NatWest Group

Q1 2022 Results

29 April 2022

Alison Rose
Chief Executive Officer

Helping people, families and businesses navigate through uncertainty

Supporting our customers by helping them better manage their finances and save for the future

Doing more to help customers in vulnerable situations

Pro-active Relationship Manager outreach

Supporting our customers through uncertainty

2.8m financial capability interactions in Q1'22
0.2m financial health checks carried out in Q1'22

Climate **£5.6bn** of Climate and Sustainable Funding and Financing completed in Q1'22

Credit Score Predictor launched in Q1'22 allows customers to simulate different scenarios and their impact on credit score

Partnerships with Citizens Advice, GamCare and SafeLives to support vulnerable customers

Dedicated SME ecosystem with access to specialist relationship managers and business hubs to help with supply chain issues and provide financial support

>5k colleagues dedicated to helping with fraud and financial crime and support of police action

Agriculture training programme for relationship managers and risk colleagues to help customers manage uncertainty and support transition to net-zero

Strong Q1'22 operating performance

Delivering against our targets to drive sustainable returns for shareholders

Operating leverage driving 13.2% positive jaws vs. Q1'21[1]

15.2% CET1 ratio includes £1.5bn of distributions for 2022:
- £250m dividend accrual
- £1.2bn directed buyback

Q1'22 performance[2]

£1,287m
Operating profit before tax
vs. £946m in Q1'21

£841m
Attributable profit
vs. £620m in Q1'21

11.3%
Return on Tangible Equity
vs. 7.9% in Q1'21

Delivering on growth, cost reduction and capital

8.6%
Income growth[3],
up £219m on Q1'21

4.6%
Cost reduction[4]
of £78m vs. Q1'21

15.2%
CET1 Capital Ratio
70bps lower than 1 Jan 22

13.2% positive operating jaws[1]

Ongoing shareholder distributions

£1bn
Minimum annual dividend
£250m accrual included in 15.2% CET1 ratio

£1.2bn
Directed buyback in Mar'22

£750m
On-market buyback in progress
£377m executed to date[5]

1. Operating jaws defined as year on year income growth[3] less cost growth[4] 2. Including discontinued operations. 3. Income excluding notable items for the Go-forward group, which excludes Ulster Bank RoI. 4. Other operating expenses for the Go-forward group, which excludes Ulster Bank RoI. 5. As at 26 April 2022 close.

Delivering against our strategic priorities to drive sustainable returns for shareholders and help our customers to thrive

Powering growth through:

- Innovation, partnerships and digital transformation

- Simplification and efficiency

- Disciplined deployment of capital

Our Purpose

We champion potential, helping people, families and businesses to thrive

Our Strategy

Supporting customers at every stage of their lives

Powered by innovation and partnerships

Simple to deal with

Sharpened capital allocation

Our initial Areas of Focus

These help us make a meaningful contribution to society while balancing the needs of our customers, colleagues and shareholders

Climate | Enterprise | Learning

We have clear financial targets which we are delivering against:

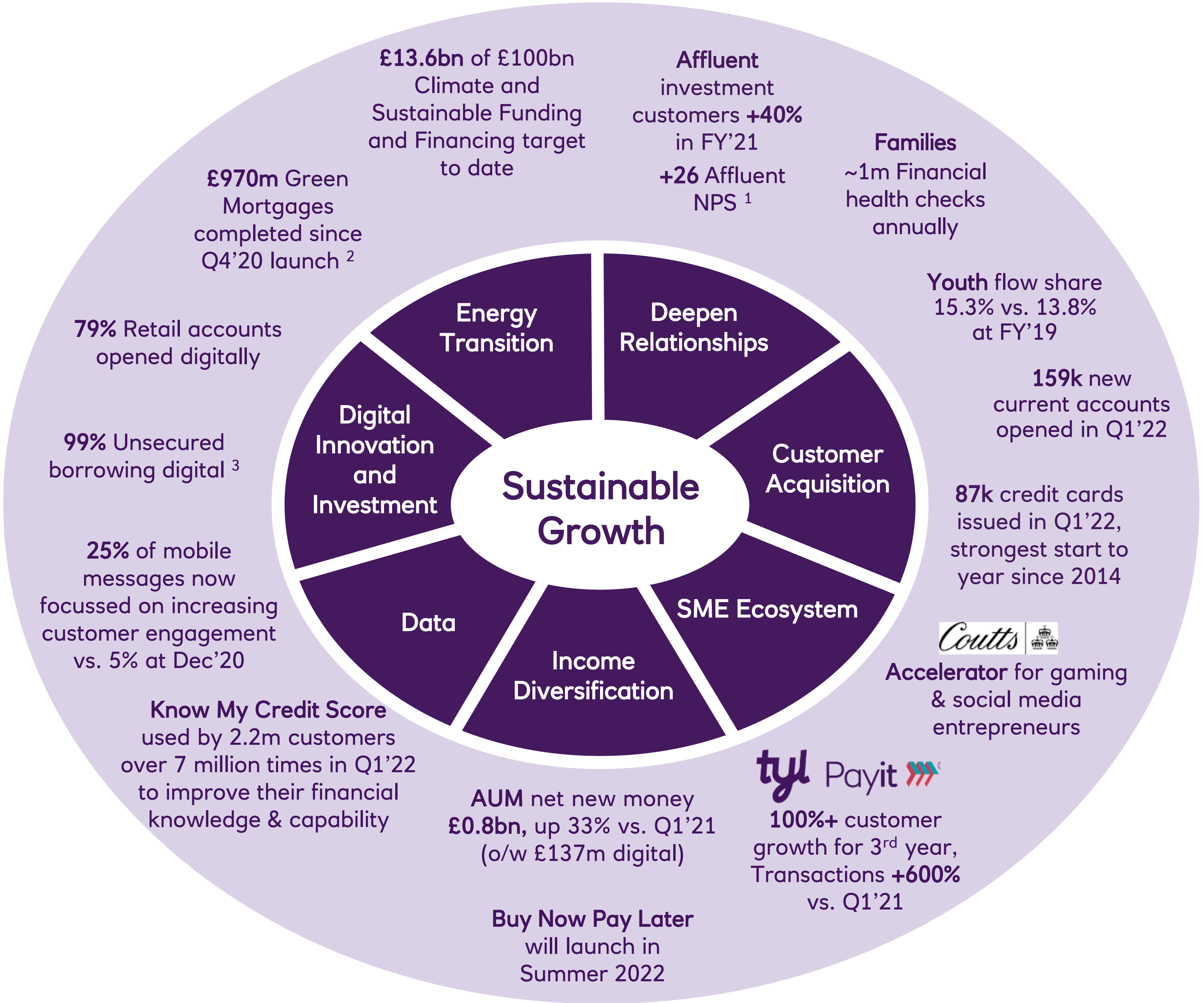
Income[1,2]	**Comfortably above £11bn** in 2022
Costs[1,3]	**Strong cost reduction: ~3%** in both 2022 and 2023
Capital	**CET1 ratio** of **13-14%** by 2023, **~14%** by end 2022
RoTE	**Comfortably above 10%** for the Group in 2023

1. Go-forward group excludes Ulster Bank ROI. 2.Income excluding notable items. 3. Other operating expenses defined as Total expenses less litigation and conduct.

Supporting customers at every stage of their lives, continued positive momentum

Sustainable growth through:

- Deepening Relationships
- Customer Acquisition
- SME Ecosystem
- Income Diversification
- Data
- Digital Innovation and Investment
- Energy Transition



1. NatWest Premier. 2. Retail Banking only, mortgages labelled "green" premised on EPC A or B energy efficiency ratings of homes 3. Excludes legacy platforms.

We are a digital bank delivering improved customer experience and efficiencies

Continuing to successfully invest our multi-year ~£3bn programme driving income growth, increased productivity and customer acquisition

~80% (~£2.4bn) of our FY’21 - FY’23 investment spend target relates to Digital and Technology programmes

We are meeting our customer needs digitally

- **61%** Retail Banking customers bank entirely digitally[1]
- **90%** Retail customer needs met digitally
- **83%** Commercial customers digitally active

We are investing in improving customer journeys

- **79%** Retail account openings are straight through processing vs. 14% in FY’19
- **99%** Unsecured applications are straight through processing vs. 85% in FY’19[2]
- **73k** Commercial digital service requests in Q1’22, up from 6k in all of 2019
- Cora conversations **+206%** in Retail vs. Q1’19; **49%** required no human intervention[3]

Strong customer outcomes

- Mettle: **+50k** new customers since Nov’19 launch
- Rooster Money: Comprehensive suite of products for young customers (**+130k** acquired)
- NatWest Invest: **+162%** Q1’22 Affluent digital AUM Net New Money vs. Q4’19
- **+16** Retail NPS vs. +4 in FY’19[4]
- **+26** Affluent NPS vs. -2 in FY’19[4]
- **+48** Business Banking Mobile NPS vs. +51 in FY’19[4]

1. Retail Banking current account customers only based on the average for the last month of the period. 2. Excludes legacy platforms. 3. Retail also includes Business Banking customers using Online / Mobile Channels. 4. Source: InMoment.

Allocating capital to deliver better returns and capital distributions

NatWest Group is a capital generative business with a strong track record on risk diversification and management

Buybacks will continue to be a tool to manage our capital position

Inorganic opportunities will be considered if they support our strategy and deliver value

Managing capital for growth and risk management

- Group RWA intensity down from 54% in FY'19 to 48% in Q1'22, or 43% excluding regulatory uplifts on 1st January
- A well-diversified loan book with strong track record on risk diversification
  - 94% of Personal lending loans secured
  - 92% of our mortgage book is fixed with an average LTV of 54%[1]
  - 50% average CRE LTV[1]

Ulster Bank ROI withdrawal progressing well

- Expect the majority of AIB and Permanent TSB asset sales to be largely complete by the end of 2022[2]
- Liability transfer strategy on track. Expect deposits to reduce in line with loans, albeit with a lag

Returning surplus capital to shareholders

- £1bn minimum annual dividend, of which £250m accrued in Q1'22
- £1.2bn directed buyback completed in Mar'22, Government holding at around 48%
- £750m on-market buyback underway with £377m executed to date[3]

1. As at FY'21. 2. Subject to satisfaction of conditions precedent. 3. As at 26 April 2022 close.

Katie Murray

Chief Financial Officer

Strong Q1’22 Go-forward group operating performance

Income excluding notable items increased 9.8% versus Q4’21 reflecting higher yield curve and improved trading income

Other operating expenses decreased 21.1% versus Q4’21 due to the absence of the annual UK bank levy and ongoing cost reduction

