officers and customer-facing colleagues receive regular training on ESG risks and procedures. Our policies reflect applicable national and international laws and take into account good international practice, for example managing climate change. They also incorporate a number of voluntary standards such as the Equator Principles and the UN Global Compact.</p> <p>During 2020 we have made progress in understanding the size and drivers of climate-related risks for our portfolio, these are informed through use of existing tools within the EWRMF in addition to targeted interventions. Regular assessment as a Top Risk has provided the Board Risk Committee visibility on our identified exposure and progress made during the year to enhance our capabilities. Consideration of climate risk within internal risk and control assessment and targeted assessment activity, including the use of scenario analysis, has resulted in a number of responses integrated within principal risk management. The methodologies used have assisted in understanding where risks are impacted in the short (1-5 years), medium (10 years) and long-term (30 years). Reporting of climate risk as a principal risk during 2021 will further enhance and mature identification of potential risks which may arise. Please see our 2020 Climate-related Disclosures Report for more information.</p> <p>Further details on how we review our value chain for risks and potential impacts can be found in our 2020 Annual Report and Accounts and our 2020 ESG Supplement.</p> | |

Robust Human Rights Management Policies & Procedures

| Criteria | Comment | Reference |
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| 3: The COP describes robust commitments, strategies or policies in the area of human rights | <p>Our purpose is to champion potential, helping people, families and businesses to thrive. This lies at the core of our activity as we strive to create long term, deeper relationships with our customers. At the heart of our purpose is a clear commitment to people – to value, support, empower them and ultimately enable them to thrive. Respect for human rights is linked to our purpose, reflected in Our values and we seek to embed it throughout our business. We strive to be an open and inclusive business that supports respect for human rights whilst also seeking to identify and mitigate any negative impacts that our activities may have on individuals or communities.</p> | <p>https://www.natwestgroup.com/content/dam/natwestgroup/pdf/human-rights-statement.pdf</p> <p>https://investors.natwestgroup.com/~media/Files/R/RBS-IR-V2/esg-docs/esg-supplement-2020.pdf</p> |
| 4: The COP describes effective management systems to integrate the human rights principles | <p>We publicly publish our NatWest Group Human Rights Statement. The purpose of this statement is to:</p> <ul style="list-style-type: none"> • provide an overview of how we strive to respect human rights: <ul style="list-style-type: none"> o as an employer o with our suppliers o with our customers o through responsible investments o within the communities we serve • provide information on how colleagues, suppliers, customers and communities can raise concerns • demonstrate to key external stakeholders how we manage human rights risks. | |
| 5: The COP describes effective monitoring and evaluation mechanisms of human rights integration | <p>At NatWest Group, we understand that respecting human rights is the right thing to do. We do not tolerate or condone abuse of human rights within our business, supply chain or within our sphere of influence. Through our policies and approach, we seek to identify and mitigate adverse human rights abuses relating to our colleagues, suppliers and customers. Understanding the importance of human rights, our approach is guided by the United Nations Guiding Principles on Business and Human Rights and has been informed by The Equator Principles; International Labour Organisation’s Declaration of Fundamental Principles and Rights at Work; OECD Guidelines for Multinational Enterprises; United Nations Global Compact; Universal Declaration of Human Rights; Women Empowerment Principles and the Living Wage Foundation. Through our efforts to respect human rights, we aim to support</p> | |

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| | <p>the UN Sustainable Development Goals (SDG), a global agenda to end poverty, protect the planet and ensure prosperity for all.</p> <p>Our approach to respect human rights is aligned to our purpose and core values of ‘Doing the right thing’ and ‘Thinking long term’. It is built around:</p> <ul style="list-style-type: none"> • our commitment to comply with international human rights legislation and standards • our respect for employment legislation and policies that create a safe, inclusive, respectful workplace • our Environment, Social and Ethical (ESE) risk acceptance positions on industry sectors where enhanced due diligence is conducted • our policies which strive to align our high-risk commercial customers’ and suppliers’ behaviour with our own standards. <p>NatWest Group engages on the responsibilities of businesses in respecting human rights. We are a member of the Thun Group, which discusses how the financial service sector can incorporate and embed the UN Guiding Principles into their due diligence processes. We also participate in several indices and benchmarks which help to inform our activity and identify opportunities to continually improve our approach.</p> <p>We continue to engage with a range of stakeholders in relation to modern slavery and human trafficking including law enforcement agencies, think tanks, charities and Non-Governmental Organisations (NGOs) which helps us to grow our understanding of the issue. In 2020, we joined the UN Global Compact’s UK Modern Slavery Working Group.</p> <p>In 2020, our activity has focused on:</p> <ul style="list-style-type: none"> • continuing to address MSHT with suppliers. • strengthening our activity to tackle MSHT as a financial crime. • raising awareness of MSHT throughout NatWest Group. • supporting survivors of MSHT. <p>We continued to raise awareness of MSHT across the group and on World Day Against Trafficking in Persons (30 July), we hosted a webinar with the TRIBE Freedom Foundation which highlighted the realities of modern slavery, the impact on victims and examined the role that the financial services sector can</p> | |

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| | <p>play in tackling MSHT. The webinar followed a week-long colleague fundraising and fitness challenge, organised by TRIBE Freedom Foundation, which saw colleagues in NatWest Markets raise £14,000 to support frontline anti-slavery projects.</p> <p>We constantly monitor the effectiveness of our policies, gathering feedback from our colleagues through our listening strategy which includes our colleague opinion survey; a Colleague Advisory Panel which connects colleagues directly with the Group Board; and 'Workplace', our social media platform. We also track metrics and key performance indicators and feedback from regulators and industry bodies, including the Banking Standards Board's (BSB) annual assessment of culture in the UK banking sector.</p> <p>For more information, please see our <u>Human Rights Statement</u>. This statement was reviewed by the Group Reputational Risk Committee, the Board Level Sustainable Banking Committee, noted at Group Executive Committee, and approved by NatWest Group Board on 29th October 2020.</p> <p>Our Human Rights Steering Group has responsibility for developing a strategy to promote respect for human rights whilst also seeking to reduce potentially negative impacts that our activity may have on individuals and communities.</p> | |

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| Criteria | Comment | Reference |
| <p>6: The COP describes robust commitments, strategies or policies in the area of labour</p> <p>7: The COP describes effective management systems to integrate the labour principles</p> | <p>Our Supplier charter highlights that we are committed to:</p> <ul style="list-style-type: none"> Aligning our approach to human rights with the following standards and principles; The Equator Principles, International Labour Organisation's Declaration of Fundamental Principles and Rights at Work, OECD Guidelines for Multinational | <p>https://www.natwestgroup.com/content/dam/natwestgroup_com/natwestgroup/pdf/supplier-charter.pdf</p> |

