

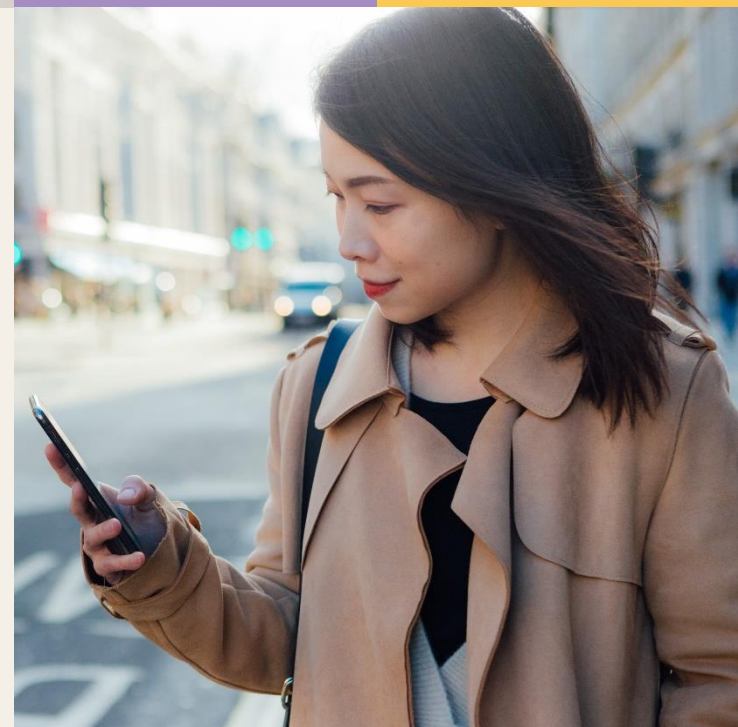


NatWest
Group

Q1 2021 Results

Fixed Income Investors

29th April 2021





Donal Quaid
Treasurer

Good Q1'21 operating performance

Supporting our customers;
strong net lending growth

Further cost reduction
achieved in Q1

Impairments: small release
reflects good book releases
and government support
mitigating level of defaults

Strong capital base and
liquidity position

£1.1bn directed buy back
completed

1. Net lending to customers across the UK and RBSI retail and commercial businesses, excluding UK Government lending schemes.
2. Other expenses, excluding OLD and Ulster Bank RoI direct costs.

£844m

Operating profit before
impairments in Q1'21,
down from £1,321m in Q1'20

£102m

Impairment release in Q1'21
11bps of customer loans

£620m

Attributable profit in Q1'21,
compared to £288m at Q1'20

£2.2bn

Net Lending Growth in Q1'21,
up 3% on Q4'20 on an
annualised basis¹

£72m

Cost reduction in Q1'21² vs.
Q1'20

18.2%

Q1'21 CET1 Capital Ratio
Down 30bps on Q4'20
Includes c.100bps of IFRS 9
transitional relief

Intelligent and consistent approach to risk

Impairment release as defaults remain low, provision for economic uncertainty maintained

No change to economic assumptions in Q1'21

Improvement in underlying risk drives Stage 1 & 2 net releases

Stage 3 default charges benefit from £17m expected debt sale gain

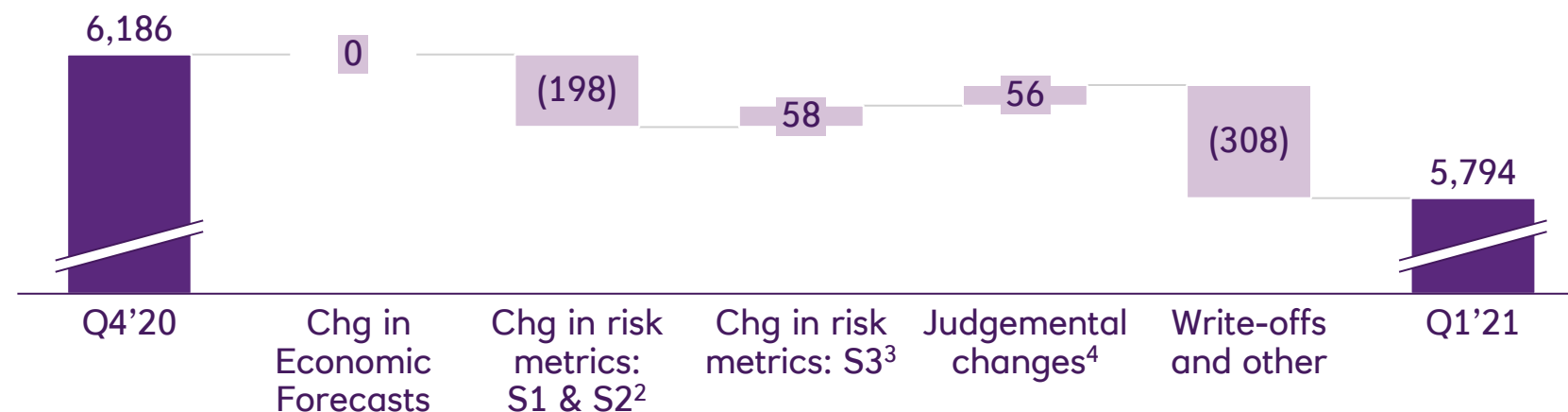
Write-offs at average historical levels

1. May not cast due to rounding.
2. Change in risk metrics and exposure for Stage 1 and Stage 2 assets.
3. Change in risk metrics and exposure for Stage 3 assets.
4. Changes in post model adjustments for Stage 1, Stage 2 and Stage 3.