Impairment release of £7m in Q1’22, reflects continued low levels of default

Go Forward Group, £m[1]	Q1'22	Q4'21	Q1’21	Q1'22 vs Q4'21	Q1'22 vs Q1'21
Net interest income	2,023	1,919	1,837	5.4%	10.1%
Non-interest income	964	660	698	46.1%	38.1%
Total income	**2,987**	**2,579**	**2,535**	**15.8%**	**17.8%**
Total income, ex notable items [2]	***2,763***	***2,517***	***2,544***	***9.8%***	***8.6%***
Other operating expenses	(1,605)	(2,034)	(1,683)	(21.1%)	(4.6%)
Litigation and conduct costs	(102)	(163)	(7)	(37.4%)	14x
Operating expenses	**(1,707)**	**(2,197)**	**(1,690)**	**(22.3%)**	**1.0%**
Operating profit before impairments	**1,280**	**382**	**845**	**235.1%**	**51.5%**
Impairment (losses)/releases	7	328	90	nm	nm
Operating profit / (loss)	**1,287**	**710**	**935**	**81.3%**	**37.6%**
Group, £m					
Attributable profit / (loss)	**841**	**434**	**620**	**93.8%**	**35.6%**
Return on Tangible Equity	**11.3%**	**5.6%**	**7.9%**	**5.7%**	**3.4%**

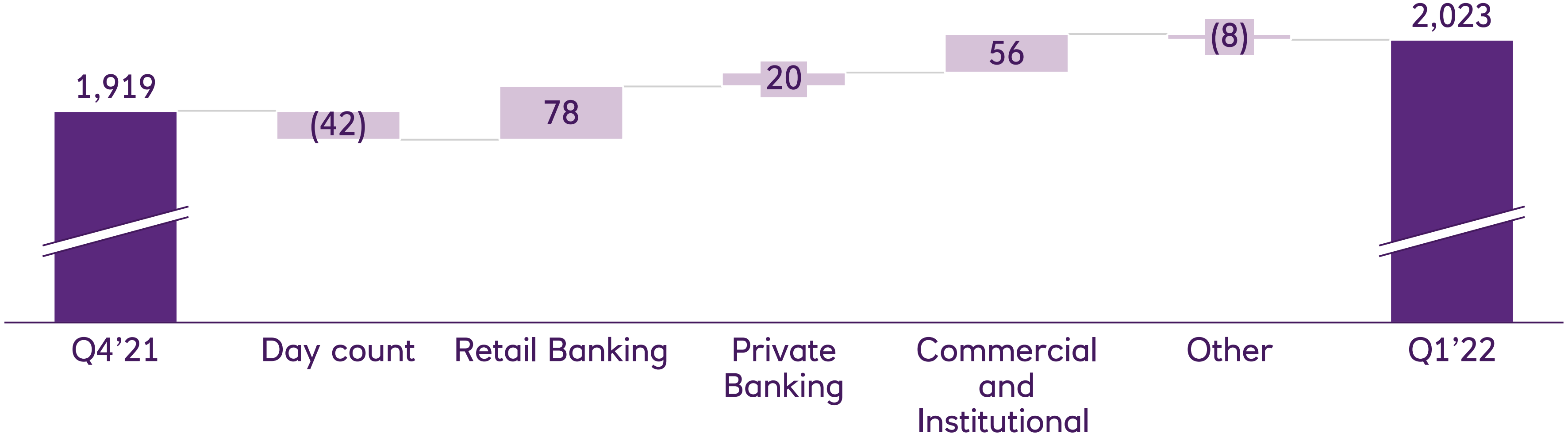
1. Go-forward group is NWG excluding Ulster Bank RoI. 2. Notable items as per slide 26.

Net interest income higher following UK base rate increases

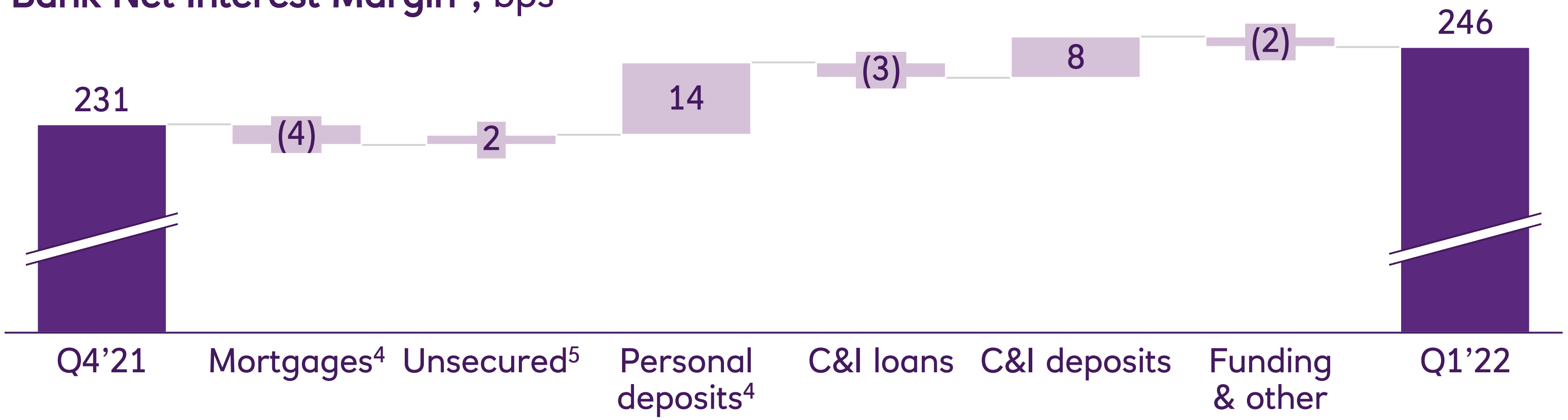
Net interest income was up 5% in the quarter driven by higher UK Base Rate and strong lending, partially offset by lower day count

Bank NIM[3] improved by 15bps to 2.46%, reflecting higher yield curve, partially offset by lower mortgage margins and Commercial & Institutional loan mix

Go-forward Net Interest Income[1,2], £m



Bank Net Interest Margin[3], bps



329.5	Bank Average Interest Earning Assets (AIEAs)[3], £bn	333.3

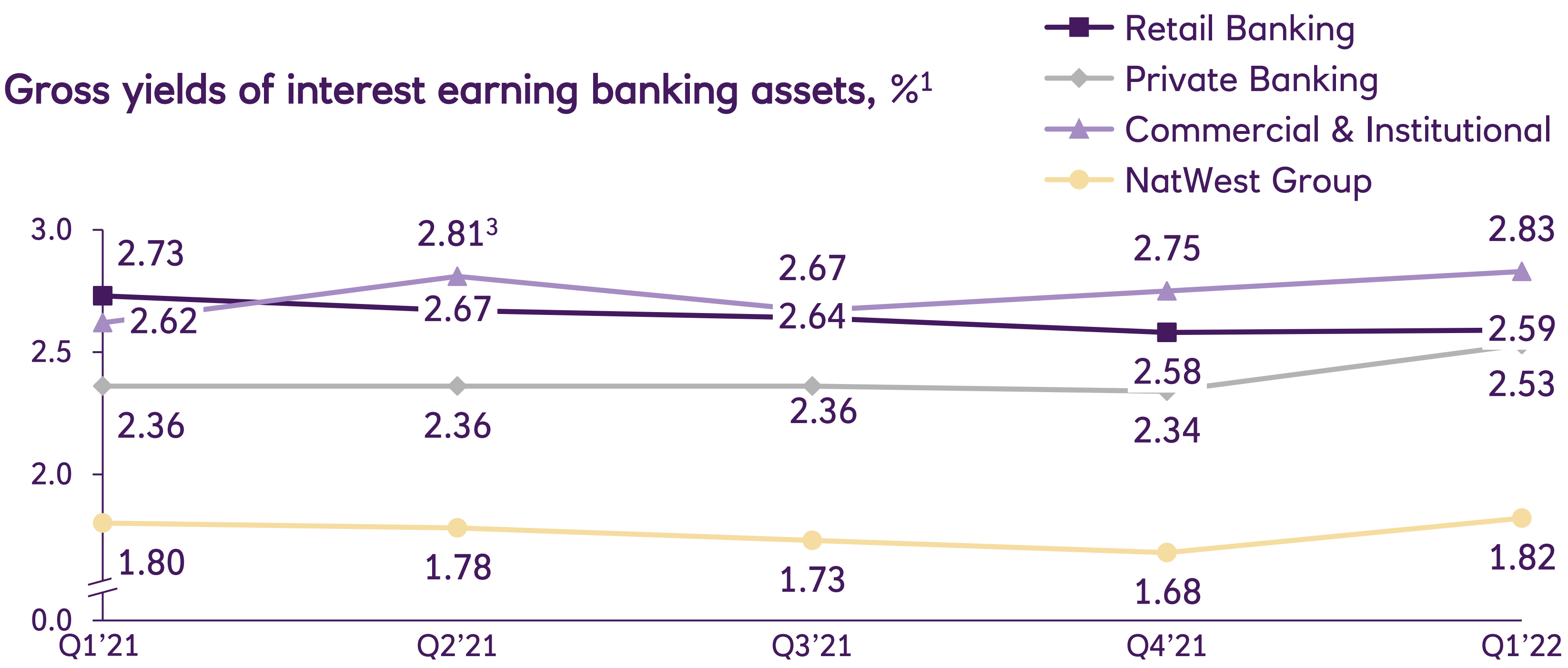
1. May not cast due to rounding. 2.Go-forward group is NWG excluding Ulster Bank RoI. 3. NatWest Group excluding C&I trading book, Ulster Bank RoI and liquid asset buffer. Presentation is restating the Bank NIM to exclude C&I trading book, previously the entirety of NWM, following the C&I re-presentation changes. 4. Includes Retail Banking and Private Banking 5. Includes all non-mortgage lending in Retail Banking and Private Banking.

NIM drivers: yields higher post BOE rate increase

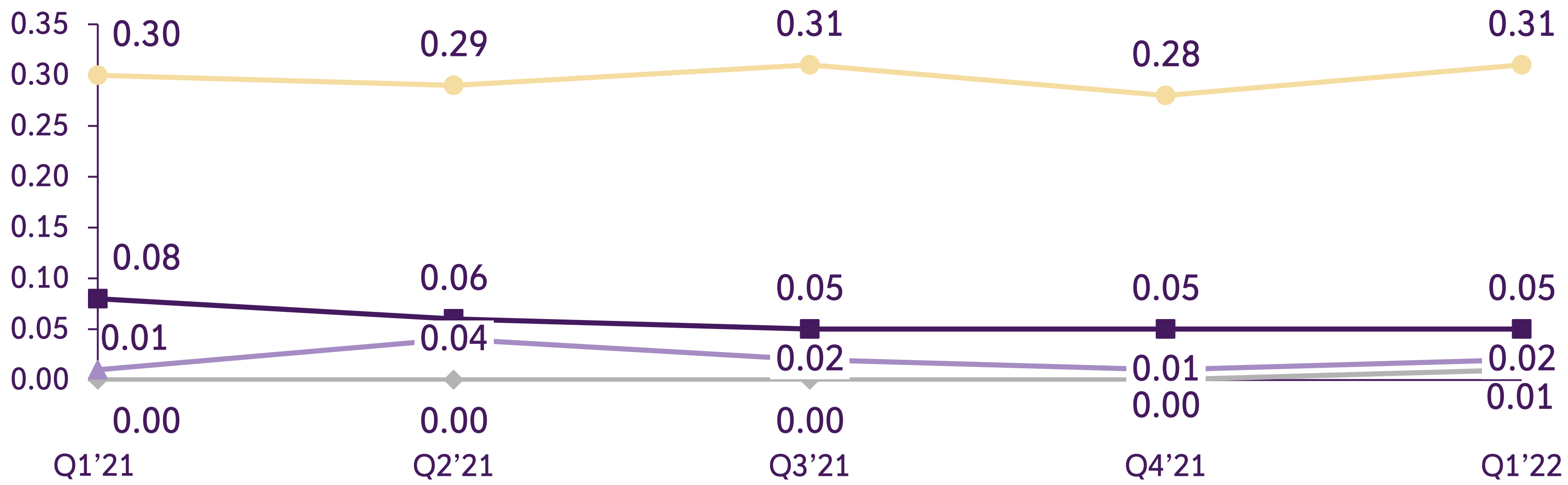
Group asset yield increased 14bps to 1.82% due to higher interest earned on liquid assets and variable rate loans, in particular C&I loans

Group funding costs increased slightly to 31bps with deposit costs broadly stable

Gross yields of interest earning banking assets, %[1]



Cost of interest bearing and non-interest bearing banking liabilities, %[2]



1. For NatWest Group plc this is the gross yield on the IEAs of the banking business; for Retail, C&I and Private it represents the third party customer asset rate. 2. For NatWest Group plc this is the cost of interest-bearing liabilities of the banking business plus the benefit from free funds; for Retail and Commercial Banking it represents the third party customer funding rate which includes both interest-bearing and non-interest bearing deposits. 3. Q2'21 Commercial loan yield impacted by one-off tax adjustment, broadly stable excluding this.