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| <p>8: The COP describes effective monitoring and evaluation mechanisms of labour principles integration</p> | <p>Enterprises, United Nations Global Compact, Universal Declaration of Human Rights, United Nations Guiding Principles on Business and Human Rights, Women Empowerment Principles and the Living Wage Foundation</p> <ul style="list-style-type: none"> • Meeting the requirements of the Modern Slavery Act 2015 (MSA), including the annual publication our MSA Statement • Never using child labour, forced labour, or unacceptable working hours and conditions and at all times, upholding the right to collective bargaining, freedom of association, safety in the workplace, freedom to work without being harassed • Providing flexible working arrangements for the bank, employees and workers. We do not offer zero hours contracts • Support Sustainable Development Goal 16 Promoting peaceful and inclusive societies for sustainable development and SGD8 Decent Work & Economic Growth, including target 8.7 to take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms. <p>Our expectations of suppliers are:</p> <ul style="list-style-type: none"> • Comply with the Modern Slavery Act, which covers the offences of slavery, servitude, forced and compulsory labour and human trafficking • Not to use child labour, including but not limited to Article 3 ILO Convention 182, or forced labour, as defined by the ILO Convention C029 • Ensure working hours are in accordance with local regulation & industry best practice and avoid zero hours contracts • Uphold the freedom of association and the effective recognition of the right to collective bargaining • Provide a healthy and safe working environment in accordance with national and international legislation and create a culture of wellbeing • Respect the human rights of the local communities within your business operations • Identify and help mitigate social and ethical risks that exist within your sector and your own supply chain • Support Sustainable Development Goal target 16, 8 & target 8.7 | <p>https://www.natwestgroup.com/content/dam/natwestgroup.com/natwestgroup/pdf/human-rights-statement.pdf</p> <p>https://investors.natwestgroup.com/~/_media/Files/R/RBS-IR-V2/esg-docs/esg-supplement-2020.pdf</p> |

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| | <p>Suppliers are expected to implement the commitments of the Supplier Charter, including those around human rights such as meeting international labour standards, with all their own suppliers. Our supplier tendering process includes specific questions in relation to modern slavery which asks them to evidence that their company is operating in line with international standards and legislation such as the Modern Slavery Act and International Labour Organisation (ILO) convention. In line with good practice, we conduct review meetings with suppliers. Compliance with our Supplier Charter is a standing agenda item at these meetings.</p> <p>Key requirements relating to human rights, labour standards and whistle-blowing channels have been incorporated into our standard supplier contracts and suppliers are encouraged to implement the standards of the Supplier Charter with their own suppliers. We have embedded the requirement to comply with the Modern Slavery Act (MSA) within our supply chain processes, including the Supplier Charter and contract terms.</p> <p>As a large responsible employer with a workforce of 59,900, we want to be a great place to work for colleagues and we're committed to providing four key things: fulfilling jobs, excellent development, fair rewards and great leadership, underpinned by a healthy and inclusive workplace.</p> <p>During the past five years we have made good progress by delivering against our inclusion goals to become: gender balanced, disability smart, ethnically diverse, LGBT+ innovative and an inclusive workplace. We've seen a 10% increase in the proportion of women in our most senior roles (globally) since our targets were introduced in 2015, and a 2% increase in the number of Black, Asian and Minority Ethnic colleagues in our UK top four leadership layers since our ethnicity targets were introduced in 2018. We've improved colleague and customer experiences, including Banking My Way; the removal of historical binary classifications and maintained or improved our performance in our external benchmarks. Progress aside, the bar is</p> | |

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| | <p>rising and with it expectations from colleagues, customers and investors as well as increased scrutiny from government and regulators, so this will continue to be a priority.</p> <p>Gender balanced</p> <p>Our Boardroom Inclusion Policy aims to promote diversity and inclusion in the composition of the Board and reflects the most recent industry targets. The policy also acknowledges NatWest Group’s ambition to aim for full gender balance. In our Executive Management team we have females in both our Chief Executive Officer and Chief Financial Officer roles, as well as our Chief Human Resources Officer, Chief Transformation Officer, Chief Marketing Officer and Chief Governance Officer and Company Secretary.</p> <p>Recognising that it is not just about boardroom diversity, in 2015 we set formal targets for our CEO and Executive Committee to have at least 30% (we chose 30% as this represents the tipping point for behavioural change) women in our global top three layers of each of their business areas, by the end of 2020. Each business area had a target, recognising that each part of the organisation needs to change. Furthermore, we are committed to being fully gender balanced by 2030.</p> <p>As at the end of 2020, 14 of our 15 business areas have 30% or more women. Across the bank, 39%(*) of the roles in our top three leadership layers are held by women – an increase of 10% since targets were introduced. More broadly, our top 4,000 roles globally have 43% women.</p> <p>Ethnically diverse</p> <p>Our Boardroom Inclusion Policy aims to promote diversity and inclusion in the composition of the Board and reflects the most recent industry targets. The policy also acknowledges NatWest Group’s commitment to having a more ethnically diverse workforce. At the beginning of 2018, we agreed a target for our CEO and Executive Committee to have at least 14% Black, Asian and Minority Ethnic colleagues in our top four UK leadership</p> | |

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| | <p>layers by 2025. In addition to this, as Black colleagues are underrepresented in senior roles across the UK, in 2020 we introduced a new goal to have 3% Black colleagues in our UK senior roles by 2025. Individual business targets and plans are reviewed annually and accelerated to build traction.</p> <p>As with our gender plans, our ambition was embedded into our business strategy from the outset. Importantly, our leaders are held to account linking to performance outcomes that drive leadership pay. For example, our inclusion goals – which include our ethnicity targets – are part of our Executive Management Team’s key performance measures.</p> <p>In our target population (UK top four leadership layers), 86%(*) of our colleagues disclose their ethnicity (an 8% increase since we introduced targets at the beginning of 2018), of which 10% identify as Black, Asian or Minority Ethnic (a 2% increase over the same timeframe). Overall in the UK, of those who disclose, 16% identify as Black, Asian or Minority Ethnic – slightly above ONS census UK’s working age population who identify as Black, Asian or Minority Ethnic (14%).</p> <p>Metrics relating to monitoring workplace culture (including discrimination and diversity) include but are not limited to:</p> <ul style="list-style-type: none"> • 90pts - Colleague sentiment on inclusivity is high at 90pts (17pts above GFSN and 13pts above GHPN) • 94pts - The bank-wide response to the question ‘The business supports diversity and inclusion in the workplace’ has increased by 7pts since 2015 (sitting 11pts clear of GFSN and 8pts clear of GHPN) • 10% more women in our target population (CEO-3 and above Globally) since 2015 • 2% increase of Black, Asian and Minority Ethnic colleagues in our target population (UK CEO-4 and above) since 2018 • 3% In 2020, we introduced a new goal to have 3% Black colleagues in our UK senior roles by 2025 <p>Having ongoing discussion and engagement with our employee representatives such as</p> | |

