



Group Chief Executive's review



A vital and trusted partner

Being a vital and trusted partner to our customers is at the heart of the strategy we have developed as a leadership team and agreed as a Board. From making everyday banking easier to helping UK businesses grow, we'll succeed with customers by understanding their hopes and aspirations and providing the services and expertise they need now and in the future.

We have evolved our purpose to reflect the role we play for our customers: the bank that turns possibilities into progress. By connecting our purpose more closely to the job our colleagues do each day we aim to have a positive impact on our communities, the environment and our own sustainability over the longer term.

Crucial to the fulfilment of our strategy and our purpose is the imperative to think and act in a long-term, sustainable way, enhancing NatWest Group's resilience and helping create value for our stakeholders. Embedded within our three clear strategic priorities of disciplined growth, bank-wide simplification, and active balance sheet and risk management, our focus on sustainability helps us to deliver positive outcomes for our customers, shareholders, communities and colleagues.

Supporting our customers' climate transitions

Financial institutions continue to play a critical role in supporting the transition to a net-zero economy. Our climate-related and ESG products and advisory services, are designed to help that transition – while supporting active balance sheet and risk management, and contributing towards our commercial objectives and shareholder returns. For example, up to the end of 2024, we had provided a cumulative total of £93.4 billion in climate and sustainable funding and financing against our target to provide £100 billion between 1 July 2021 and the end of 2025.

We are pleased to have achieved our ambition to reduce our direct own operations by delivering a 51% reduction in Scope 1, location-based Scope 2, and certain Scope 3 categories⁽¹⁾ between 2019 and 2024. As we move forwards we will now aim for a 70% reduction in our Scope 1 and location-based Scope 2 emissions by 2030, against a 2019 baseline.

Achieving our 2030 ambition for Scope 3 financed emissions is increasingly challenging due to our acknowledged dependence on timely and appropriate government policy, technology developments and the supplier, customer and societal response required to support the transition. The path to achieving

net zero by 2050 is far from clear at this stage but we continue to focus on supporting our customers' transition and our own ambitions to be net zero.

Collaboration remains essential in reaching a more sustainable global economy, requiring public and private sectors to work together. In April 2024, working with the Green Finance Institute, we were invited to join the National Wealth Fund Taskforce, advising on how private finance can be mobilised to accelerate investment into clean energy industries. The Fund has the potential to become a significant driver for public and private investment to help shape a more sustainable UK industrial strategy.

Social and community outcomes

As the UK's biggest business bank and a market leader in retail and private banking, with over 19 million customers across all nations and regions of the UK, we are in an important and privileged position. Our strategy aims to meet our customers' needs at a time when many are facing complex technological and social change. Importantly, understanding their aspirations and the challenges they face enables us to deliver the right services and expertise, at the right time, in the right way.

For instance, we provided £4.1 billion in lending to the UK social housing sector during 2024. As a result, we have increased our existing ambition and now aim to provide £7.5 billion in lending to the sector between 1 January 2024 and the end of 2026 to support the delivery and maintenance of social housing in the UK. By providing this lending we are building value for the bank and its shareholders, while addressing social issues through our core business activities.

We're also dedicated to improving our customers' financial confidence with the aim of helping them become more resilient to financial shocks. In 2024, 7.8 million people accessed our financial wellbeing services and digital tools. We also continued to support young people through our long-standing community programmes like MoneySense, Dream Bigger and CareerSense, which will be brought together under a single youth proposition in 2025, NatWest Thrive.

We recognise the importance of business growth in supporting a strong economy and the commercial ambitions of the bank. Through our Accelerator Programme in 2024, we provided free-to-access wrap-around support to a record number of businesses. Elsewhere, across our small business support programmes, we delivered over 400,000 interventions to help start, run or grow a business.

Succeeding with customers

Against a backdrop of new and rapidly changing social, commercial and economic trends, we will continue to evolve the relevance and value of our bank. The integration of sustainability into how we operate is a key part of this and aligns with our ambition to succeed with customers. As one of the largest banks in the UK, we have the scale, reach, deep-rooted regional focus and expertise to assist our customers on their sustainability journeys and benefit mutually from the opportunity this presents. By turning possibilities into progress, we aim to deliver positive financial, customer and societal outcomes.

Paul Thwaite

Group Chief Executive Officer

(1) Includes Scope 3 (paper, water, waste, business travel, commuting and work from home) emissions.