Spotlight on NIM drivers

Customer mortgage rates have increased by around 30bps in Q1’22, reflecting higher swap rates

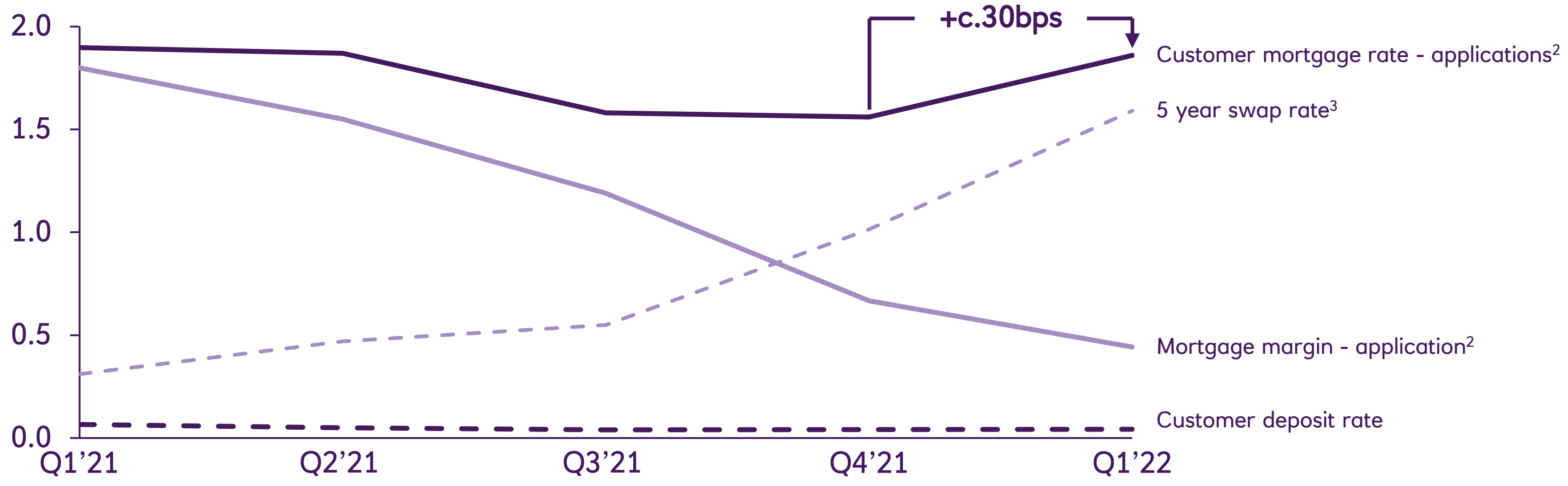
Customer deposit rates have remained stable and our structural hedge[1] has benefited from higher swap rates

Group interest rate sensitivity at FY’21 shows £969m benefit from +100bps parallel shift in GBP interest rates over 12 months

1. Product hedge primarily against non-interest bearing and rate insensitive deposits 2. Based on blended applications. 3. 5 year swap rate is average for the quarter, Source: Bloomberg 4. Group interest rate sensitivity across all currencies. See pages 269-270 of the FY’21 NWG ARA.

Group mortgage margin dynamics, quarterly average %

Includes Retail Banking, Private Banking and RBSI



Group interest rate sensitivity[4]

Illustrative sensitivity and structural hedge progression at 31st December 2021

FY 2021	+25 basis points parallel upward shift		
(£m)	Year 1	Year 2	Year 3
Structural Hedge	43	144	235
Managed Margin	282	220	255
Other	4	-	-
Total	329	364	490

Structural hedging	Period end notional (£bn)		Total income (£m)		Total yield (%)	
	FY'20	FY'21	FY'20	FY'21	FY'20	FY'21
Equity structural hedging	23	21	580	448	2.43%	2.05%
Product structural hedging	125	161	958	861	0.83%	0.59%
Other structural hedges	21	24	150	115	0.73%	0.51%
Total	169	206	1688	1424	1.06%	0.75%

- Product and Other structural hedges increased by £8bn in Q1’22 from £185bn to £193bn, with a further £5bn increase expected over the next 12 months based on deposit balances at Q1’22
- Total yield on the total hedge increased to 0.72% in Q1’22 from 0.71% in Q4’21 (average 0.75% for FY’21)

Supporting our customers in target segments

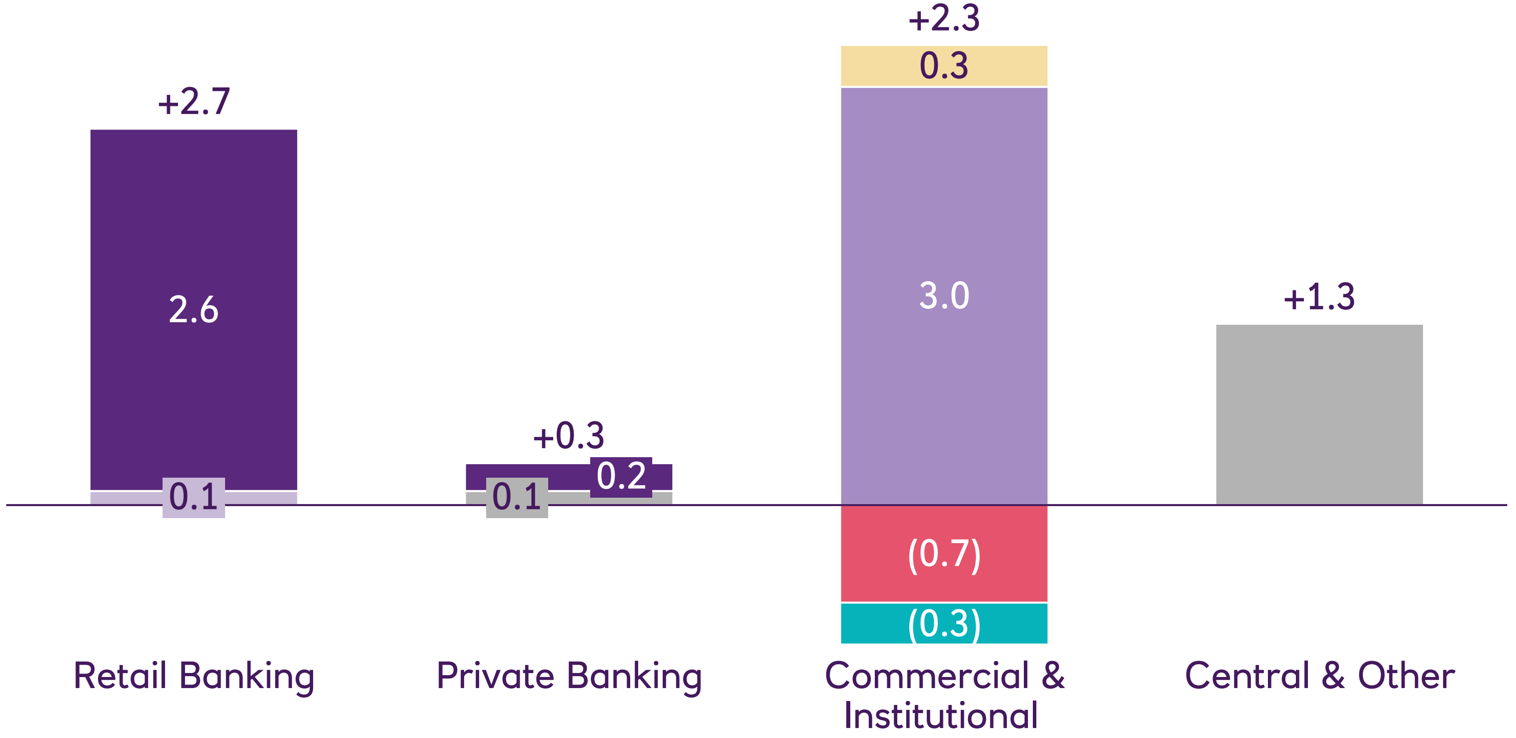
Gross loans[1] to customers up £6.6bn, or 1.9%, in the quarter to £362bn.

Retail Banking mortgage growth of £2.6 billion in the quarter supports stock share of 11.1%

Commercial & Institutional lending returned to growth in the quarter

Go-forward gross customer loans[1], Q1’22 v Q4’21, £bn

Balances outstanding at Q1’22



£186.4bn	**£18.8bn**	**£128.2bn**	**£28.8bn**

Mortgages | Gov Schemes balances | Commercial Mid-Market[2] | Other
Unsecured | Business Banking[2] | Corporate & Institutions[2]

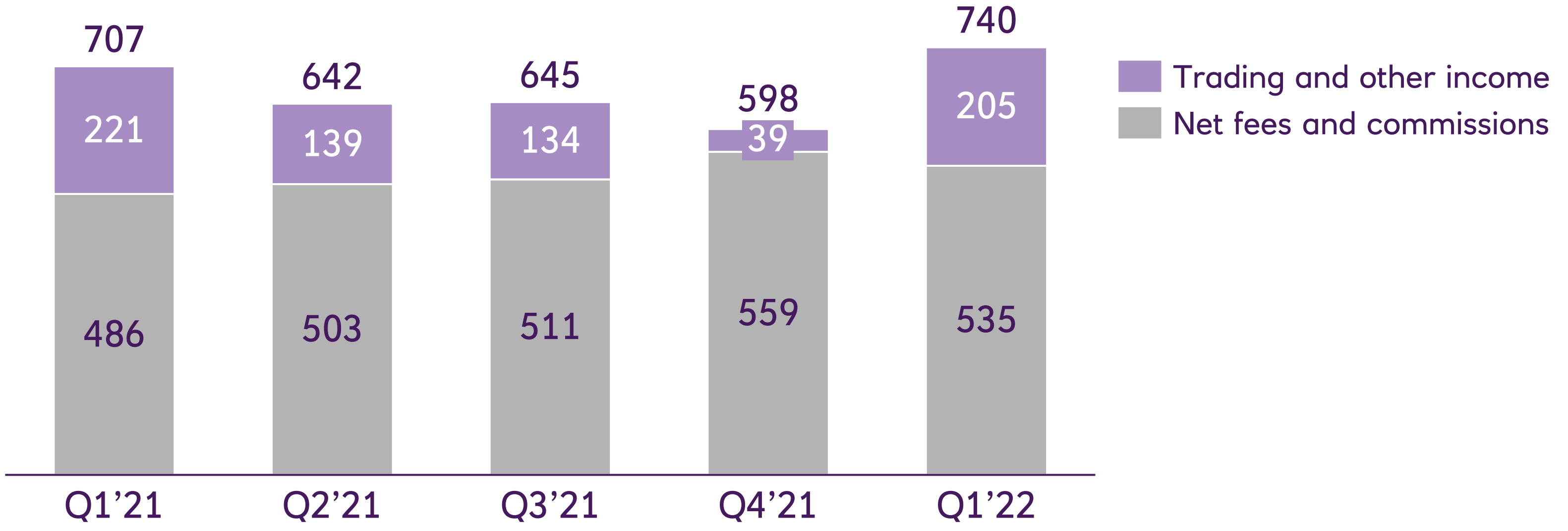
1. Go-forward group is NWG excluding Ulster Bank RoI
2. Excluding government schemes, refer to slide 34.