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| | <p>trade unions, elected employee bodies and works councils is vital. We regularly discuss developments and updates on the progress of strategic priorities. We are committed to respecting our employees’ right of freedom of association across all our businesses. Approximately 77% of our employees are covered by a collective agreement and/or employee representative arrangements.</p> <p>Feeling free to speak up is valued at NatWest Group. We want our colleagues (including contractors, temporary workers, secondees and consultants) to feel confident to raise concerns about employee wrongdoing or misconduct without fear of retaliation. ‘Speak Up’ is the bank’s formal whistleblowing service, which enables colleagues to report concerns in confidence (and anonymously if preferred) through a secure whistleblowing reporting system. The reporting service is operated by an independent third party, on behalf of NatWest Group.</p> <p>Colleagues using the Speak Up framework are protected from being treated detrimentally as a result of raising their concerns, both through our internal policies and where applicable by legislation. The Group Audit Committee monitors the effectiveness of the Group’s whistleblowing process and receives updates on the volume of whistleblowing reports and any common themes. The Group Audit Committee chairman acts as the Group’s whistleblowing champion. All colleagues receive annual awareness training on whistleblowing and how to raise concerns. More detailed targeted training is also provided to specialist teams involved in the management and investigation of whistleblowing reports. There is no definitive list of what can be reported via Speak Up – we want to know about any concerns colleagues have about wrongdoing or misconduct that affects NatWest Group, its customers, employees, shareholders or the general public.</p> <p>Our Speak Up Policy sets out our commitment to protect anyone raising a genuine concern, even if the concern raised is considered to be unsubstantiated (not proven) after investigation. All whistleblowing concerns are investigated, as appropriate. Where concerns are substantiated,</p> | |

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| | <p>recommendations are made for remedial action, which can include changes to processes and controls as well as disciplinary actions. Furthermore, the harassment, victimisation or discrimination of anyone raising a genuine concern will be viewed as a disciplinary matter. In 2020, our colleague opinion survey, Our View, has shown the highest ever score (88%) when asking colleagues if they feel safe to speak up. Additionally 96% of colleagues responded that they can describe how to raise concerns about wrongdoing in their business. In 2020, 441 cases were raised compared to 458 in 2019.</p> <p>For more information, please see our 2020 ESG Supplement.</p> | |

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| 9: The COP describes robust commitments, strategies or policies in the area of environmental stewardship | <p>We recognise that climate change is a critical global issue which has significant implications for our customers, employees, suppliers, partners and therefore NatWest Group itself. Taking the necessary actions to address climate change has the potential to create jobs, transform communities and touch every family in the country. Our ambition is to be a leading bank in the UK and RoI helping to address the climate challenge. Climate is a key area of focus in our Purpose-led strategy, alongside Enterprise and Learning. To tackle climate change, we must think long term and act quickly, working in partnership with others to achieve together, what cannot be achieved alone.</p> <p>Our own operations Our ambition is to make our own operations Climate Positive by 2025, having already achieved our ambition to make them Net Zero Carbon by the end of 2020. Lord Stern was appointed as an independent adviser to NatWest Group to help us achieve our ambitions and James Close as our new Director, Climate Change, to co-ordinate and deliver our climate strategy.</p> | https://investors.natwestgroup.com/~media/Files/R/RBS-IR-V2/results-center/19022021/2020-climate-related-disclosure-report.pdf |
| 10: The COP describes effective management systems to integrate the environmental principles | | https://www.natwestgroup.com/our-purpose/our-approach/ese-and-reputational-risk-management.html |
| 11: The COP describes effective monitoring and evaluation mechanisms for environmental stewardship | | <p>Our own operations Our ambition is to make our own operations Climate Positive by 2025, having already achieved our ambition to make them Net Zero Carbon by the end of 2020. Lord Stern was appointed as an independent adviser to NatWest Group to help us achieve our ambitions and James Close as our new Director, Climate Change, to co-ordinate and deliver our climate strategy.</p> <p>Our Climate, Purpose and ESG measures supplements</p> <p>https://investors.natwestgroup.com/~media/Files/R/RBS-IR-V2/results-center/19022021/natwest-group-annual-report-accounts-2020-v1.pdf</p> <p>https://investors.natwestgroup.com/~media/Files/R/RBS-IR-V2/results-center/19022021/natwest-group-annual-report-accounts-2020-v1.pdf</p> |

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| | <p>We will also stop lending and underwriting major oil and gas producers, unless they have a credible transition plan in line with the 2015 Paris Agreement by the end of 2021. In November 2021, we announced that we will have no new exposure to thermal and lignite coal (coal). We will plan a phase out of coal for UK and non-UK customers who have UK coal production, coal fired generation and coal infrastructure by 1 October 2024 and plan a full phase out of coal by 1 January 2030.</p> <p>Climate and Sustainable Funding and Financing For the past decade, NatWest Group has been the leading lender to the UK renewables sector, and we will continue to support our customers that operate in this sector as they invest further in renewables generation and deployment. We will continue to help our customers, both small and large, transition towards a low carbon economy through climate and sustainable funding and financing. During H1 2021 NatWest Group exceeded its 2020-21 target of providing an additional £20 billion Climate and Sustainable Funding and Financing in the two years ended 2021. In October 2021, NatWest Group announced a new target to provide an additional £100 billion of Climate and Sustainable Funding and Financing between 1 July 2021 and the end of 2025.</p> <p>Building powerful partnerships We will build powerful partnerships to make the biggest impact. We will work with policy makers, customers, businesses and industry bodies to bring about significant change, at speed. As members of United Nations Environment Programme Finance Initiative we were proud to become a founding signatory to the UN Principles for Responsible Banking in September 2019. We are committed to an ongoing process to align our strategy with the Sustainable Development Goals and the 2015 Paris Agreement. We recognise the commitment in the 2015 Paris Agreement to making finance flows consistent with a pathway towards low greenhouse gas emissions and climate resilient development. As a result, we are using our convening power and building significant partnerships to bring about a greener, fairer and more inclusive economy for all. In our role as COP26 principle banking partner, we want to show how to lead the way in helping people</p> | |