Impairment charge/(release) by segment

	Retail Banking	Private Banking	Commercial Banking	RBSI	Ulster	NatWest Group
Q1'21 (£m)	34	-	(117)	(2)	(12)	(102)
Q1'21 (bps)	8	-	(43)	(5)	(27)	(11)
Q4'20 (£m)	65	26	10	27	(1)	130
Q4'20 (bps)	15	61	4	81	(2)	14

Movement in ECL¹, £m



Diversified risk profile with limited change in Q1

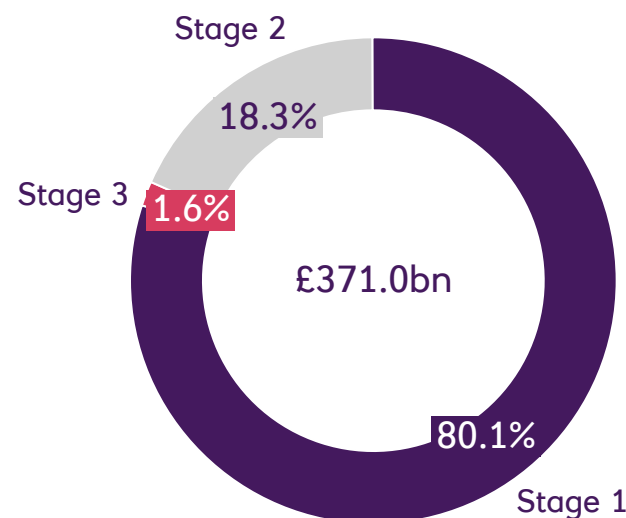
Stage 3 loans £6.1bn or 1.6% of group loans, down from 1.7% at Q4'20

ECL coverage has reduced to 1.6% from 1.7% due to good book releases and write-offs

Focus sectors affected by COVID-19 down 2% over Q4'20 to c.£27bn, just £0.7bn in Stage 3

1. Loans – amortised cost and FVOCI.
2. May not cast due to rounding.
3. Includes: Airlines and aerospace, Land transport and logistics, Leisure, Oil and Gas and Retail sectors. Subset of Corporate Loans, see pg17 of the NatWest Group plc Q1'21 IMS.

Gross Loans & Advances by stage^{1,2} £bn, Q1 '21

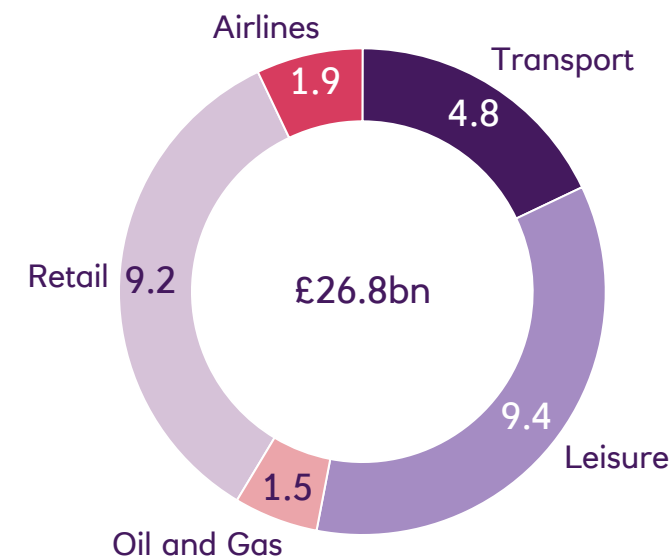


Staging of total loans and advances, Q1 '21

Stage	Loans, £bn ¹	ECL, £bn	ECL cov, %
Stage 1	297.0	0.5	0.2
Stage 2	67.9	2.9	4.3
Stage 3	6.1	2.4	39.0
Total	371.0	5.8	1.6
Total Q4'20	372.4	6.2	1.7