Non-Interest Income benefited from higher trading income

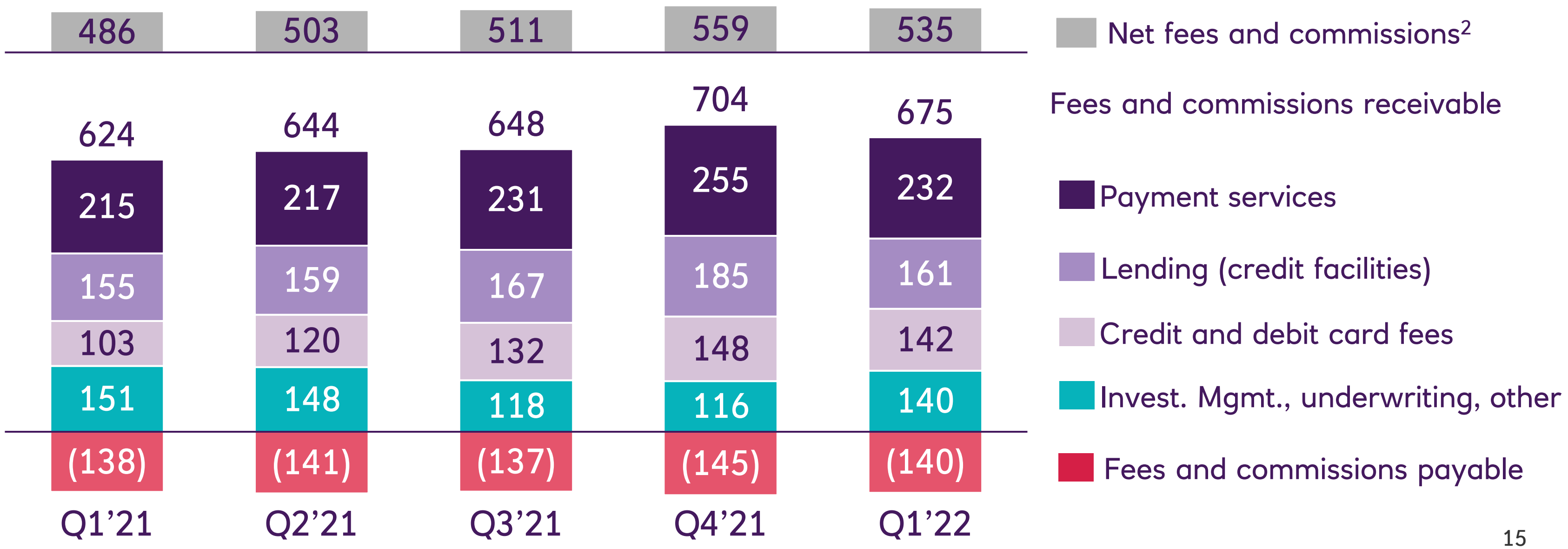
Non interest income income[1] increased by £142m compared with Q4’21 due to improved trading income

Net fees and commissions[2] down £24m driven by seasonality

Go-forward Non Interest Income[1,2], £m



Go-forward Fees and Commissions[2], £m



1. Excluding relevant notable items per slide 26 2. Go-forward group is NWG excluding Ulster Bank RoI.

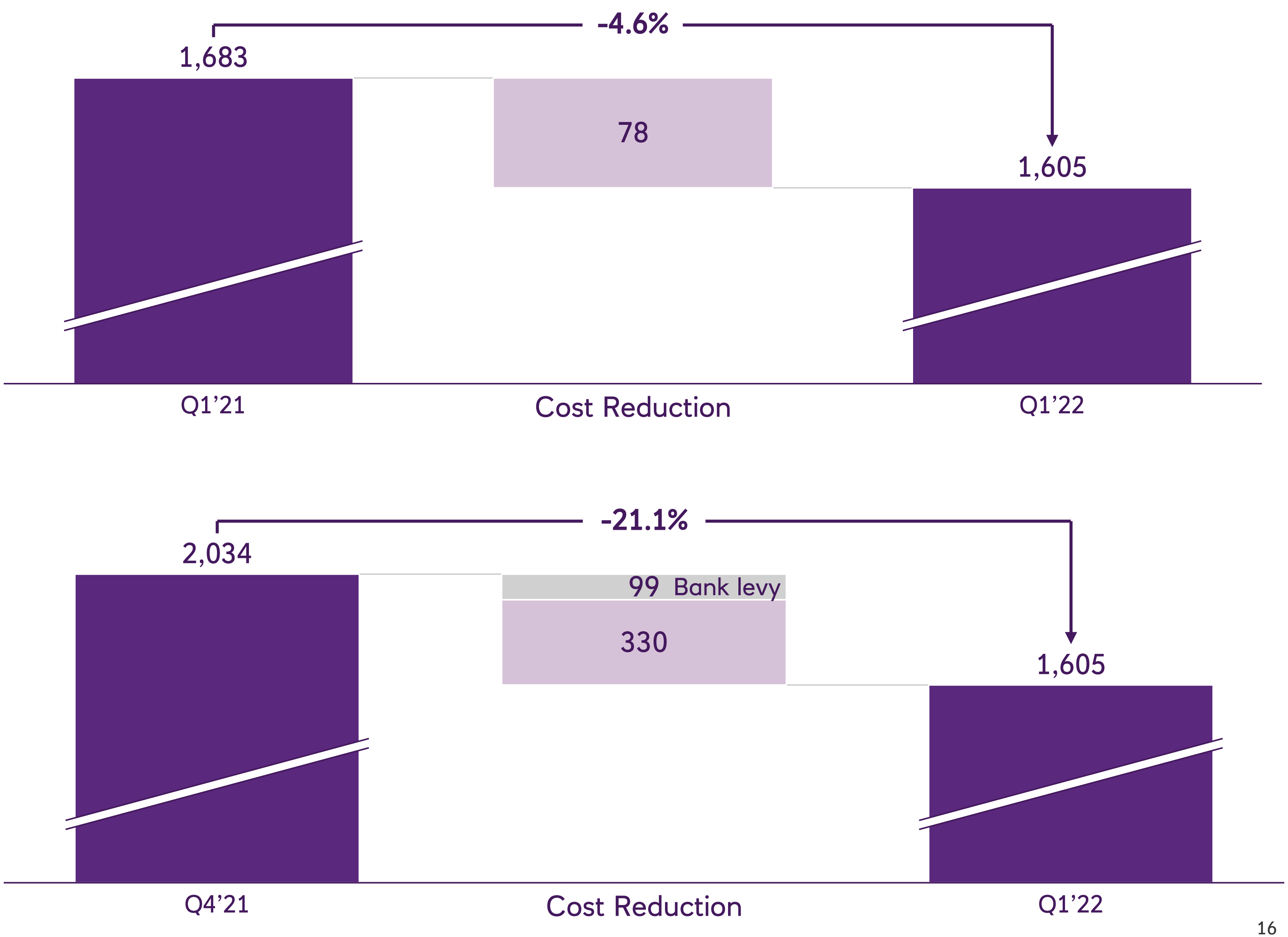
Delivered 4.6% cost reduction in Q1'22, on track to achieve our target

Other operating expenses of £1.6bn in Q1 are £78m, or 4.6%, lower than prior year, contributing to our 3% reduction target for FY’22

Other operating expenses reduced by £429m in the quarter, due to the absence of the annual UK bank levy and ongoing cost reduction

FY’22 cost reduction is not expected to be linear

Go-forward other operating expenses reduction, £m[1]



1. Other operating expenses for the Go-forward group, include Operating Lease Depreciation and Strategic costs and excludes litigation and conduct costs.

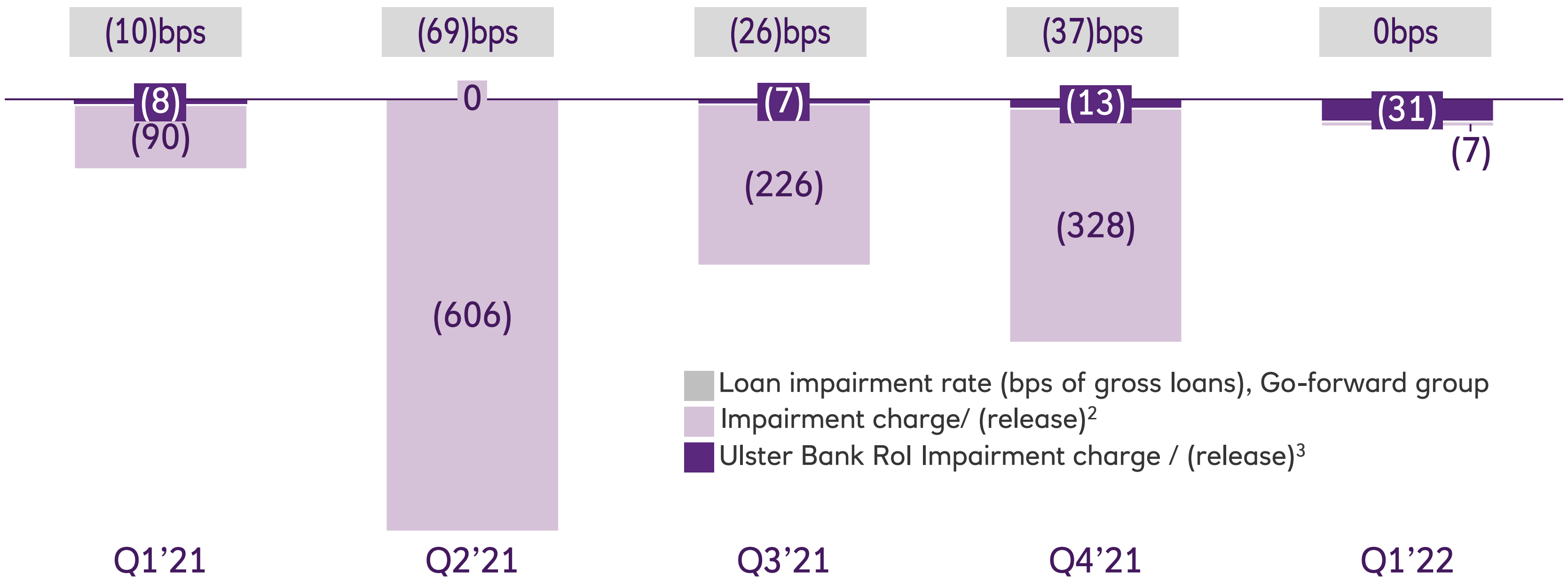
Impairment release due to continued low level of defaults