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| | <p>and businesses across the UK to tackle climate change. By providing access to the financial resources and expertise required, we can drive the necessary change.</p> <p>In our <u>Annual Report and Accounts 2020</u>, we highlight the following in our Risk Factors:</p> <p>‘A failure to adapt NatWest Group’s business strategy, governance, procedures, systems and controls to manage emerging sustainability-related risks and opportunities may have a material adverse effect on NatWest Group’s reputation, business, results of operations and outlook.</p> <p>Investors, customers, international organisations, regulators and other stakeholders are increasingly focusing on and encouraging businesses to (i) identify, measure, manage and mitigate environmental (biodiversity and loss of natural capital); social (such as tackling inequality, inclusion, human rights and working conditions); and governance (such as board diversity, ethics, executive compensation and management structure) related risks and opportunities – which together are commonly referred to as ‘sustainability-related’ related risks and opportunities; and (ii) focus on long term sustainable value creation rather than short term financial value.</p> <p>In addition to climate-related risks, sustainability-related risks such as environmental degradation may also adversely affect economic activity, asset pricing and valuations of issuers’ securities and, in turn, the wider financial system. There is also evidence of an interconnection between climate-related and sustainability related risks resulting in combined effects capable of potentially generating even greater adverse effects. Sustainability-related risks may impact economic activities directly (for example through lower corporate profitability or the devaluation of assets) or indirectly (for example through macro-financial changes).</p> <p>They may also affect the viability or resilience of business models over the medium to longer term, particularly those business models most vulnerable to sustainability-related risks. In</p> | |

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| | <p>addition, sustainability-related risks can trigger further losses stemming directly or indirectly from legal claims (liability risks) and reputational damage as a result of the public, customers, counterparties and/or investors associating NatWest Group or its customers with adverse sustainability-related issues. Furthermore, sustainability-related risks may be drivers of several different risk categories simultaneously and may exacerbate existing risks, including credit risk, operational risk (business continuity), market risk (both current market risk positions and future investments) and liquidity risk (for example, net cash outflows or depletion of liquidity buffers), as well as migration risk, credit spread risk in the banking book, real estate risks and strategic risk.</p> <p>Accordingly, any failure to adapt NatWest Group’s business strategy and to establish and maintain effective governance, procedures, systems and controls to manage emerging sustainability-related risks and opportunities may have a material adverse effect on NatWest Group’s reputation, liquidity position, business, results of operations and outlook.’</p> <p>We have several policies and documents which outline our approach to environmental and climate-related issues. Please see the following:</p> <p>Our 2020 Climate-related Disclosures Report: https://investors.natwestgroup.com/~media/Files/R/RBS-IR-V2/results-center/19022021/2020-climate-related-disclosure-report.pdf</p> <p>Our 2021 Nature and Biodiversity Statement: https://www.natwestgroup.com/content/dam/natwestgroup_com/natwestgroup/pdf/nwg-biodiversity-nature.pdf</p> <p>Several Environment, Social and Ethical Risk Position documents which outline prohibited, restricted and normal activities with respect to our lending: https://www.natwestgroup.com/our-purpose/our-approach/ese-and-reputational-risk-management.html</p> | |

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| | <p>Our Supplier Charter which outlines expectations of the suppliers we work with, with respect to environmental issues:</p> <p>https://www.natwestgroup.com/content/dam/natwestgroup_com/natwestgroup/pdf/supplier-charter.pdf</p> <p>Governance The structure chart on page 30 of our 2020 Climate-related Disclosures Report outlines how climate governance operates at Board, Board Committee, Executive and Management Committee levels. This integrated model uses existing committees and builds on their areas of responsibility and expertise. During 2020 activities have focused on building knowledge, clarifying roles and responsibilities, and embedding strategic and risk appetite integration, aligned to NatWest Group's climate ambition. This climate-related disclosures report represents an additional step towards enhancing transparency and engagement with stakeholders as NatWest Group develops its approach to evaluating climate-related risks and opportunities.</p> <p>Education Education amongst all colleagues has been a key focus during 2020 to help embed climate into our culture, including identification and management of climate-related risks and opportunities across NatWest Group. Key activities include:</p> <ul style="list-style-type: none"> • Priority role training – c.800 colleagues participated in a 12 week programme launched during Q3 2020. This programme was developed specifically for NatWest Group and run by the University of Edinburgh's Centre for Business, Climate Change and Sustainability. Colleagues, including sector leads and customer journey managers, were selected based on their roles to help NatWest Group drive forward and realise our climate ambition. The aim of the training was to create local climate champions within business areas. The programme has created a real momentum within businesses to understand how we can address climate change as a bank and at a personal level. • Senior leaders – c.500 senior leaders participated in a programme on climate change developed and run by the Cambridge Institute for Sustainability Leadership. The programme was developed specifically for NatWest Group with | |

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| | <p>the objective of enhancing knowledge and skills required to lead on NatWest Group’s climate ambition within the bank, the financial services industry and the wider economy.</p> <ul style="list-style-type: none"> • All colleagues – A mandated online learning module was released in April, explaining climate change, its impact, what NatWest Group is doing to tackle climate change and the role colleagues can play within this. The online module achieved 94% completion rate and a specific version was also created for Non Executive Directors. In addition, online learning resources were made available through a dedicated climate page within the online NatWest Group Learning Academy. <p>Taskforce on Climate-related Financial Disclosures (TCFD) - NatWest Group publicly committed to support the Financial Stability Board’s TCFD recommendations in 2017. We have published our first standalone Climate-related disclosures in early 2021.</p> <p><u>Our Climate, Purpose and ESG measures supplements</u>, so far published for H1 and Q3 2021, provide an overview of NatWest Group’s performance and measurement for a selection of our Climate, Purpose and ESG metrics. The data includes our performance against our Purpose-led strategy.</p> <p>Our Supplier Charter sets out our aims and expectations in the areas of ethical business conduct, human rights, environmental sustainability, diversity and inclusion, the Living Wage and prompt payment. It details what we expect from our suppliers, and importantly now clearly outlines what our own commitments are in these key areas and the outcomes we will achieve by working together.</p> <p>In 2020, we created a new relationship working with EcoVadis. EcoVadis are a leading organisation in providing companies with independent, third-party evidence-based assessments of an organisation’s sustainability performance. EcoVadis undertake over 75,000 assessments annually and benchmarks against its 440+ other clients across multiple sectors and industries. EcoVadis will help us to understand and measure our performance and the performance of our suppliers against</p> | |

Robust Environmental Management Policies & Procedures

| Criteria | Comment | Reference |
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| | the Charter, enabling us to identify social, environmental and ethical improvements. | |