Spotlight on sectors in focus for management, Q1 '21

Total loans and advances^{1,3}, £bn



Staging of sectors in focus for management^{2,3}, Q1 '21

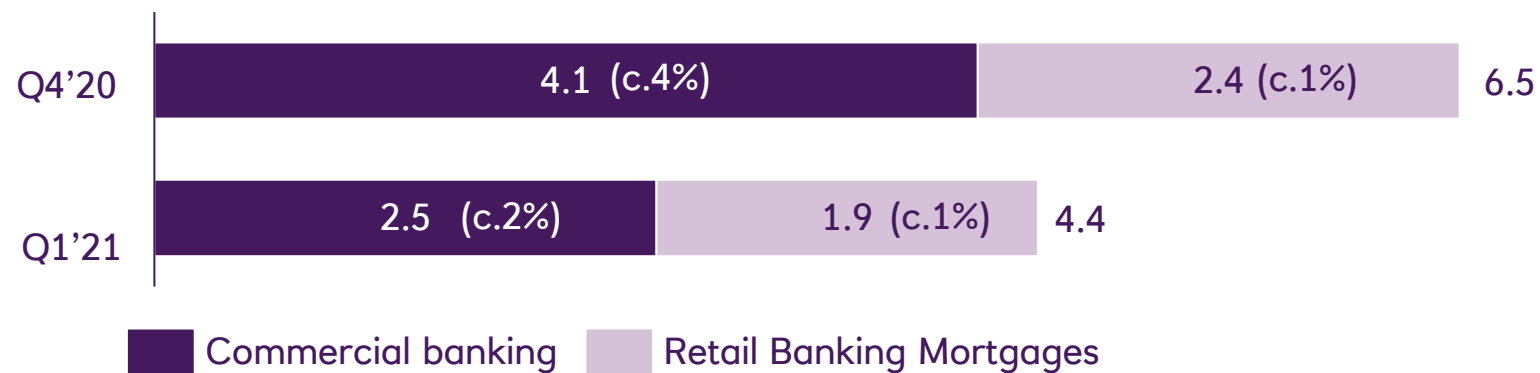
Stage	Loans, £bn ¹	ECL, £bn	ECL cov, %
Stage 1	14.7	0.0	0.3
Stage 2	11.4	0.7	5.8
Stage 3	0.7	0.3	46.7
Total	26.8	1.0	3.9
Total Q4'20	27.4	1.2	4.3

Supporting our customers through the recovery

New Government schemes launched; Pay as You Grow (BBLS) and Recovery Loan Scheme launched April 2021

Payment Holidays

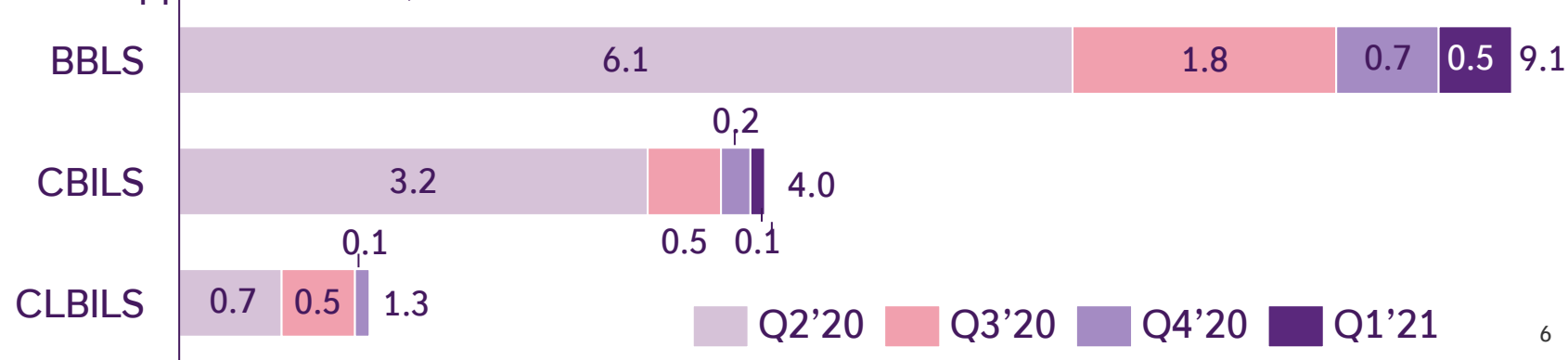
Total Loans, £bn, (% Share of Book)



Government Lending Scheme Approvals

Approved value of c.£14.4bn under government schemes in Commercial Banking, NatWest Group's share of the total lending c.19%¹

Total Approved Loans, £bn



1. Of approved schemes, according to Data per HM Treasury available on 21st March 2021.

Robust balance sheet post LME and repayment of TFSME

We have shaped a business that should operate at a CET1 ratio of between 13% to 14% by FY'23

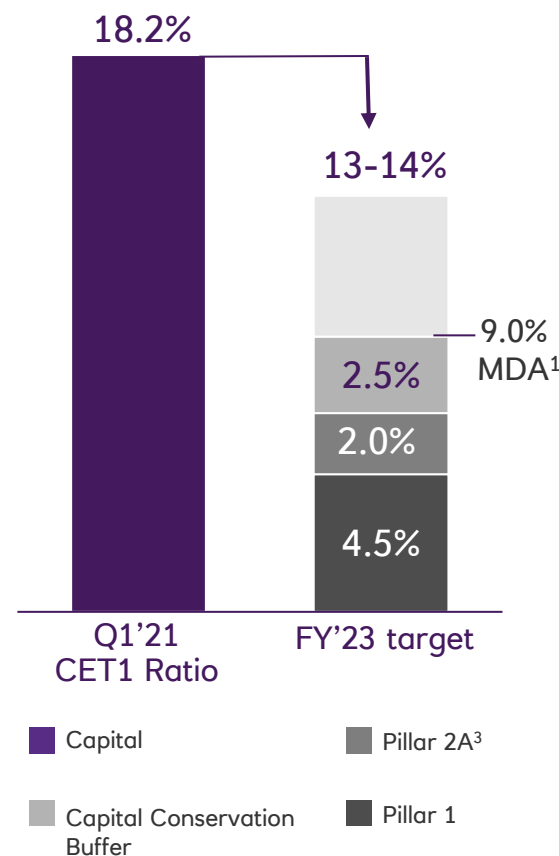
Our CET1 ratio is now 420-520bps or c.£7.0-8.6bn above our target range and more than double our Maximum Distributable Amount

1. Refer to detailed disclosure in Q1'21 IMS. Headroom presented on the basis of target CET1, and does not reflect excess distributable capital. Headroom may vary over time and may be less in future.
2. Based on assumption of static regulatory capital requirements.
3. NatWest Group plc's Pillar 2A requirements are set on a nominal capital basis which results in an implied 9.0% MDA. 56.25% of the total Pillar 2A requirement must be met from CET1 capital. Pillar 2A requirement is expected to vary over time and is subject to at least annual review.