Group impairment release driven by Ulster Bank RoI and C&I

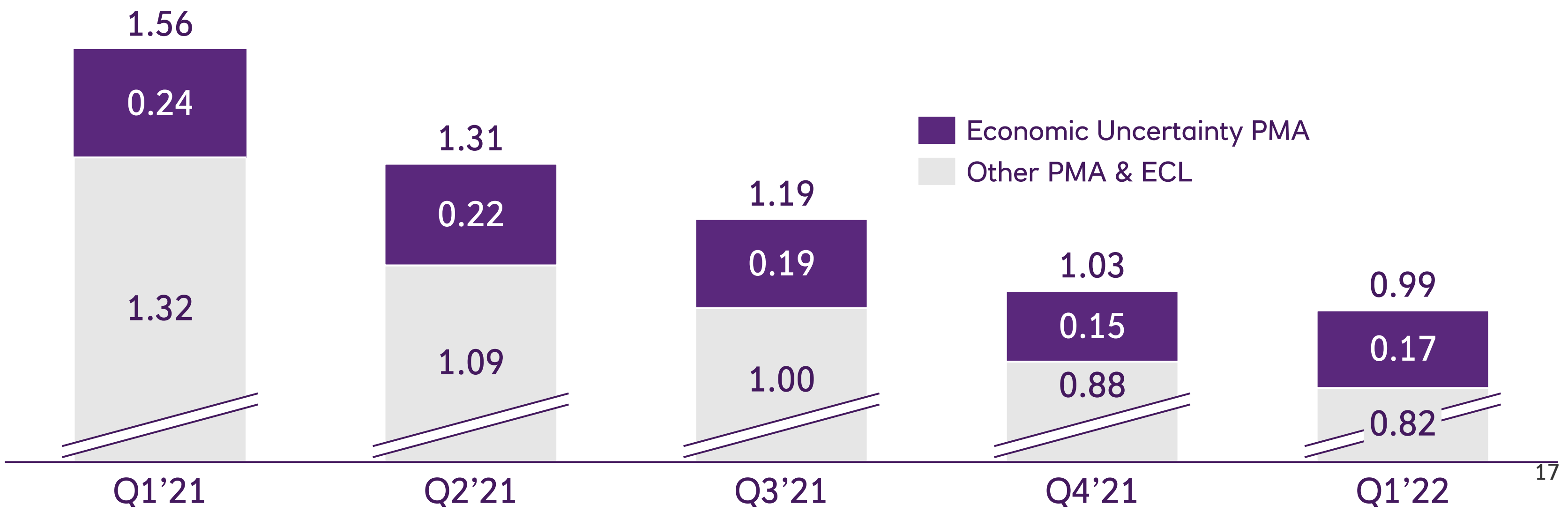
PMA[1] for economic uncertainty increased by £69m in the quarter to £653m

ECL coverage reduced to 0.99% driven by write offs. Economic uncertainty coverage increased to 0.17%

Group impairment charge/ (release), £m



Group ECL Coverage[4], %



1. Post Model Adjustments. 2. Go-forward group is NWG excluding Ulster Bank RoI; 3. Ulster Bank RoI continuing operations. 4. May not cast due to rounding.

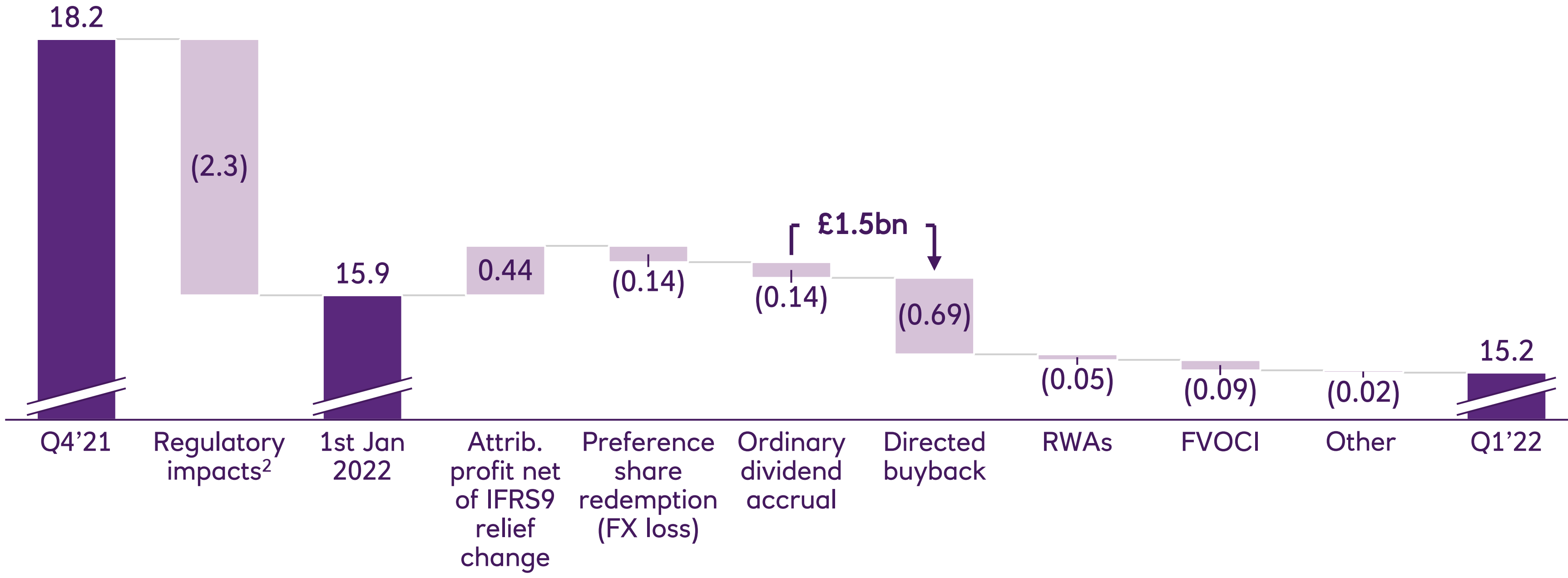
Strong capital position, progress towards around 14% CET1 by end 2022

CET1 ratio 15.2% down 70bps on 1st Jan 2022 driven by capital return impacts totalling 83bps including:

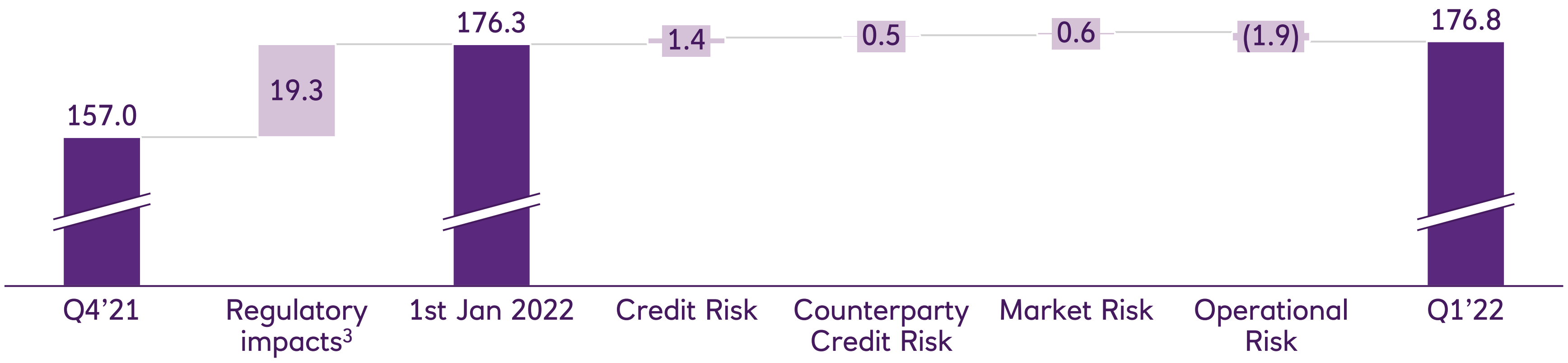
- Ordinary dividend accrual of £250m; and
- Completed directed buyback of £1.2bn

15.2% ratio includes IFRS 9 benefit of 23bps, down from 39bps at Q4'21

CET1 ratio, %[1]



RWA, £bn[1]



1. May not cast due to rounding. 2. Includes c.200bps RWA inflation, c.20bps software intangibles and c.10bps IFRS9 transitional relief reduction 3. Updated from £18.8bn presented at FY'21 to £19.3bn as impacts were finalised. Includes IRB model changes, removal of software intangibles benefit and SA-CCR changes. CET1 ratio impact of 2.3% remains unchanged from FY'21.

Strong capital and liquidity positions provide flexibility

Our CET1 ratio is well above our target range and Maximum Distributable amount

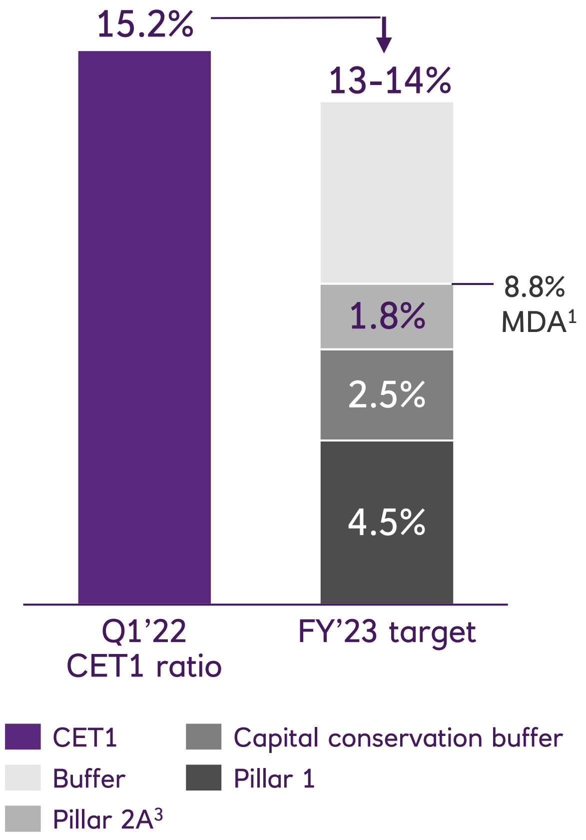
Pillar 2A requirement down from 2.0% at Q4’21 to 1.8% due to higher RWA

UK leverage ratio headroom and LCR ratio both remain comfortably above minimum requirements

CET1 headroom above medium term target[1,2]