Robust Anti-Corruption Management Policies & Procedures

| Criteria | Comment | Reference |
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| 12: The COP describes robust commitments, strategies or policies in the area of anti-corruption | Please see our public Financial Crime statement for full details. | https://www.natwestgroup.com/content/dam/natwestgroup_com/natwestgroup/pdf/20210513-financial-crime-statement.pdf |
| 13: The COP describes effective management systems to integrate the anti-corruption principle | NatWest Group is not willing to tolerate actions and activities breach systemically or repeated Money Laundering, Terrorist Financing, Sanctions, Bribery and Corruption, Tax Evasion and Fraud laws and regulations. | |
| 14: The COP describes effective monitoring and evaluation mechanisms for the integration of anti-corruption | <p>Our approach to financial crime is built on the following pillars:</p> <ul style="list-style-type: none"> • Policies and procedures - to ensure that our business seeks to prevent, identify and address financial crime as a result of our operations, products, services, our customers and suppliers • Regular risk assessments – to ensure we align and continue to strengthen procedures in line with our inherent risks • Due diligence – to enable us to understand our customers • Colleague and customer training and awareness activity – so that everyone understands the role they play in tackling financial crime • Systems and controls – to manage the risk presented • Independent Audit – to continuously assess the effectiveness of our controls <p>We also recognise that to tackle financial crime we cannot do this in isolation. We work collectively with other organisations, industry bodies, law enforcement, regulators and government. Our activities include:</p> | |

Robust Anti-Corruption Management Policies & Procedures

| Criteria | Comment | Reference |
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| | <ul style="list-style-type: none"> • Active member of the Joint Money Laundering Intelligence Taskforce, Joint Fraud Taskforce and various Transparency International Groups. • Active member of the Public Private Partnership Economic Crime Reforms • Active member of UK Finance Economic Crime Committees and a range of industry activities to tackle financial crime • Founding members of the Authorised Push Payments Contingent Reimbursement Model. • Participation in several indices and benchmarks which help to inform our activity and identify opportunities to continually improve our approach. <p>NatWest Group ABC policies and mandatory procedures cover our colleagues, and our relationships with third parties (including suppliers, sponsorships and charities) and our customers, and are designed to apply to all businesses and staff globally. NatWest Group requires compliance with these obligations whenever a person is acting for or on behalf of the NatWest Group.</p> <p>Responsibility for the Anti-Bribery and Corruption (ABC) programme rests with the Board of Directors of NatWest Group Plc who promote and encourage a policy of no tolerance towards actions and activities that knowingly breach bribery and corruption regulations, laws and disregard for the ABC Policy.</p> <p>NatWest Group's ABC Programme addresses the key ABC risk and includes but is not limited to: Colleagues</p> <ul style="list-style-type: none"> • A Group-wide threshold and pre-approval process for our gifts and hospitality in relation to the offering and accepting including the requirement to keep accurate records. • Requirement that the hiring, for paid or unpaid, temporary or permanent roles, is not used to influence a business decision or to gain an advantage for NatWest Group. • Prohibition on the provision of facilitation payments including the implementation of policies and procedures within each business to prevent payments being made. • Delivery, tracking and monitoring effectiveness of ABC training appropriate to role and jurisdiction. | |

Robust Anti-Corruption Management Policies & Procedures

| Criteria | Comment | Reference |
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| | <ul style="list-style-type: none"> • Any breaches identified in relation to staff are dealt with under the Bank’s policies and procedures. • Ensuring individuals can confidentially report suspicions of bribery and corruption through Suspicious Activity Reporting (SARs). • A Speak Up Policy to ensure individuals can confidentially report suspicions of bribery and corruption via an independent, confidential service through various channels available 24/7. • The Bank seeks to protect individuals should they suffer any form of reprisal (including harassment, victimisation or discrimination) as a result of raising a genuine concern. The mistreatment of anyone raising a concern will be viewed as a disciplinary matter. • Senior Management have responsibility for the ABC Programme and endorse that NatWest Group operates a policy of zero tolerance to bribery or corruption. <p>Third Parties</p> <ul style="list-style-type: none"> • Conducting the appropriate level of ABC Due Diligence on third parties with whom NatWest Group is engaging including Associated Parties defined by the Bank as persons and entities who perform services for or act on behalf of the NatWest Group. • Specifying the where appropriate ABC contract clauses are required in written agreements and requirements for the on-going management of Associated Party relationships. <p>Document classification: Public 5/15</p> <ul style="list-style-type: none"> • When pursuing business opportunities (Mergers and Acquisitions) and when awarding business NatWest Group completes due diligence and assessment of risk when engaging in these activities. <p>It has a zero-tolerance policy to bribery and corruption during the procurement process.</p> <ul style="list-style-type: none"> • Businesses dealing with suppliers must adhere to the NatWest Group Supplier Charter, which sets out our commitment to conducting business with our suppliers in a fair and honest manner and with openness and integrity. <p>Strategic</p> <ul style="list-style-type: none"> • Regular risk assessments of all NatWest Group businesses to identify and mitigate potential bribery or corruption risks. Including but not limited to corporate donations, charitable activities and sponsorships, political activities, | |

Robust Anti-Corruption Management Policies & Procedures

| Criteria | Comment | Reference |
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| | <p>commercial sponsorships, mergers, acquisitions, joint ventures and other investment/divestment relationships.</p> <ul style="list-style-type: none"> • Enhanced due diligence conducted on higher risk activities. • Prohibitions of the payment of political contributions on NatWest Group’s behalf. • Engagement in political activities with public officials through lobbying, and the recruitment of staff from the Public Sector (‘Revolving Door’) is transparent and is not, and cannot be perceived to be, seeking to bribe another person or entity with the intention of securing any form of improper business advantage; or influence governmental actions. Further details of how NatWest Group manages political activities can be found here. • Performing monitoring and assurance activity including by both internal and external audit to ensure that our procedures, systems and controls are adequately designed and operating effectively. Following audit completion remediation activities are completed as required. • Participating in cross industry initiatives to tackle bribery and corrupt practices | |

Taking Action in Support of Broader UN Goals and Issues

| Criteria | Comment | Reference |
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| 15: The COP describes core business contributions to UN goals and issues | <p>Our Purpose is to champion potential, helping people, families and businesses to thrive. By breaking down barriers, smashing glass ceilings, pushing for equality and fighting for the planet, we are going to pave the way for a better future. We currently have three areas of focus: to remove barriers to enterprise, build financial confidence and help to tackle climate change. Our areas of focus contribute to UN Sustainable Development Goals (SDGs): 4, 5, 7, 8, 10, 13 and 17.</p> <p>As members of the United Nations Environment Programme Finance Initiative (UNEP FI) we were proud to become a founding signatory to the UN Principles for Responsible Banking (PRB) in September 2019. Committing to align our strategy with the UN Sustainable Development Goals (SDGs) and the 2015 Paris Agreement, we are embedding the six principles of the PRB across our business. Since becoming a signatory, we</p> | <p>https://investors.natwestgroup.com/~media/Files/R/RBS-IR-V2/results-center/19022021/2020-climate-related-disclosure-report.pdf</p> <p>https://investors.natwestgroup.com/~media/Files/R/RBS-IR-V2/results-center/19022021/natwest-group-annual-report-accounts-2020-v1.pdf</p> |