CET1 headroom above medium term target^{1,2}

420-520bps

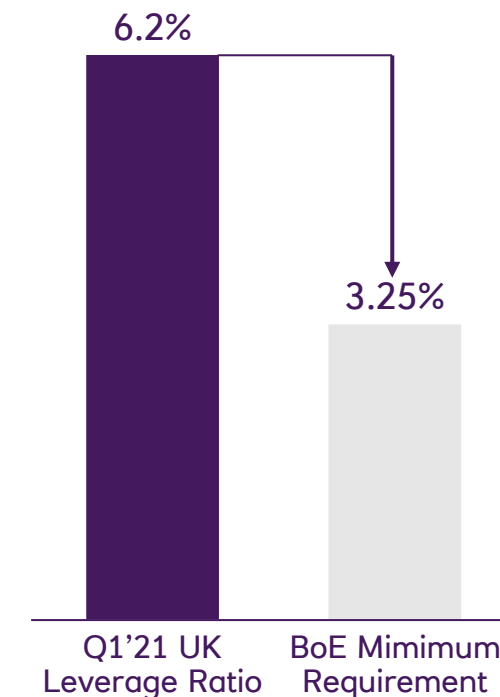
c.£7.0-8.6bn of headroom in Q1'21



Headroom above minimum UK leverage requirements

295bps

headroom above minimum requirements



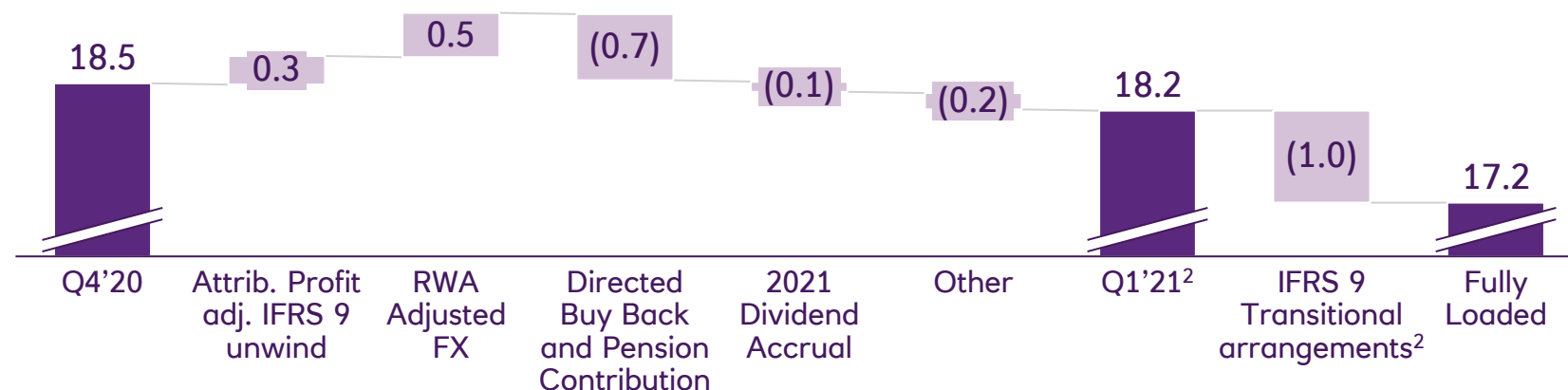
Strong capital position post £1.1bn directed buy back

CET1 ratio 18.2% down 0.3% from Q4'20

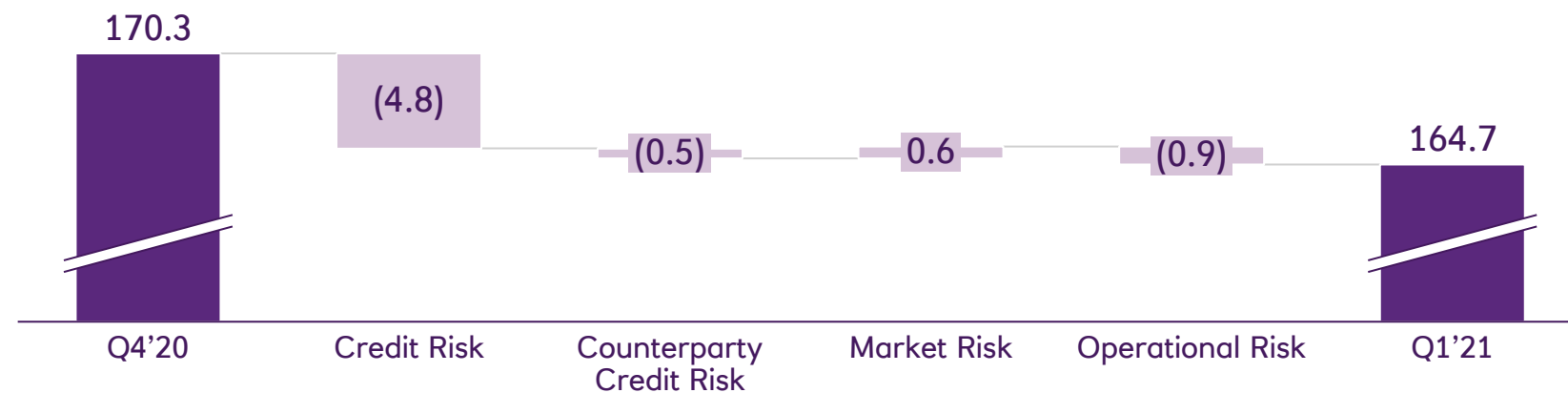
Share buy back and 2021 dividend accrual reduced ratio by 0.8%

