UK CCA: Main features of regulatory own funds instruments and eligible liabilities instruments

This annex has been prepared in accordance with the Disclosure (CRR) part of the PRA rulebook and Bank of England's requirement for own funds and eligible liabilities (MREL).

It provides a description of the main features of capital instruments issued by Coutts & Company ("Coutts & Co"), a large subsidiary of NatWest Group.

It complements the Coutts & Co 2023 Pillar 3 Report which is published in the same location at: investors.natwestgroup.com/reports-archive/2023

Assumptions on the regulatory treatment of the capital instruments described herein reflect NatWest Group interpretations of current rules.

This document is for information only and is not an offer of securities nor an invitation or recommendation to invest. No investor or prospective investor in the securities described herein should rely upon the relevant description contained in this document and NatWest Group shall not be held liable for any inaccuracy or misstatement.

		Included in own funds and eligible liabilities	Included in own funds and eligible liabilities	Included in own funds and eligible liabilities
		Common Equity Tier 1	Additional Tier 1	Tier 2
1	Issuer	Coutts & Company	Coutts & Company	Coutts & Company
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)		n/a	n/a
2a	Public or private placement	n/a	Private	Private
3	Governing law(s) of the instrument	English	English	English
3a	Contractual recognition of write down and conversion powers of resolution authorities	n/a	No	No
Regulatory treatment				
4	Current treatment taking into account, where applicable, transitional CRR rules	Common Equity Tier 1	Additional Tier 1	Tier 2
5	Post-transitional CRR rules	Common Equity Tier 1	Additional Tier 1	Tier 2
6	Eligible at solo/(sub-)consolidated/ solo&(sub-)consolidated	Consolidated	Consolidated	Consolidated
7	Instrument type (types to be specified by each jurisdiction)	Ordinary Shares	Contingent Capital Note	Tier 2 Securities
8	Amount recognised in regulatory capital or eligible liabilities (Currency in million, as of most recent reporting date)	GBP 1,199m	GBP 240m	GBP 300m
9	Nominal amount of instrument in 'Currency of issue'	GBP 1,199,072,000	GBP 240,000,000	GBP 300,000,000
	Nominal amount of instrument in 'Currency of reporting'	n/a	GBP 240,000,000	GBP 300,000,000
UK-9a	Issue price	n/a	100 per cent	100 per cent
UK-9b	Redemption price	n/a	100 per cent	100 per cent
10	Accounting classification	Shareholder's equity	Equity	Amortised Cost
11	Original date of issuance	n/a	28/09/2022	28/02/2023
12	Perpetual or dated	Perpetual	Perpetual	Dated
13	Original maturity date	No maturity	No maturity	28/02/2034
14	Issuer call subject to prior supervisory approval	n/a	Yes	Yes
15	Optional call date, contingent call dates and redemption amount	n/a	Issuer Call 31 Mar 2028 anytime thereafter/ 100 per cent	Issuer Call 28 Nov 2028 and anytime thereafter/ 100 per cent
16	Subsequent call dates, if applicable	n/a	Anytime after first call	Anytime after first call
Coupons / dividends				
17	Fixed or floating dividend/coupon	n/a	Floating	Floating
18	Coupon rate and any related index	n/a	Sonia Compounded Index plus 6.653 per cent	Sonia Compounded Index plus 2.9058 per cent
19	Existence of a dividend stopper	No	No	No