120-220bps

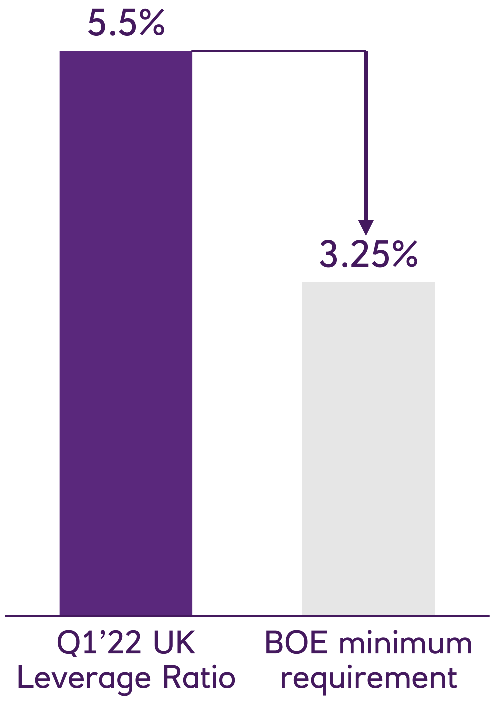
c.£2.1bn – £3.9bn of headroom as at 31st March 2022



Headroom above minimum UK leverage requirements

225bps

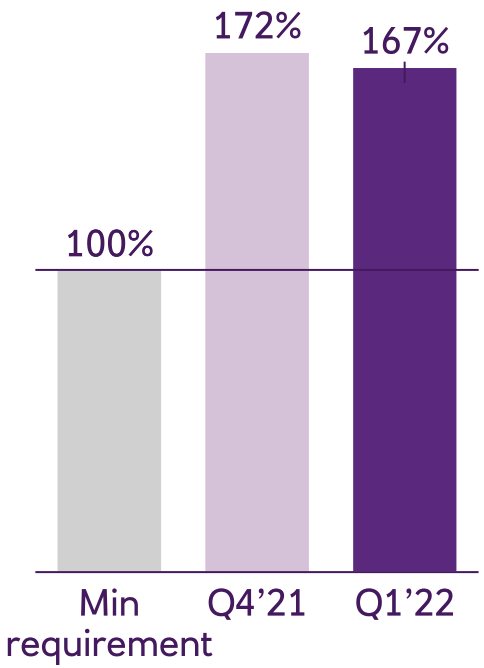
headroom above minimum requirements



Liquidity coverage ratio remains well above min UK requirement

£83.3bn

surplus liquidity over minimum requirement



1. 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. Pillar 2A requirements for NatWest Group are set on a nominal capital basis. The PRA has confirmed that from Q4 2022 Pillar 2A will be set as a variable amount with the exception of some fixed add-ons. 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.

Key financial guidance

We have clear financial targets to drive sustainable returns for our shareholders

	2021 Base	2022-2023 Outlook
1	£10.1bn	Income ex-notable items to be comfortably above £11.0bn in 2022, assuming 1.25% UK Base Rate in Q4'22[1]
2	£6.8bn	Other operating expenses to reduce by around 3% in both 2022 and 2023[2]
3	(35) bps	Loan impairment rate in 2022 and 2023 below through the cycle range of 20 – 30 bps
4	15.9%[3]	CET1 ratio of 13-14% by 2023, ~14% by end 2022
5	9.4%	ROTE comfortably above 10% for the Group in 2023

1. Go-forward group is NWG excluding Ulster Bank RoI. 1.25% UK Base Rate assumption is unchanged from FY'21.
2. Go-forward group other operating expenses defined as total operating expenses excluding litigation and conduct. 3. As at 1st Jan 2022.

Alison Rose

Chief Executive Officer

A purpose-led company with clear strategic priorities, strong market positions and capacity to grow

We are:
- Supporting our customers whilst growing and diversifying income
- A relationship bank for digital age
- Committed to leading on climate action
- Delivering strong performance to enable us to return capital to our shareholders

Accelerating growth

Simplification via Digital and Technology

Disciplined deployment of capital

Long-term sustainable returns and distributions

Expect to achieve RoTE comfortably above 10% in 2023

Q&A

Q1'22 Group performance

£m	Q1'22 Go-forward[1]	Q1'22 Ulster Bank RoI	Q1'22 Group	Q1'21 Group	Q1'22 incl. discontinued operations Go-forward[1]	Q1'22 incl. discontinued operations Ulster Bank RoI	Q1'22 incl. discontinued operations Group	Q1'21 Group
Total income	2,987	40	3,027	2,591	2,987	99	3,086	2,659
Operating expenses	(1,707)	(113)	(1,820)	(1,804)	(1,707)	(124)	(1,831)	(1,815)
Impairments (losses)/releases	7	31	38	98	7	25	32	102
Operating profit / (loss) before tax	**1,287**	**(42)**	**1,245**	**885**	**1,287**	0	**1,287**	946
Tax (charge)/credit	(386)	--	(386)	(233)				
Profit/(loss) from discontinued operations, net of tax	--	42	42	61				
Profit/(Loss) for the period	**901**	**0**	**901**	**713**				
Attributable profit	**841**	**0**	**841**	620				
RoTE	11.9%	n.m.	11.3%	7.9%				

Group including discontinued operations

- Group income increased 16% compared to Q1'21
- Group operating expenses stable year on year, with other operating expenses for the Go-forward group down 4.6%[2]
- £1.3bn operating profit before tax[3], of which £1.3bn delivered by the Go-forward group

1.Go-forward group is Natwest Group excluding Ulster Bank RoI.
2. Refer to slide 16.
3. Operating profit before tax for continuing operations (£1.3bn) plus profit from discontinued operations.

Outlook

	Financial targets and outlook
Income	In 2022, we expect income excluding notable items to be comfortably above £11.0 billion in the Go-forward group.
Costs	We plan to invest around £3 billion over 2021 to 2023 but, with continuing simplification, we plan to reduce Go-forward group operating expenses, excluding litigation and conduct costs, by around 3% in both 2022 and 2023.
Impairments	As a result of positive actions to change the shape of our book in recent years, we expect our through-the-cycle impairment loss rate to be around 20 - 30 basis points. We expect our 2022 and 2023 impairment charge to be lower than our through the cycle loss rate.
Capital	We aim to end 2022 with a CET1 ratio of around 14% and target a ratio of 13-14% by 2023.
Returns	In 2023, we expect to achieve a return on tangible equity of comfortably above 10% for the Group.
RWA	Across 2022 and 2023, we expect movements in RWAs to largely reflect lending growth and our phased withdrawal from the Republic of Ireland.
Dividends and pay-outs	We intend to maintain ordinary dividends of around 40% of attributable profit and to distribute a minimum of £1 billion in each of 2022 and 2023 via a combination of ordinary and special dividends. We intend to maintain capacity to participate in directed buybacks of the UK Government stake, recognising that any exercise of this authority would be dependent upon HMT's intentions and is limited to 4.99% of issued share capital in any 12-month period. We will consider further on-market buybacks, in addition to the £750 million announced at full year, as part of our overall capital distribution approach as well as inorganic opportunities provided they are consistent with our strategy and have a strong shareholder value case.
Ulster Bank RoI	We have made good progress on our phased withdrawal from the Republic of Ireland and expect the majority of the Allied Irish Banks and Permanent TSB asset sales to be largely complete by the end of 2022 and deposits to reduce over a longer timescale. We would expect income and RWAs to follow the balance sheet trajectory. We expect the cost base to reduce over time and anticipate other operating expenses, excluding withdrawal related costs, in 2023 will be around €200 million lower than 2021. We expect to incur disposal losses through income of around €300 million in 2022 and withdrawal related costs of around €600 million across 2022-24, with around €500 million incurred by the end of 2023. We expect the phased withdrawal to be capital accretive.

Notable items

Notable items in Income, £m	Q1'21	Q2'21	Q3'21	Q4'21	FY'21	Q1'22
Private Banking						
Consideration on the sale of Adam & Company investment management business	--	--	--	54	54	--
Commercial and Institutional Banking						
Own credit adjustments (OCA)	2	(1)	2	3	6	18
Tax variable lease repricing, NII impact	--	32	--	--	32	--
Fair value losses and asset disposals/strategic risk reduction	(18)	(44)	(8)	(16)	(86)	--
Central Items & Other						
IFRS volatility[1]	(1)	45	--	3	47	166
Loss on redemption of own debt	(118)	(20)	--	--	(138)	(24)
Liquidity Asset Bond sale gains	5	20	45	50	120	41
Share of associate profits/(losses) for Business Growth Fund	121	8	79	11	219	23
Property strategy update	--	--	--	(44)	(44)	--
Own credit adjustments (OCA)	--	(1)	--	1	--	--
Total notable items in Go-forward group Income	**(9)**	**39**	**118**	**62**	**210**	**224**
Go-forward group income excluding notable items	**2,544**	**2,502**	**2,511**	**2,517**	**10,074**	**2,763**
Ulster Bank RoI (continuing operations)						
Gain arising from the restructuring of structural hedges	-	-	35	-	35	--
Total notable items in Group Income	**(9)**	**39**	**153**	**62**	**245**	**224**

Notable items in Expenses, £m	Q1'21	Q2'21	Q3'21	Q4'21	FY'21	Q1'22
Bank Levy	--	--	--	(99)	(99)	--
Litigation & Conduct	(16)	34	(294)	(190)	(466)	(102)
Total notable items in Group Expenses	**(16)**	**34**	**(294)**	**(289)**	**(565)**	**(102)**

Group Metrics	Q1'21	Q2'21	Q3'21	Q4'21	FY'21	Q1'22
Cost:income ratio – reported	69.2%	64.9%	70.9%	88.6%	73.4%	59.7%
Cost:income ratio – excluding notable items[2]	62.1%	60.5%	60.5%	64.4%	61.9%	60.8%
Return on tangible equity – reported	7.9%	15.6%	8.5%	5.6%	9.4%	11.3%
Return on tangible equity – excluding notable items[2]	9.7%	16.4%	11.5%	12.2%	12.5%	10.4%

1. IFRS volatility relates to derivatives used for risk management not in IFRS hedge accounting relationships and IFRS hedge ineffectiveness.
2. Excludes all notable income and cost items shown in the tables above except Bank Levy which is included. 27% tax rate assumed on all notable items excluding Litigation & Conduct costs and Bank Levy where no tax shield is assumed.

New segmental summary

We have created a new franchise, Commercial & Institutional, bringing together our Commercial, NatWest Markets and RBS International businesses to form a single franchise, with common objectives, to best support our customers across the full non-personal customer lifecycle.