RWA reduced by £5.6bn. Includes £1.3bn FX benefit and £1.0bn benefit from procyclicality

CET1, (%)¹



RWA, £bn



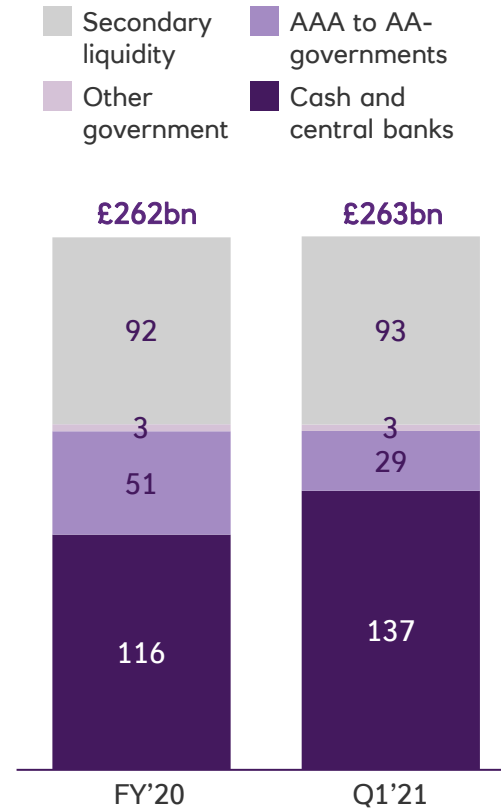
1. May not cast due to rounding.
2. Including IFRS9 Transitional adjustment at 100% reducing to 75% in 2022.

Liquidity position reflects strong deposit growth across both our corporate and retail franchises

Retail Banking and Commercial Banking deposits increased by c.£8bn as customers sought to retain liquidity and reduced spending

Continue to optimise funding requirements, including repayment of £5bn TFSME drawings

High quality liquidity pool

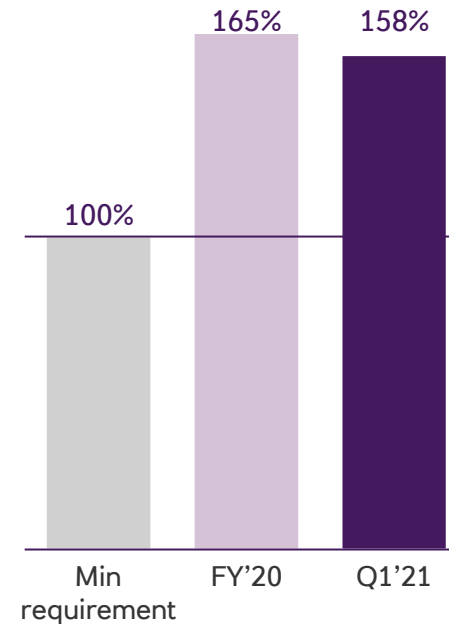


£170bn in primary liquidity with mix of cash and high quality sovereign bonds

Liquidity coverage ratio above min UK requirement

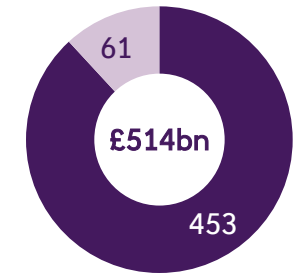
c.£64.9bn

surplus liquidity over minimum requirement



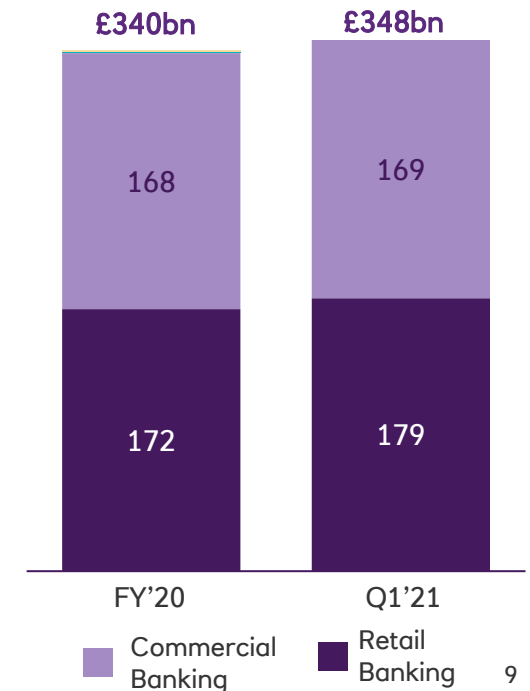
Liquidity coverage ratio remains well above min UK requirement