UK-20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	n/a	Fully discretionary	Mandatory
UK-20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	n/a	Fully discretionary	Mandatory
21	Existence of step up or other incentive to redeem	n/a	No	No
22	Non-cumulative or cumulative	Non-cumulative	Non-cumulative	Cumulative
23	Convertible or non-convertible	Non-convertible	Convertible	Convertible
24	If convertible, conversion trigger(s)	n/a	Coutts & Company CET1 Ratio is less than 7.00 per cent. Statutory bail-in power and mandatory write-down/conversion of capital instruments power under The UK Banking Act 2009 (as amended)	Statutory bail-in power and mandatory write-down/conversion of capital instruments power under The UK Banking Act 2009 (as amended)
25	If convertible, fully or partially	n/a	Fully	Fully or partially
26	If convertible, conversion rate	n/a	To be determined at conversion	To be determined at conversion
27	If convertible, mandatory or optional conversion	n/a	Mandatory	Mandatory upon satisfaction of certain conditions
28	If convertible, specify instrument type convertible into	n/a	Common Equity Tier 1	Common Equity Tier 1
29	If convertible, specify issuer of instrument it converts into	n/a	Coutts & Company	Coutts & Company
30	Write-down features	n/a	Yes	Yes
31	If write-down, write-down trigger(s)	n/a	Contractual recognition of statutory bail-in power and mandatory write-down/conversion of capital instruments power under The UK Banking Act 2009 (as amended)	Statutory bail-in power and mandatory write-down/conversion of capital instruments power under The UK Banking Act 2009 (as amended)
32	If write-down, full or partial	n/a	Fully or partially	Fully or partially
33	If write-down, permanent or temporary	n/a	Permanent	Permanent
34	If temporary write-down, description of write-up mechanism	n/a	n/a	n/a
UK-34a	Type of subordination (only for eligible liabilities)	n/a	Contractual	Contractual
UK-34b	Ranking of the instrument in normal insolvency proceedings	Shareholder's equity - subordinate to AT1, Tier 2 and senior creditors	Subordinated debt qualifying as AT1 ranking junior to Tier 2 and senior to CET1	Subordinated debt ranking junior to Senior non preferred debt and Senior to AT1
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Immediately subordinate to additonal tier 1	Subordinate to Tier 2	Subordinate to Senior Creditors
36	Non-compliant transitioned features	n/a	No	No
37	If yes, specify non-compliant features	n/a	n/a	n/a
37a	Link to the full term and conditions of the instrument (signposting)		n/a	
	Notes:			
(1)	Nominal Value versus Regulatory Value • Regulatory value for equity accounted instrument is translated to GBP at the FX rate on time of issuance • Regulatory value for amortised cost accounted instrument is translated to GBP at the current FX rate			
(2)	Regulatory value for a Tier 2 instrument within its last five years to maturity will be subject to straight line amortisation. Amounts reported for Additional Tier 1 and Tier 2 instruments are before grandfathering restrictions imposed by CRR.			
(3)	For 8 - Regulatory value provided for instruments in the Own funds only or Own funds and eligible liabilities section. Notional provided for instruments in the eligible liabilities only section.			