Group, Q1'22 £bn	Retail Banking	Private Banking	Commercial & Institutional	Central items & other	Go-forward Group	Ulster Bank RoI (continuing & discontinued)[2]	Group (incl. discontinued ops)[1]
Net interest income	1.1	0.1	0.8	(0.0)	2.0	0.1	2.1
Non-interest income	0.1	0.1	0.6	0.2	1.0	0.0	1.0
Total income	1.2	0.2	1.4	0.2	3.0	0.1	3.1
Income ex-notable items	*1.2*	*0.2*	1.4	*(0.0)*	*2.8*	*0.1*	*2.9*
Other operating expenses	(0.6)	(0.1)	(0.9)	0.0	(1.6)	(0.1)	(1.7)
Litigation and conduct	(0.1)	(0.0)	(0.0)	(0.0)	(0.1)	--	(0.1)
Operating expenses	(0.6)	(0.1)	(0.9)	(0.0)	(1.7)	(0.1)	(1.8)
Operating profit/(loss) before impairment releases/(losses)	0.6	0.1	0.5	0.2	1.3	(0.0)	1.3
Impairment releases/(losses)	(0.0)	0.0	0.0	(0.0)	0.0	0.0	0.0
Operating profit/(loss)	0.6	0.1	0.5	0.2	1.3	0.0	1.3
Net loans to customers - amortised cost	184.9	18.7	126.6	28.8	359.0	15.5	374.5
Customer Deposits	189.7	40.3	217.9	17.7	465.6	17.3	482.9
RWA's	52.2	11.5	100.3	1.6	165.6	11.2	176.8
Return on equity / tangible equity	**23.1%**	**18.2%**	**8.8%**	**n.m.**	11.9%	**nm**	11.3%
Cost:income ratio	**53.0%**	**64.4%**	**66.3%**	**n.m.**	56.7%	**nm**	58.9%

1. May not cast due to rounding.
2. Totals per slide 28.

Ulster Bank RoI – continuing & discontinued

Ulster Bank ROI (£m)	Q1'22			Q1'21			Q4'21		
	Continuing operations	Discontinued operations	Total	Continuing operations	Discontinued operations	Total	Continuing operations	Discontinued operations	Total
Total income	**40**	**59**	**99**	**56**	**68**	**124**	**43**	**66**	**109**
Operating expenses	(113)	(11)	(124)	(114)	(11)	(125)	(131)	(11)	(142)
o/w Other operating expenses	(113)	(11)	(124)	(105)	(11)	(116)	(104)	(11)	(115)
Profit/(loss) before impairment losses	**(73)**	**48**	**(25)**	**(58)**	**57**	**(1)**	**(88)**	**55**	**(33)**
Impairment losses	31	(6)	25	8	4	12	13	45	58
Operating profit/(loss) before tax	**(42)**	**42**	**0**	**(50)**	**61**	**11**	**(75)**	**100**	**25**
Loans to customers - amortised cost	6.3	9.2	15.5	16.9	0.0	16.9	6.7	9.0	15.7

Ulster Bank ROI (€m)	Q1'22			Q1'21			Q4'21		
	Continuing operations	Discontinued operations	Total	Continuing operations	Discontinued operations	Total	Continuing operations	Discontinued operations	Total
Total income	**46**	**72**	**118**	**64**	**78**	**142**	**50**	**78**	**128**
Operating expenses	(134)	(14)	(148)	(130)	(13)	(143)	(153)	(13)	(166)
o/w Other operating expenses	(134)	(14)	(148)	(120)	(13)	(133)	(122)	(13)	(135)
Profit/(loss) before impairment losses	**(88)**	**58**	**(30)**	**(66)**	**65**	**(1)**	**(103)**	**65**	**(38)**
Impairment losses	37	(7)	30	10	4	14	15	52	67
Operating profit/(loss) before tax	**(51)**	**51**	**(0)**	**(56)**	**69**	**13**	**(88)**	**117**	**29**
Loans to customers - amortised cost	7.5	10.9	18.4	19.8	0.0	19.8	7.9	10.7	18.6

Ulster Bank RoI - update on outlook statements

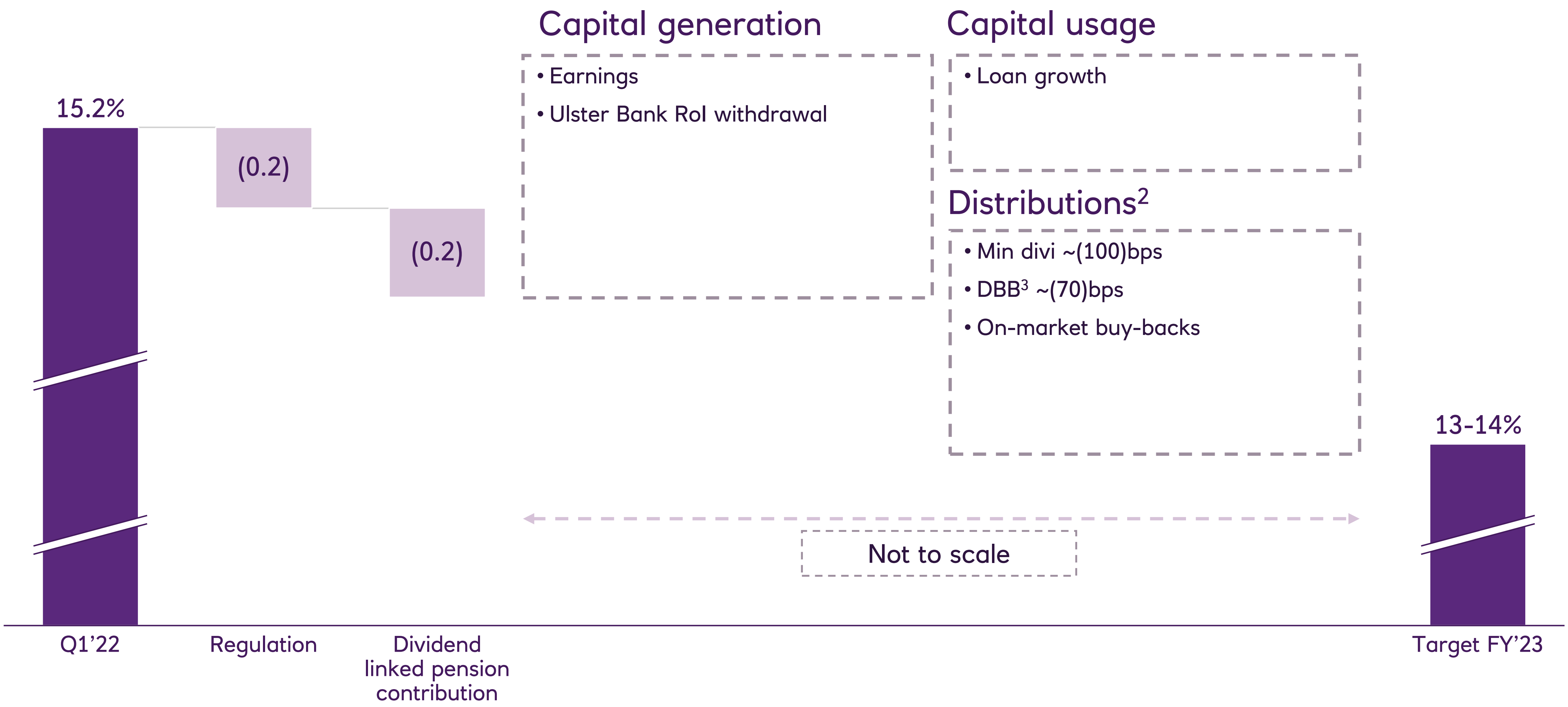
- No disposal losses incurred in Q1’22. We expect to incur disposal losses through income of around €300 million in 2022.
- c.€12m withdrawal related direct costs incurred in Q1’22. We expect to incur withdrawal related costs of around €600 million across 2022-24, with around €500 million incurred by the end of 2023
- Immaterial cost reduction in Q1’22 vs Q1’21 - other operating expenses, excluding withdrawal related costs. We expect the cost base to reduce over time and anticipate other operating expenses, excluding withdrawal related costs, in 2023 will be around €200 million lower than 2021.

Tangible net asset value

	GBP, m	Share count, m	Pence
As at 31 December 2021	**30,689**	**11,272**	**272**
Attributable profit	841		7
Cash flow hedge reserve (net of tax)	(718)		(6)
Redemption of preference shares	(254)		(2)
Direct share buy-back	(1,213)	(550)	3
On-market share buy-backs	(309)	(135)	1
Pension[1]	(379)		(4)
Other including fair value changes	(86)	35	(2)
Net change	**(2,118)**	**(650)**	**(3)**
As at 31 March 2022	**28,571**	**10,622**	**269**

1. Following the purchase of ordinary shares in Q1 2022, NatWest Group plc contributed £500 million to its main pension scheme in line with the memorandum of understanding announced on 17 April 2018. After tax relief, this contribution reduced total equity by £365 million which is included here.

Key drivers of CET1 ratio[1]



We aim to end 2022 with a CET1 ratio of around 14%

1. Impacts are approximate and shown on a standalone basis using Q1’22 capital position. These impacts will change quarterly. Combined impacts will not be sum of standalone impact. For more details see slide 31.
2. Distributions are subject to regulatory approvals. “Directed” buy backs post March’22 only.
3. Directed buy-back.

Key Drivers of CET1 ratio

From 15.2% at 31st March 2022 through to FY'23

Driver	Timing	Impact[1]	Details
Earnings			In 2023 we expect to achieve a RoTE comfortably above 10% for the Group
Lending volumes			Across 2022 and 2023, we expect movements in RWAs to largely reflect lending growth
Distributions[2] Dividends	Through to FY'23	c.(100)bps	Intend to distribute a minimum of £1bn per annum through ordinary or special dividends in 2022 and 2023. Impact assumes £750m remaining in 2022 and £1bn in 2023.
Direct Buybacks	Through to FY'23	c.(70)bps	Retain capacity to participate in Direct Buy Backs up to 4.99% in 12-month period; executed £1.2bn in March 2022. Impact assumes one further DBB in 2023 at share price of 221.7p.[3]
On-market buybacks			£750m programme announced in February 2022, included in 1 Jan 2022 CET1 ratio. Further on-market buybacks will be considered.
Dividend-linked pension contributions	Through to FY'22	c.(20)bps	£500m of £1.5bn pre-tax contributions outstanding; maximum of £500m per annum accrual in FY'22, (£365m post tax)
Ulster Bank RoI	Multi-year		We have announced binding agreements with AIB and PTSB for the sale of performing loans, with the estimate of c.65% of credit RWA. This also includes the expectation of €300m disposal losses in 2022 and €500m withdrawal related costs by the end of 2023
Regulation: IFRS 9 unwind	Through to FY'24	c.(25)bps	c.£0.4bn benefit remaining on 31 March 2022, will unwind to, 50% FY'23, 25% FY'24. Will also be affected by stage migration which remains uncertain

1. Impacts are approximate and shown on a standalone basis using Q1'22 capital position. These impacts will change quarterly. Combined impacts will not be sum of standalone impact.
2. Distributions are subject to regulatory approvals.
3. Share price as at close of business 27 April 2022, per LSE.