Total funding mix (£bn)^{1,2}



Customer Deposits
Wholesale funding

Retail & Commercial deposits (£bn)



1. Funding excluding repos, derivative cash collateral.
2. Customer deposits includes amounts from NBFIs.

Issuance and capital management progress

Issuance in Q1 included our second social bond under our GSS framework, and a return to the sterling market with our second GBP AT1

Continue to optimise the capital structure with successful execution of a targeted liability management exercise

2021 Issuance guidance & Q1 2021 progress

Senior unsecured

- ~£3-5bn HoldCo senior MREL



NWG €1bn 9NC8

Second social bond and third bond issued in GSS format, bring total GSS issuance to ~£2bn

Capital

- ~£2bn HoldCo Tier 2
- ~£1bn HoldCo AT1



NWG £400m PNC7.5 4.5%

Second NatWest Group plc GBP AT1

Legacy capital

- Ongoing opportunities to optimise regulatory efficiency

Targeted CRR non-compliant Tier 1 securities and bullet format Tier 2 securities in their final five years of maturity

Announced the call of a NWB plc discounted perpetual, in-line with strategy to reduce legacy capital securities that do not provide capital benefit beyond the end of 2021

Q&A



Appendix



Good Q1'21 operating performance

Income up 5% on Q4'20
driven by mortgages and
seasonally higher
NatWest Markets.

Other expenses down 10%
on Q4'20 driven by bank
levy and ongoing net cost
reduction

Impairment release reflects
low level of defaults and
small improvements in
underlying credit metrics

£m	Q1'21	Q4'20	Q1'20	vs. Q4'20	vs. Q1'20
Net interest income	1,931	1,971	1,942	(2.0%)	(0.6%)
Non-interest income	728	564	1,220	29%	(40%)
Total income	2,659	2,535	3,162	4.9%	(15.9%)
Other expenses	(1,639)	(1,821)	(1,714)	(10%)	(4%)
Strategic costs	(160)	(326)	(131)	(51%)	22%
Litigation and conduct costs	(16)	(194)	4	n.m.	n.m.
Operating expenses	(1,815)	(2,341)	(1,841)	(22%)	(1%)
Operating profit before impairments	844	194	1,321	335%	(36%)
Impairment losses	102	(130)	102	(178%)	(113%)
Operating profit	946	64	519	1378%	82%
Tax	(233)	(84)	(188)	n.m.	24%
Attributable profit / (loss)	620	(109)	288	(669%)	115%
RoTE	7.9%	(1.4%)	3.6%	9.3ppt	4.3ppt

All ratings remain on Positive outlook from Moody's, with the exception of UBI DAC.

S&P and Fitch ratings on Negative outlook, due to the pandemic, in line with most peers.

UBI DAC's ratings moved to BBB+/Neg from Fitch in March 2021.

1. Ratings as of 28/04/2021.

	Moody's	S&P	Fitch
Group holding company			
NatWest Group plc	Baa2/Pos	BBB/Neg	A/Neg
Ring-fenced bank operating companies			
NatWest Bank Plc	A1*/A2/Pos	A/Neg	A+/Neg
Royal Bank of Scotland plc	A1*/A2/Pos	A/Neg	A+/Neg
Ulster Bank Ireland DAC	A3*/Baa1/Neg	A-/Neg	BBB+/Neg
Ulster Bank Ltd	A1*/A2/Pos	A/Neg	A+/Neg
Non ring-fenced bank operating companies			
NatWest Markets Plc	A3/Pos	A-/Neg	A+/Neg
NatWest Markets N.V.	A3/Pos	A-/Neg	A+/Neg
NatWest Markets Securities Inc	NR	A-/Neg	A/Neg
RBSI Ltd	Baa1/Pos	A-/Neg	A/Neg

* Moody's Long-Term Bank Deposit Ratings

The MSCI rating improved from BBB to AA

The Sustainalytics rating also improved to 20.5/Medium risk. A score of < 20 would characterise NWG as 'low' risk

	Scale	2019	2020
MSCI			
Rating	AAA to CCC	BBB	AA
Sustainalytics Risk Rating			
Rating	1-100 Negligible to Severe	27.7 Medium risk	20.5 Medium risk
Industry rank (banks)		#242/933	134/975*
CDP			
Rating	A to D-	B	A-
Industry average		C	B
ISS ESG			
Rating	A+ to D-	C	C
Prime Status		Prime	Prime
FTSE4Good		Included	Included

1. 2020 ESG rating scores on this page unchanged as of 28/04/2021. ESG ratings are: (i) unsolicited; (ii) subject to the assessment and interpretation by the ESG rating agencies; (iii) provided without warranty (iv) not a sponsorship, endorsement, or promotion of NatWest Group by the relevant rating agency.

