

## **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 The Royal Bank of Scotland plc ("RBS plc"), a large subsidiary of NatWest Group.

It complements the RBS plc 2022 Pillar 3 Report which is published in the same location at: [investors.natwestgroup.com/reports-archive/2022](https://investors.natwestgroup.com/reports-archive/2022)

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	Additional Tier 1
1	Issuer	Royal Bank of Scotland plc	Royal Bank of Scotland plc	Royal Bank of Scotland plc
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	Yes	Yes
Regulatory Treatment				
4	Current treatment taking into account, where applicable, transitional CRR rules	Common Equity Tier 1	Additional Tier 1	Additional Tier 1
5	Post-transitional CRR rules	Common Equity Tier 1	Additional Tier 1	Additional Tier 1
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	Contingent Capital Note
8	Amount recognised in regulatory capital or eligible liabilities (Currency in million, as of most recent reporting date)	GBP 2,149m	GBP 470m	GBP 500m
9	Nominal amount of instrument in 'Currency of issue'	GBP 2,149,000,000	USD 654,000,000	GBP 500,000,000
	Nominal amount of instrument in 'Currency of reporting'		GBP 469,658,887	GBP 500,000,000
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	Equity
11	Original date of issuance	n/a	26/04/2018	12/05/2022
12	Perpetual or dated	Perpetual	Perpetual	Perpetual
13	Original maturity date	No maturity	No maturity	No maturity
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 15 Aug 2023 and anytime thereafter/ 100 per cent	Issuer Call 12 May 2027 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	Fixed to Fixed	Fixed to Fixed
18	Coupon rate and any related index	n/a	3.96830 per cent, '2 year mid-swap rate quotations' if not called	6.8543 per cent. per annum until 12/05/2027, Resets to 5y Conventional Gilt Rate + Margin of 5.562% at each reset date if not called
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	Fully discretionary
UK-20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	n/a	Fully discretionary	Fully discretionary
21	Existence of step up or other incentive to redeem	n/a	No	No
22	Non-cumulative or cumulative	Non-cumulative	Non-cumulative	Non-cumulative
23	Convertible or non-convertible	Non-convertible	Convertible	Convertible
24	If convertible, conversion trigger(s)	n/a	The Royal Bank of Scotland plc's 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)	The Royal Bank of Scotland plc's 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)
25	If convertible, fully or partially	n/a	Fully or partially	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
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	Royal Bank of Scotland plc	Royal Bank of Scotland plc
30	Write-down features	n/a	Yes	Yes
31	If write-down, write-down trigger(s)	n/a	RBS plc's CET1 Ratio is less than 7.00 per cent. Statutory bail-in power and madatory write-down/conversion of capital instruments power under the UK Banking Act 2009 (as amended)	RBS plc's CET1 Ratio is less than 7.00 per cent. Statutory bail-in power and madatory 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	Fully
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 qualifying as AT1 ranking junior to Tier 2 and senior to CET1
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 Tier 2
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 intrument (signposting)	n/a		
(1)	Notes 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 in own funds and eligible liabilities	Included only in eligible liabilities (but not own funds)
		Tier 2	Senior unsecured debt
1	Issuer	Royal Bank of Scotland plc	Royal Bank of Scotland plc
2	Unique identifier (eg CUSIP, ISIN or Bloomberg identifier for private placement)	n/a	n/a
2a	Public or private placement	Private	Private
3	Governing law(s) of the instrument	English	English
3a	Contractual recognition of write down and conversion powers of resolution authorities	Yes	Yes
Regulatory Treatment			
4	Current treatment taking into account, where applicable, transitional CRR rules	Tier 2	n/a
5	Post-transitional CRR rules	Tier 2	n/a
6	Eligible at solo/(sub-)consolidated/ solo&(sub-)consolidated	Consolidated	No
7	Instrument type (types to be specified by each jurisdiction)	Tier 2 Securities	Senior unsecured debt
8	Amount recognised in regulatory capital or eligible liabilities (Currency in million, as of most recent reporting date)	GBP 1,537m	GBP 415m
9	Nominal amount of instrument in 'Currency of issue'	USD 1,850,000,000	USD 500,000,000
	Nominal amount of instrument in 'Currency of reporting'	GBP 1,536,544,850	GBP 415,282,392
UK-9a	Issue price	100 per cent	100 per cent
UK-9b	Redemption price	100 per cent	100 per cent
10	Accounting classification	Amortised Cost	Amortised Cost
11	Original date of issuance	26/04/2018	22/03/2019
12	Perpetual or dated	Dated	Dated
13	Original maturity date	19/12/2028	22/03/2025
14	Issuer call subject to prior supervisory approval	Yes	No
15	Optional call date, contingent call dates and redemption amount	Issuer Call 19 Dec 2023 and anytime thereafter/ 100 per cent	Issuer Call 22 Mar 2024/ 100 per cent
16	Subsequent call dates, if applicable	Anytime after first call	None after first call
Coupons / dividends			
17	Fixed or floating dividend/coupon	Fixed to Fixed	Fixed to Fixed
18	Coupon rate and any related index	5.182 per cent until 19/12/2028. Reset interest rate thereafter	4.269 per cent until 22nd March 2024. Reset to 3 month USD LIBOR plus 176.2bps, if not called
19	Existence of a dividend stopper	No	No
UK-20a	Fully discretionary, partially discretionary or mandatory (in terms of timing)	Mandatory	Mandatory
UK-20b	Fully discretionary, partially discretionary or mandatory (in terms of amount)	Mandatory	Mandatory
21	Existence of step up or other incentive to redeem	No	No
22	Non-cumulative or cumulative	Cumulative	Cumulative
23	Convertible or non-convertible	Convertible	Convertible
24	If convertible, conversion trigger(s)	Statutory bail-in power and mandatory write-down/conversion of capital instruments power under The UK Banking Act 2009 (as amended)	Exercise of Resolution Powers with respect to The Royal Bank of Scotland plc 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
26	If convertible, conversion rate	To be determined at conversion	At the discretion of UK Resolution Authority
27	If convertible, mandatory or optional conversion	Mandatory upon satisfaction of certain conditions	Optional (at the discretion of UK Resolution Authority)
28	If convertible, specify instrument type convertible into	Common Equity Tier 1	Common Equity Tier 1
29	If convertible, specify issuer of instrument it converts into	Royal Bank of Scotland plc	Royal Bank of Scotland plc
30	Write-down features	Yes	Yes
31	If write-down, write-down trigger(s)	Statutory bail-in power and mandatory write-down/conversion of capital instruments power under The UK Banking Act 2009 (as amended)	Exercise of Resolution Powers with respect to The Royal Bank of Scotland plc 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
33	If write-down, permanent or temporary	Permanent	Permanent
34	If temporary write-down, description of write-up mechanism	n/a	n/a
UK-34a	Type of subordination (only for eligible liabilities)	Contractual	Statutory
UK-34b	Ranking of the instrument in normal insolvency proceedings	Subordinated debt ranking junior to Senior non-preferred debt and junior to AT1	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 Senior Creditors	Ordinary non-preferential debts
36	Non-compliant transitioned features	No	No
37	If yes, specify non-compliant features	n/a	n/a
37a	Link to the full term and conditions of the instrument (signposting)	n/a	
(1)	Notes 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.		