Taking Action in Support of Broader UN Goals and Issues

| Criteria | Comment | Reference |
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| | <p>have joined The Collective Commitment on Climate Action and become active in the Gender Equality, Financial Inclusion, and Biodiversity Target Setting working groups, as well as joining the Impact Analysis and Reporting and Assurance groups. The opportunity to share best practice, challenges, and learn from peer banks across the world is an important part of the PRB journey. We published our first UN PRB self-assessment in February 2021, which can be found on page 84 of our ESG Supplement.</p> <p>With a decade of action needed to meet the 2030 UN Sustainable Development Goals (SDGs), we recognise the impact we can have, both positively and potentially negatively, on all 17 goals. As signatories to the PRB, we are committed to further exploring our portfolio to identify and build on positive impacts and work collaboratively to understand any barriers to the SDGs that we can address.</p> <p>Our three areas of focus prioritise our efforts on seven SDGs, which we have mapped to the SDG target level (see page 19). While the SDGs do not align perfectly with our business activity, we have adopted them as expressed in the SDG Compass (a business guide to action) and consider the impact and influence we have. The UN Global Compact (UNGC), United Nations Environment Programme Finance Initiative (UNEP FI) and Business in the Community (BiTC) have all helped guide our progress.</p> <p>Further progress on embedding SDGs:</p> <ul style="list-style-type: none"> • Embedded the SDGs into our Green, Social and Sustainability Bonds framework, and our Climate and Sustainable Finance eligibility criteria. • Reinforced the importance of SDGs in our 2020 updated Human Rights Statement, Modern Slavery and Human Trafficking Statement and new Supplier Charter. • Highlighted the activity that can support the SDGs in our case studies throughout our 2020 Annual Report and Accounts. • Joined the UN Global Compact’s working groups on Making Global Goals Local, and submitted a team of talented young colleagues for the 2021 Young SDG Innovator ten month accelerator programme. | |

Taking Action in Support of Broader UN Goals and Issues

| Criteria | Comment | Reference |
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| | <p>In 2020, Coutts scored the highest possible rating A+ (compared to a median score of A) for its Strategy & Governance on the UN-supported Principles for Responsible Investment, and received scores of As and Bs in line or ahead of its peers for all other categories. Full details here.</p> <p>Gender Equality – We are a signatory of the Women’s Empowerment Principles.</p> <p>Our progress on seeking to advance gender equality includes but is not limited to the following:</p> <ul style="list-style-type: none"> • Our Enterprise targets contribute to UN SDG 5 – Gender Equality. • We collaborate with: Investing in Women Code - NatWest Group was the founding signatory of the Code, a commitment by financial services firms to improving female entrepreneurs’ access to tools, resources and finance; and Women in Finance Charter - A pledge for gender balance across financial services. • £1 billion Debt Fund To support our ambition, in January 2020 we announced £1 billion of ring-fenced Female Entrepreneurship Funding, all of which has already been allocated to female-led businesses. In January 2021, we announced an additional £1 billion in funding to help support female-led businesses in the UK recover from disruption caused by COVID-19. This aims to help female entrepreneurs scale and grow their businesses and builds on the £1 billion announced in 2020, which was the largest intervention by a UK lender focused specifically on female-led businesses. • Investing in Women Code - The first delivered output of the Rose Review, the Investing in Women Code was launched by Alison Rose and HM Treasury in July 2019. The bank was a founding signatory of the Investing in Women Code – a commitment by financial services firms to improve female entrepreneurs’ access to tools, resources and finance. Led by NatWest Group and HM Treasury, working with UK Finance, British Business Bank, UK Business Angels Association and other financial institutions, it has been signed by nearly 80 major banks and investment | |

Taking Action in Support of Broader UN Goals and Issues

| Criteria | Comment | Reference |
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| | <p>firms since its launch in 2019. The Code's first progress report is due in H1 2021 and is expected to contain industry commentary, and insight on the impact of COVID-19 on support for female entrepreneurs. It will also feature case studies from finance providers on best practice to support diversity</p> <ul style="list-style-type: none"> • Mentoring - A key barrier to female entrepreneurs starting or scaling a business is a lack of relatable role models and access to networks, sponsorship and mentorship opportunities through which they can gain relevant advice and insight. To help address this, NatWest has teamed up with Be The Business to pilot the Be The Business Rose Review Female Entrepreneurs Mentoring Programme, a free mentoring service for female entrepreneurs, in the Leeds City Region and the West of England Combined Authority Area. • Dream Bigger - Dream Bigger is NatWest Group's own programme aimed at inspiring young girls (aged 16 to 18) and giving them the skills and motivation to start a business. Dream Bigger works with organisations such as Microsoft, Facebook and Young Enterprise Scotland. In 2020, in response to the COVID-19 pandemic, we supported more than 15,000 young people via our live and digital events. • 330 - We digitised our Women in Business accreditation process, creating 330 new Women in Business specialists and delivering online events specifically for our female business customers to ensure they were supported during lockdown • Everywoman - NatWest Group and everywoman have worked together since 2003 – a positive, long-standing relationship that has grown and evolved to meet the bank's strategic objectives with regards to Women in Business. The NatWest Group everywoman awards, now in their 18th year, recognise and celebrate female entrepreneurs and their achievements. In addition, everywoman deliver our Accreditation Programme, which launched in 2012 to produce best in class knowledgeable colleagues that understand female entrepreneurship and | |

Taking Action in Support of Broader UN Goals and Issues

| Criteria | Comment | Reference |
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| | <p>can apply business expertise and tangible support to help our female-led businesses to set up and scale. The programme is accredited by the Chartered Banker Institute and certified by everywoman. We've over 600 accredited women in business specialists.</p> <ul style="list-style-type: none"> • Gender balanced - Our Boardroom Inclusion Policy aims to promote diversity and inclusion in the composition of the Board and reflects the most recent industry targets. The policy also acknowledges NatWest Group's ambition to aim for full gender balance. In our Executive Management team we have females in both our Chief Executive Officer and Chief Financial Officer roles, as well as our Chief Human Resources Officer, Chief Transformation Officer, Chief Marketing Officer and Chief Governance Officer and Company Secretary. Recognising that it is not just about boardroom diversity, in 2015 we set formal targets for our CEO and Executive Committee to have at least 30% (we chose 30% as this represents the tipping point for behavioural change) women in our global top three layers of each of their business areas, by the end of 2020. Each business area had a target, recognising that each part of the organisation needs to change. Furthermore, we are committed to being fully gender balanced by 2030. As at the end of 2020, 14 of our 15 business areas have 30% or more women. Across the bank, 39%(*) of the roles in our top three leadership layers are held by women – an increase of 10% since targets were introduced. More broadly, our top 4,000 roles globally have 43% women. We know that workforce diversity is one of the most complex challenges we face, so we need to ensure our approach is fair, equitable and delivering impact. Therefore, to support our targets – sponsored at CEO level – we've implemented a positive action approach. • We have 10% more women in our target population (CEO-3 and above globally) since 2015 • As a learning organisation we have multiple learning products – some of which | |