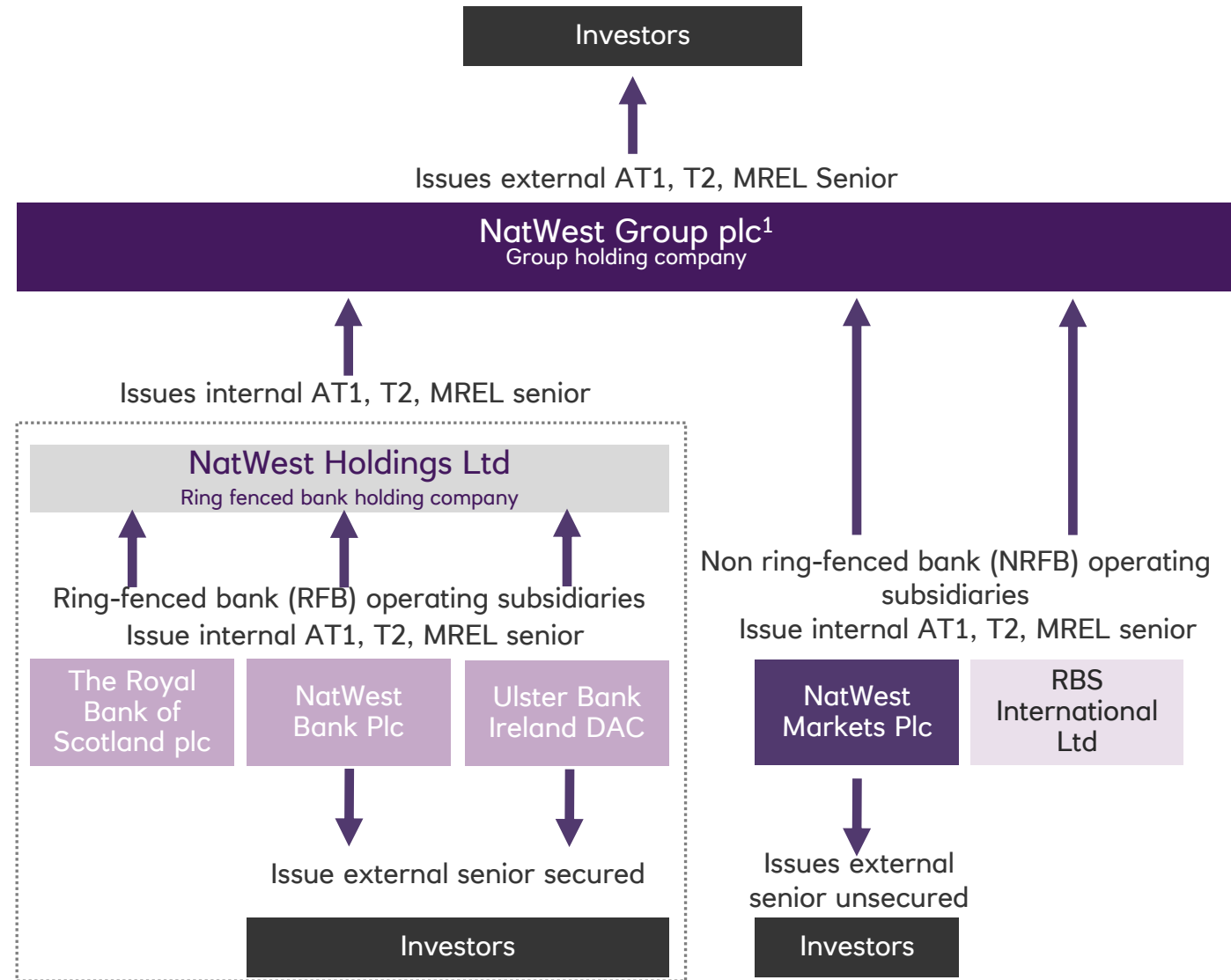
* Rank as of 31/12/2020.

External issuance of AT1, Tier 2 and MREL is only from NatWest Group plc, the group holding company.

Subsidiary operating companies will only issue internal AT1, Tier 2 and MREL.

NatWest Bank Plc and Ulster Bank Ireland DAC issue senior secured securities externally.

Natwest Markets Plc issues senior unsecured securities externally.



¹ The Royal Bank of Scotland Group plc was renamed NatWest Group plc on 22nd July 2020.

Cautionary and Forward-looking statements

The guidance, targets, expectations and trends discussed in this presentation represent NatWest Group (and where applicable NWM Group) management's, current expectations and are subject to change, including as a result of the factors described in the "Risk Factors" on pages 345-362 of the NatWest Group plc 2020 Annual Report and Accounts, as well as the Risk Factors on pages 156-172 of the NWM 2020 Annual Report and Accounts, respectively.