		Included only in eligible liabilities (but not own funds)	Included only in eligible liabilities (but not own funds)	Included only in eligible liabilities (but not own funds)
		Senior unsecured debt	Senior unsecured debt	Senior unsecured debt
1	Issuer	Coutts & Company	Coutts & Company	Coutts & Company
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	n/a	n/a	n/a
2a	Public or private placement	Private	Private	Private
3	Governing law(s) of the instrument	English	English	English
3a	Contractual recognition of write down and conversion powers of resolution authorities	No	No	No
Regulatory treatment				
4	Current treatment taking into account, where applicable, transitional CRR rules	n/a	n/a	n/a
5	Post-transitional CRR rules	n/a	n/a	n/a
6	Eligible at solo/(sub-)consolidated/ solo&(sub-)consolidated	Consolidated	Consolidated	Consolidated
7	Instrument type (types to be specified by each jurisdiction)	Senior unsecured debt	Senior unsecured debt	Senior unsecured debt
8	Amount recognised in regulatory capital or eligible liabilities (Currency in million, as of most recent reporting date)	GBP 260m	GBP 252m	GBP 50m
9	Nominal amount of instrument in 'Currency of issue'	GBP 260,000,000	EUR 290,000,000	GBP 50,000,000
	Nominal amount of instrument in 'Currency of reporting'	GBP 260,000,000	GBP 252,020,509	GBP 50,000,000
UK-9a	Issue price	100 per cent	100 per cent	100 per cent
UK-9b	Redemption price	100 per cent	100 per cent	100 per cent
10	Accounting classification	Amortised Cost	Amortised Cost	Amortised Cost
11	Original date of issuance	17/12/2019	26/02/2021	29/03/2022
12	Perpetual or dated	Dated	Dated	Dated
13	Original maturity date	17/12/2025	26/02/2030	29/03/2029
14	Issuer call subject to prior supervisory approval	No	No	No
15	Optional call date, contingent call dates and redemption amount	Issuer Call 17 Dec 2024 and anytime thereafter/ 100 per cent	Issuer Call 26 Feb 2029/ 100 per cent	Issuer Call 29 Mar 2028/ 100 per cent
16	Subsequent call dates, if applicable	Anytime after first call	None after first call	None after first call
Coupons / dividends				
17	Fixed or floating dividend/coupon	Floating	Floating	Floating
18	Coupon rate and any related index	Sonia Compounded Index plus 1.4293 per cent	3m Euribor plus 0.949 per cent	Sonia Compounded Index plus 1.7751 per cent
19	Existence of a dividend stopper	No	No	No
UK-20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Mandatory	Mandatory	Mandatory
UK-20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Mandatory	Mandatory	Mandatory
21	Existence of step up or other incentive to redeem	No	No	No
22	Non-cumulative or cumulative	Cumulative	Cumulative	Cumulative
23	Convertible or non-convertible	Convertible	Convertible	Convertible
24	If convertible, conversion trigger(s)	Exercise of Resolution Powers with respect to Coutts & Company by the UK Resolution Authority, or by any other authority in UK that is competent under the law to exercise Resolution Powers.	Exercise of Resolution Powers with respect to Coutts & Company by the UK Resolution Authority, or by any other authority in UK that is competent under the law to exercise Resolution Powers.	Exercise of Resolution Powers with respect to Coutts & Company by the UK Resolution Authority, or by any other authority in UK that is competent under the law to exercise Resolution Powers.
25	If convertible, fully or partially	Fully or partially	Fully or partially	Fully or partially
26	If convertible, conversion rate	At the discretion of UK Resolution Authority	At the discretion of UK Resolution Authority	At the discretion of UK Resolution Authority
27	If convertible, mandatory or optional conversion	Optional (at the discretion of UK Resolution Authority)	Optional (at the discretion of UK Resolution Authority)	Optional (at the discretion of UK Resolution Authority)
28	If convertible, specify instrument type convertible into	Common Equity Tier 1	Common Equity Tier 1	Common Equity Tier 1
29	If convertible, specify issuer of instrument it converts into	Coutts & Company	Coutts & Company	Coutts & Company
30	Write-down features	Yes	Yes	Yes
31	If write-down, write-down trigger(s)	Exercise of Resolution Powers with respect to Coutts & Company by the UK Resolution Authority, or by any other authority in UK that is competent under the law to exercise Resolution Powers.	Exercise of Resolution Powers with respect to Coutts & Company by the UK Resolution Authority, or by any other authority in UK that is competent under the law to exercise Resolution Powers.	Exercise of Resolution Powers with respect to Coutts & Company by the UK Resolution Authority, or by any other authority in UK that is competent under the law to exercise Resolution Powers.
32	If write-down, full or partial	Fully or partially	Fully or partially	Fully or partially
33	If write-down, permanent or temporary	Permanent	Permanent	Permanent
34	If temporary write-down, description of write-up mechanism	n/a	n/a	n/a
UK-34a	Type of subordination (only for eligible liabilities)	Statutory	Statutory	Statutory
UK-34b	Ranking of the instrument in normal insolvency proceedings	Senior Non-Preferred debt ranking junior to Senior Preferred debt and Senior to Tier 2	Senior Non-Preferred debt ranking junior to Senior Preferred debt and Senior to Tier 2	Senior Non-Preferred debt ranking junior to Senior Preferred debt and Senior to Tier 2
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Subordinate to Ordinary non-preferential debts	Subordinate to Ordinary non-preferential debts	Subordinate to Ordinary non-preferential debts
36	Non-compliant transitioned features	No	No	No
37	If yes, specify non-compliant features	n/a	n/a	n/a
37a	Link to the full term and conditions of the instrument (signposting)	n/a		
	Notes:			
(1)	Nominal Value versus Regulatory Value • Regulatory value for equity accounted instrument is translated to GBP at the FX rate on time of issuance • Regulatory value for amortised cost accounted instrument is translated to GBP at the current FX rate			
(2)	Regulatory value for a Tier 2 instrument within its last five years to maturity will be subject to straight line amortisation. Amounts reported for Additional Tier 1 and Tier 2 instruments are before grandfathering restrictions imposed by CRR.			
(3)	For 8 - Regulatory value provided for instruments in the Own funds only or Own funds and eligible liabilities section. Notional provided for instruments in the eligible liabilities only section.			