Taking Action in Support of Broader UN Goals and Issues

| Criteria | Comment | Reference |
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| | <p>are mandatory – to educate and raise awareness on topics such as diversity, inclusion, meritocracy, equity, equality, bias, power, privilege and microaggressions. As part of our People Pledge, we launched Inclusion Champions in 2020. Consisting of over 1,100 members, the champions form a global network of positive disruptors, who educate colleagues on Inclusion, and will work together to drive change on ethnicity, LGBT+, gender balance, disability awareness and inclusivity.</p> <ul style="list-style-type: none"> We have in place a maternity leave policy, which also details the support offered to those who are returning from maternity leave. <p>Please see our 2020 ESG Supplement and 2020 Annual Report and Accounts for more information.</p> | |
| 16: The COP describes strategic social investments and philanthropy | <p>Colleague giving A thriving economy depends on thriving communities. As a leading bank with a major influence in society, we believe we can make a real difference to people’s lives. We’re committed to supporting and giving back to the communities we operate in. Our direct community investment in 2020 amounted to £11,078,270 compared to £9,009,092 in 2019 as measured using the Business for Societal Impact benchmarking standard. This includes the funding we make available to support colleague giving and the direct costs of delivering our community programmes.</p> <p>Our Do Good Feel Good campaign gives our colleagues opportunities to support the good causes they care about. This includes offering all colleagues three days of volunteering leave each year. Along with fundraising activities, we encourage colleagues to give directly to charity through Payroll Giving and, new in 2020, we launched our Pennies from Heaven scheme that takes pennies from colleagues’ salaries and donates them to charities. Despite the COVID-19 related challenges</p> | <p>https://investors.natwestgroup.com/~media/Files/R/RBS-IR-V2/esg-docs/esg-supplement-2020.pdf</p> |

Taking Action in Support of Broader UN Goals and Issues

| Criteria | Comment | Reference |
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| | <p>during 2020, which led to many of our planned activities and programmes being curtailed, colleagues have given £3.2 million and 13,599 worktime volunteering hours to support charities and good causes. An employee led team had the vision to transform our Gogarburn Conference Centre into a charity distribution hub, and working with Social Bite, FareShare, Cyrenians and Trussell Trust have supported some of those most vulnerable during the pandemic.</p> <p>We are working closely with our partners to explore how and when we may be able to reopen our programmes in 2021. We are particularly excited about our plans with The Conservation Volunteers (TCV); together we have already planted more than 30,000 trees at Parsloes Park in Dagenham, including 10,000 trees planted on behalf of Coutts customers who signed up to receive paperless statements, and we have plans to plant 100,000 more trees in 2021 across the UK.</p> <p>Please see pages 71 and 72 of our 2020 ESG Supplement for further details.</p> | |
| 17: The COP describes advocacy and public policy engagement | <p>In our 2020 ESG Supplement, we publicly disclose our support for or use of several UN-backed initiatives including:</p> <ul style="list-style-type: none"> - UN Sustainable Development Goals - United Nations Environment Programme Finance Initiative (UNEP FI) - UN Principles of Responsible Banking - UN Guiding Principles on Business and Human Rights - UN Global Compact <p>Our 2020 ESG Supplement also highlights matters relating to labour, anti-bribery and corruption, human rights and environment.</p> <p>We are the principal banking partner of COP26 and we appointed Lord Stern as an independent advisor, highlighting our determination to be a leading bank in addressing the climate challenge. Our Group CEO, Alison Rose, attended COP26.</p> <p>Please see our 2020 ESG supplement for more information.</p> | <p>https://investors.natwestgroup.com/~media/Files/R/RBS-IR-V2/esg-docs/esg-supplement-2020.pdf</p> |

Taking Action in Support of Broader UN Goals and Issues

| Criteria | Comment | Reference |
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| <p>18: The COP describes partnerships and collective action</p> | <p>Page 21 of our 2020 ESG Supplement provides an overview of our signatories and memberships. Some highlights include:</p> <ul style="list-style-type: none"> - Science Based Targets initiative (SBTi) - Signing up to SBTi gives additional guidance on emission measurement methodology and adds an independent verification process for our Paris-alignment ambition. More information about our approach to the climate challenge can be found on page 26 of the supplement. - Partnership for Carbon Accounting Financials - An industry-led partnership to facilitate transparency and accountability of the financial services industry to the 2015 Paris Agreement. The first major UK bank to sign up, we've committed to help enable harmonised assessments and disclosures of greenhouse gas emissions financed by loans and investments. - The Financing a Just Transition Alliance - We were on the Advisory Committee for the LSE Grantham Institute's Banking on a Just Transition report and project and are members of its successor the Financing a Just Transition Alliance. Launched in November 2020, as a collaboration amongst banks, investors and financial institutions with academia and trade unions, the alliance aims to translate the growing commitment to a just transition across the financial sector into real world impact. This means delivering the UK's climate goals, whilst providing positive social outcomes for both workers and communities, leaving no-one behind. - UK Finance - UK Finance is the collective voice for the banking and finance industry. | <p>https://investors.natwestgroup.com/~media/Files/R/RBS-IR-V2/esg-docs/esg-supplement-2020.pdf</p> <p>https://investors.natwestgroup.com/~media/Files/R/RBS-IR-V2/results-center/19022021/2020-climate-related-disclosure-report.pdf</p> |

Taking Action in Support of Broader UN Goals and Issues

| Criteria | Comment | Reference |
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| | <p>In 2020, we have given input to various consultations where appropriate, including on topics such as young people’s financial education, the Offender Banking Scheme, sustainable finance and access to cash.</p> <ul style="list-style-type: none"> - HM Treasury Women in Finance - Demonstrating our commitment to creating gender balance, in early 2016 we were one of the first signatories to the HM Treasury Women in Finance Charter, requiring financial services firms to commit to four key industry actions which include publicly reporting on progress against the targets that we have in place annually <p>Due to the exceptional circumstances linked to the COVID-19 pandemic, we have already reduced emissions by 33% (against 2019 baseline), driven by reduced energy consumption and business travel.</p> <p>Additionally, with more than 50,000 colleagues working from home due to the COVID-19 pandemic, some emissions have transferred to colleague homes. In recognition of this exceptional year, we have calculated and offset all colleague home working and commuting emissions (37,596 tCO₂e). These additional emissions offset in 2020 go beyond our current reporting boundary of emissions in our direct operational control. To calculate these emissions, we collaborated with EcoAct, Lloyds Banking Group and other organisations to launch the first ever open source home working emissions methodology.</p> <p>Please see pages 18-21 of our 2020 ESG Supplement, as well as our 2020 Climate-related Disclosures Report and our 2020 Annual report and Accounts for more information.</p> | |