Cautionary statement regarding forward-looking statements

Certain sections in this document contain 'forward-looking statements' as that term is defined in the United States Private Securities Litigation Reform Act of 1995, such as statements that include the words 'expect', 'estimate', 'project', 'anticipate', 'commit', 'believe', 'should', 'intend', 'will', 'plan', 'could', 'probability', 'risk', 'Value-at-Risk (VaR)', 'target', 'goal', 'objective', 'may', 'endeavour', 'outlook', 'optimistic', 'prospects' and similar expressions or variations on these expressions. In particular, this document includes forward-looking statements relating, but not limited to: the Covid-19 pandemic and its impact on NatWest Group; future profitability and performance, including financial performance targets (such as RoTE) and discretionary capital distribution targets; ESG and climate related targets, including in relation to sustainable financing and financed emissions; planned cost savings; implementation of NatWest Group's Purpose-led strategy, including in relation to the refocusing of its NWM franchise and the digitalisation of its operations and services; the timing and outcome of litigation and government and regulatory investigations; the implementation of the Alternative Remedies Package; balance sheet reduction, including the reduction of RWAs; capital, liquidity and leverage ratios and requirements, including CET1 Ratio, RWAes, Pillar 2 and other regulatory buffer requirements and MREL; funding plans and credit risk profile; capitalisation; portfolios; net interest margin; customer loan and income growth and market share; impairments and write-downs, including with respect to goodwill; restructuring and remediation costs and charges; NatWest Group's exposure to political risk, economic risk, climate, environmental and sustainability risk, operational risk, conduct risk, cyber and IT risk and credit rating risk and to various types of market risk, including interest rate risk, foreign exchange rate risk and commodity and equity price risk; customer experience, including our Net Promoter Score (NPS); employee engagement and gender balance in leadership positions.

Limitations inherent to forward-looking statements

These statements are based on current plans, expectations, estimates, targets and projections, and are subject to significant inherent risks, uncertainties and other factors, both external and relating to NatWest Group's strategy or operations, which may result in NatWest Group being unable to achieve the current plans, expectations, estimates, targets, projections and other anticipated outcomes expressed or implied by such forward-looking statements. In addition, certain of these disclosures are dependent on choices relying on key model characteristics and assumptions and are subject to various limitations, including assumptions and estimates made by management. By their nature, certain of these disclosures are only estimates and, as a result, actual future results, gains or losses could differ materially from those that have been estimated. Accordingly, undue reliance should not be placed on these statements. The forward-looking statements contained in this document speak only as of the date we make them and we expressly disclaim any obligation or undertaking to update or revise any forward-looking statements contained herein, whether to reflect any change in our expectations with regard thereto, any change in events, conditions or circumstances on which any such statement is based, or otherwise, except to the extent legally required.

Important factors that could affect the actual outcome of the forward-looking statements

We caution you that a large number of important factors could adversely affect our results or our ability to implement our strategy, cause us to fail to meet our targets, predictions, expectations and other anticipated outcomes or affect the accuracy of forward-looking statements described in this document. These factors include, but are not limited to, those set forth in the risk factors and the other uncertainties described in NatWest Group plc's Annual Report on Form 20-F and its other filings with the US Securities and Exchange Commission. The principal risks and uncertainties that could adversely NatWest Group's future results, its financial condition and prospects and cause them to be materially different from what is forecast or expected, include, but are not limited to: risks relating to the COVID-19 pandemic (including in respect of: the effects on the global economy and financial markets, and NatWest Group's customers; increased counterparty risk; NatWest Group's ability to meet its targets and strategic objectives; increased operational and control risks; increased funding risk; future impairments and write-downs); economic and political risk (including in respect of: uncertainty regarding the effects of Brexit; increased political and economic risks and uncertainty in the UK and global markets; changes in interest rates and foreign currency exchange rates; and HM Treasury's ownership of NatWest Group plc); strategic risk (including in respect of the implementation of NatWest Group's Purpose-led Strategy, including the re-focusing of the NWM franchise and NatWest Group's ability to achieve its targets); financial resilience risk (including in respect of: NatWest Group's ability to meet targets and to resume discretionary capital distributions; the competitive environment; counterparty risk; prudential regulatory requirements for capital and MREL; funding risk; changes in the credit ratings; the adequacy of NatWest Group's resolution plans; the requirements of regulatory stress tests; model risk; sensitivity to accounting policies, judgments, assumptions and estimates; changes in applicable accounting standards; the value or effectiveness of credit protection; and the application of UK statutory stabilisation or resolution powers); climate and sustainability risk (including in respect of: risks relating to climate change and the transitioning to a low carbon economy; the implementation of NatWest Group's climate change strategy and climate change resilient systems, controls and procedures; increased model risk; the failure to adopt to emerging climate, environmental and sustainability risks and opportunities; changes in ESG ratings; increasing levels of climate, environmental and sustainability related regulation and oversight; and climate, environmental and sustainability related litigation, enforcement proceedings and investigations); operational and IT resilience risk (including in respect of: operational risks (including reliance on third party suppliers); cyberattacks; the accuracy and effective use of data; complex IT systems (including those that enable remote working); attracting, retaining and developing senior management and skilled personnel; NatWest Group's risk management framework; and reputational risk); and legal, regulatory and conduct risk (including in respect of: the impact of substantial regulation and oversight; compliance with regulatory requirements; the outcome of legal, regulatory and governmental actions and investigations; the replacement of LIBOR, EURIBOR and other IBOR rates; heightened regulatory and governmental scrutiny (including by competition authorities); implementation of the Alternative Remedies Package; and changes in tax legislation or failure to generate future taxable profits).

The information, statements and opinions contained in this document do not constitute a public offer under any applicable legislation or an offer to sell or a solicitation of an offer to buy any securities or financial instruments or any advice or recommendation with respect to such securities or other financial instruments.