Corporate Sustainability Governance and Leadership

| Criteria | Comment | Reference |
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| 19: The COP describes CEO commitment and leadership | <p>Our CEO statement can be found in pages 12-15 of our 2020 Annual Report and Accounts and covers how we are moving forward as more sustainable bank:</p> <p>Furthermore, NatWest Group CEO Alison Rose has undertaken the following activities:</p> | <p>https://investors.natwestgroup.com/~media/Files/R/RBS-IR-V2/esg-docs/esg-supplement-2020.pdf</p> <p>https://investors.natwestgroup.com/~media/Files/R/RBS-IR-V2/esg-docs/esg-supplement-2020.pdf</p> |

Corporate Sustainability Governance and Leadership

| Criteria | Comment | Reference |
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| | <ul style="list-style-type: none"> - Business in the Community (BiTC) - A founding member since 1981, we work closely with BiTC across a number of areas including diversity & inclusion, enterprise & entrepreneurship, business resilience and responsible banking. In 2020, highlights included collaboration in the response to COVID-19, particularly around our Gogarburn Distribution Hub in Edinburgh, which supported charities to get non perishable foods and hygiene products to vulnerable people. In addition, Alison Rose became Chair of the BiTC Scotland Leadership Board and a Trustee of BiTC. - Sustainable Markets Initiative (SMI) - NatWest Group and Coutts are proud to be founding partners of His Royal Highness The Prince of Wales’ Sustainable Markets Initiative; focused on the need to accelerate global progress towards a sustainable future. Alison Rose and Peter Flavel have joined the SMI Financial Services Roundtables; and NatWest Group has provided the SMI with three secondees for one year to support it’s efforts. - Advancing Female Entrepreneurship - The Rose Review into Female Entrepreneurship, launched by NatWest Group CEO Alison Rose in March 2019, made a series of recommendations to help remove barriers facing women who want to start a business. The Review found that £250 billion could be added to the economy if women started and scaled new businesses at the same rate in the UK as men. - With over 23,000 members and allies globally, our eight Group-wide ELNs support our commitment of creating a healthy, diverse and inclusive workplace for all colleagues. Sponsored overall by CEO Alison Rose, each ELN has an individual executive sponsor who provides ongoing direction, guidance, challenge and support. The ELN Chairs meet with our CEO on a quarterly basis and are invited to attend the Bank Executive Committee, on a rotational basis, to profile their work and provide oversight on their key initiatives. Run by volunteers, the ELNs do so much more than marking festivals and | <p>es/R/RBS-IR-V2/results-center/19022021/natwest-group-annual-report-accounts-2020-v1.pdf</p> |

Corporate Sustainability Governance and Leadership

| Criteria | Comment | Reference |
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| | <p>events, they challenge us to think about how we become more inclusive and accessible. And they're always looking for new active members to help them drive further change.</p> <p>The Group CEO has overall accountability for delivery of sustainable business performance. Joint Senior Management Function accountability with the Group Chief Risk Officer for identifying and managing financial risks from Climate Change. Co-Chair of the Group Climate Change Programme Executive Steering Committee, which acts as the principal forum overseeing the activities of the Group-wide Climate Change Programme.</p> <p>Please see page 15 of our 2020 ESG Supplement for more details on responsible governance.</p> | |
| 20: The COP describes Board adoption and oversight | <p>The NatWest Group plc Board is responsible for promoting the long-term sustainable success of NatWest Group and the setting of strategic (including ESG) aims. The Board establishes NatWest Group's purpose, values and strategy and leads the development of NatWest Group culture. It oversees NatWest Group progress and performance as a purpose-led organisation.</p> <p>The Group Sustainable Banking Committee (SBC) supports the Board in overseeing and challenging actions being taken by management to run NatWest Group as a sustainable business including challenging ESG ambitions and overseeing commitments to UN Principles for Responsible Banking (PRB). The SBC reports directly to the Board.</p> <p>The Group Board Terms of Reference state also that one of their responsibilities is to 'Approve NWG's Annual Report and Accounts and its other published financial statements and other material and significant statements issued to shareholders or the London Stock Exchange.'</p> <p>Please see page 15 of our <u>2020 ESG Supplement</u> for more details on responsible governance.</p> | <p>https://investors.natwestgroup.com/~media/Files/R/RBS-IR-V2/esg-docs/esg-supplement-2020.pdf</p> <p>https://www.natwestgroup.com/content/dam/natwestgroup.com/natwestgroup/pdf/nwg-board-tor-approved-16-june-2021.pdf</p> |
| 21: The COP describes stakeholder engagement | <p>Listening, engaging and partnering with stakeholders helps us to address our business impacts and improve outcomes for customers, society and the environment.</p> | <p>https://investors.natwestgroup.com/~media/Files/R/RBS-IR-V2/results-center/19022021/natwe</p> |

Corporate Sustainability Governance and Leadership

| Criteria | Comment | Reference |
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| | <p>Our approach to stakeholder engagement in 2020 was significantly influenced by the COVID-19 pandemic. The table on page 47 of our 2020 Annual Report and Accounts sets out our key stakeholder groups, together with illustrative examples of how we engaged with them (both formally and informally), what we discussed and related outcomes, including where further information can be found. On our website we publish an extended version of this table which includes more details on our engagement activity with consumer groups, journalists, social media influencers, politicians, governments and other agencies, NGOs, academics and think tanks.</p> <p>We have clear goals which reinforce Our Values and form part of our leadership team’s objectives. We gather feedback from our colleagues through our listening strategy, which includes our colleague opinion survey (Our View), a Colleague Advisory Panel that connects colleagues directly with our Board and ‘Workplace’, our social media platform.</p> <p>Our Speak Up Policy sets out our commitment to protect anyone raising a genuine concern, even if the concern raised is considered to be unsubstantiated (not proven) after investigation. All whistleblowing concerns are investigated, as appropriate. Where concerns are substantiated, recommendations are made for remedial action, which can include changes to processes and controls as well as disciplinary actions. Furthermore, the harassment, victimisation or discrimination of anyone raising a genuine concern will be viewed as a disciplinary matter. In 2020, our colleague opinion survey, Our View, has shown the highest ever score (88%) when asking colleagues if they feel safe to speak up. Additionally 96% of colleagues responded that they can describe how to raise concerns about wrongdoing in their business.</p> | <p>st-group-annual-report-accounts-2020-v1.pdf</p> <p>https://www.natwestgroup.com/our-purpose/our-approach/stakeholder-engagement.html</p> <p>https://investors.natwestgroup.com/~/_/media/Files/R/RBS-IR-V2/esg-docs/esg-supplement-2020.pdf</p> |