Impairment (charge)/release by segment

	Retail Banking	Private Banking	Commercial & Institutional	Central items	Go-forward Group	Ulster Bank RoI	Group
Q1’22 (£m)	(5)	5	11	(4)	7	31	38
Q1’22 (bps)	1	(11)	(3)	nm	0	nm	(1)
Q4’21 (£m)	(5)	12	317	4	328	13	341
Q4’21 (bps)	1	(26)	(101)	nm	(37)	nm	(38)
Q1’21 (£m)	(34)	0	125	(1)	90	8	98
Q1’21 (bps)	8	0	(38)	nm	(10)	nm	(11)

Customer Loans[1] and Deposits

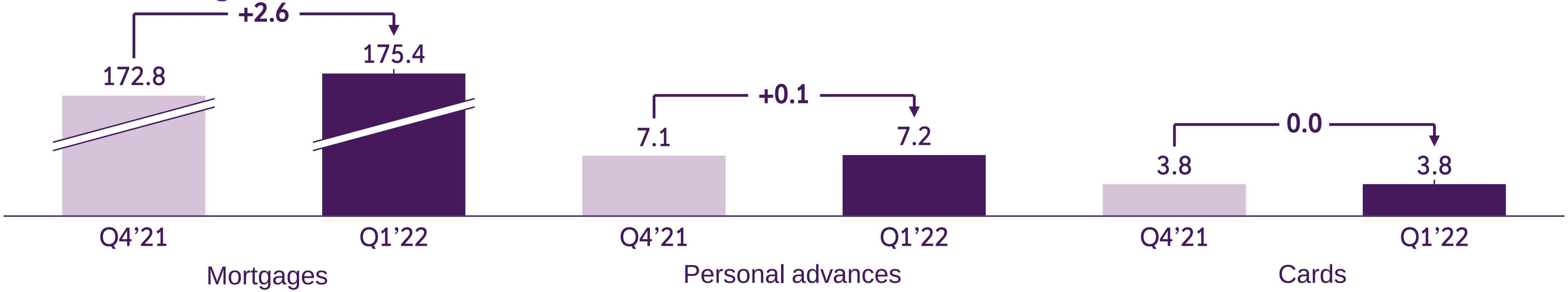
	Loans to customers - amortised cost, £bn[2]		Customer Deposits, £bn	
	Q4'21	Q1'22	Q4'21	Q1'22
Retail Banking	182.2	184.9	188.9	189.7
Private Banking	18.4	18.7	39.3	40.3
Commercial & Institutional	124.2	126.6	217.5	217.9
Central items & other	27.5	28.8	15.7	17.7
Go-forward Group net L&As and deposits	**352.3**	**359.0**	**461.4**	**465.6**
Ulster Bank RoI	6.7	6.3	18.4	17.3
NatWest Group Net L&As and deposits	**359.0**	**365.3**	**479.8**	**482.9**
Impairment provisions	3.8	3.6		
Natwest Group Gross Loans to Customers	**362.8**	**368.9**		
Of which Scheme Lending within Private and C&I	*11.6*	*10.9*		

1. Loan balances are amortised cost loans only.
2. May not cast due to rounding.

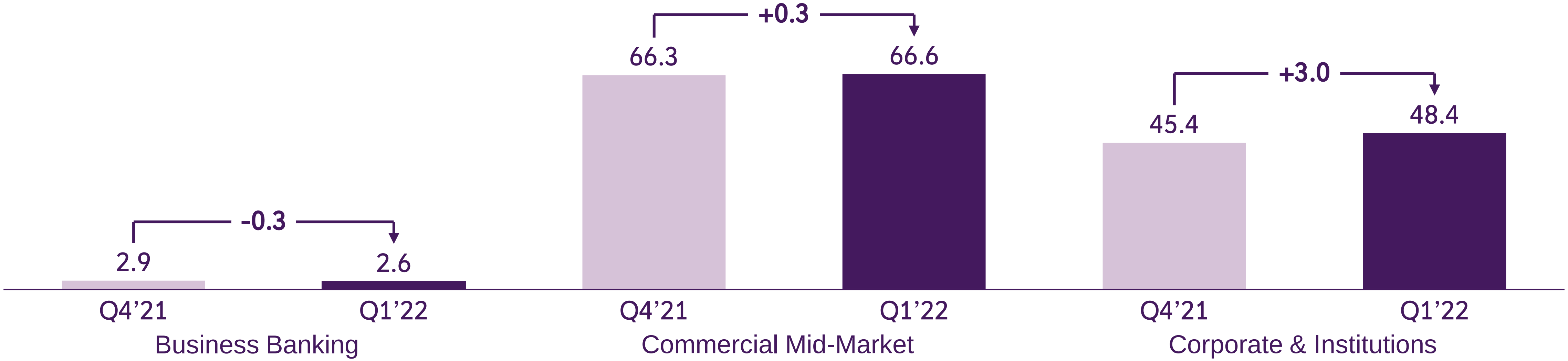
Q1’22 Customer loan growth by product and sector

Total loans to customers (amortised cost), £bn

Retail Banking



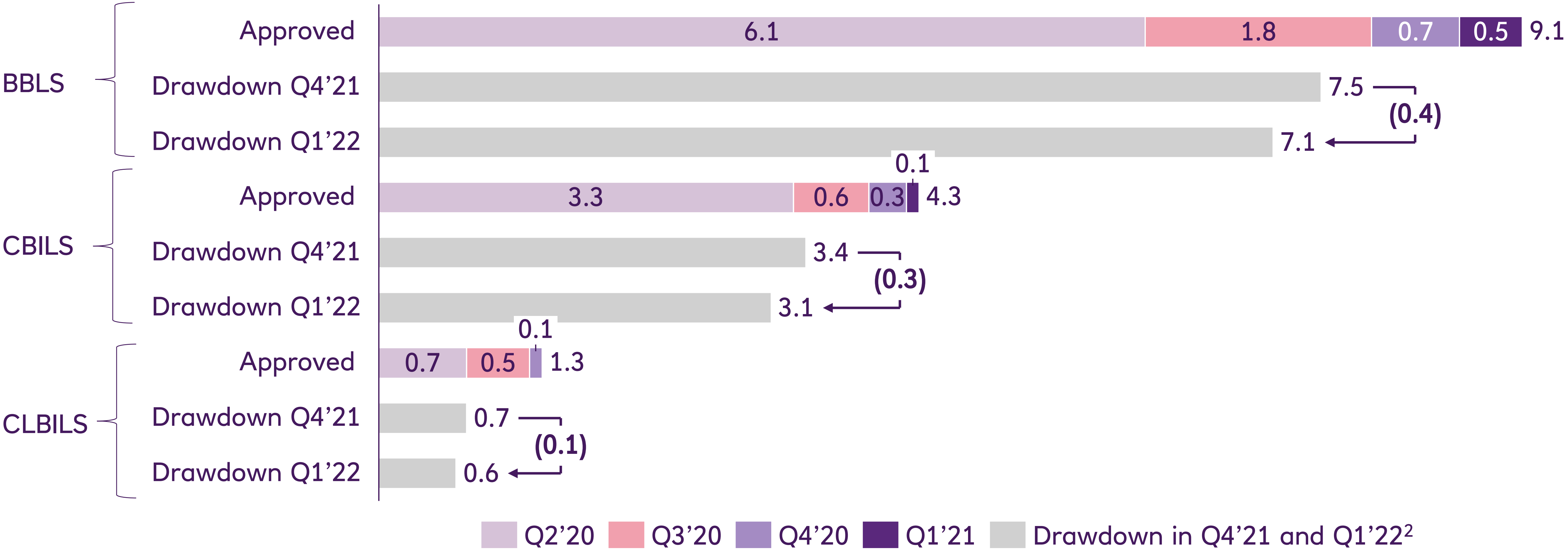
C&I Gross loans to customers (amortised cost) ex-government schemes, £bn



Supporting our customers through Covid-19

£0.7bn of net government scheme **repayments** in Q1, £0.4bn related to BBLS

Government Lending Scheme in NWG, £bn[1]



1. The chart captures UK Government schemes for NatWest Group. BBLS, CBILS and CLBILS closed for new applications as at end of Q1'21.
2. Drawdown reduction does not cast to £0.7bn repayments due to rounding.

Asset quality[1]

Retail Mortgage LTV distribution by stage												
	Total			Stage 1			Stage 2			Stage 3		
	FY'19	FY'20	FY'21	FY'19	FY'20	FY'21	FY'19	FY'20	FY'21	FY'19	FY'20	FY'21
≤50%	51,791	55,857	66,488	47,746	50,170	61,233	3,375	5,009	4,548	511	554	644
>50% and ≤70%	51,582	63,202	73,437	47,224	55,263	68,271	3,804	7,416	4,674	463	488	483
>70% and ≤80%	24,992	29,698	25,353	23,235	19,994	24,004	1,568	9,555	1,255	150	141	93
>80% and ≤90%	15,251	13,639	6,256	14,030	8,029	5,983	1,111	5,552	250	85	52	22
>90% and ≤100%	3,610	520	1,193	3,401	368	1,125	174	137	58	20	13	10
>100%	238	169	38	111	48	14	100	99	18	24	20	6
Total with LTVs	147,464	163,085	172,765	135,747	133,872	160,630	10,132	27,768	10,803	1,253	1,268	1,258
Total portfolio average LTV%	57%	57%	54%	57%	55%	54%	59%	66%	52%	66%	60%	53%

Commercial Real Estate (CRE) LTV distribution by stage												
	Total			Stage 1			Stage 2			Stage 3		
	FY'19	FY'20	FY'21	FY'19	FY'20	FY'21	FY'19	FY'20	FY'21	FY'19	FY'20	FY'21
≤50%	10,132	9,594	7,457	8,787	4,918	6,767	468	4,538	388	40	138	34
>50% and ≤70%	6,191	6,307	5,352	4,945	2,815	4,367	252	3,266	470	148	226	46
>70% and ≤100%	367	576	705	269	169	377	38	283	192	51	124	127
>80% and ≤90%	97	155	—	61	84	—	19	35	—	15	36	—
>90% and ≤100%	154	137	—	50	46	—	81	26	—	22	65	—
>100%	309	409	312	104	50	215	51	64	7	153	295	86
Total with LTVs	17,250	16,886	13,826	14,216	7,952	11,726	909	8,151	1,057	429	783	293
Total portfolio average LTV%	48%	48%	50%	46%	45%	48%	55%	47%	58%	101%	93%	88%

1. Full tables available on pages 228 & 230 of FY'21 ARA and pages 194 & 196 of the FY'20 ARA. Note, the that total table numbers also include mortgages not within IFRS9 ECL scope.

Structural Hedge[1]

	FY 2021					FY 2020				
	Incremental Income (£m)	Total Income (£m)	Period end notional (£bn)	Average Notional (£bn)	Total Yield %	Incremental Income (£m)	Total Income (£m)	Period end notional (£bn)	Average Notional (£bn)	Total Yield %
Equity structural hedging	426	448	21	22	2.05	478	580	23	24	2.43
Product structural hedging	744	861	161	145	0.59	543	958	125	115	0.83
Other Structural hedges	139	115	24	23	0.51	119	150	21	20	0.73
Total	1,309	1,424	206	190	0.75	1,140	1,688	169	159	1.06

1. Page 268 of NWG FY'21 ARA.

Interest rate sensitivity[1]

FY 2021	+25 basis points parallel upward shift			-25 basis points parallel upward shift		
	Year 1 (£m)	Year 2 (£m)	Year 3 (£m)	Year 1 (£m)	Year 2 (£m)	Year 3 (£m)
Structural Hedge	43	144	235	(43)	(144)	(235)
Managed Margin	282	220	255	(255)	(209)	(187)
Other	4	-	-	(5)	-	-
Total	329	364	490	(303)	(353)	(422)

H1 2021	+25 basis points parallel upward shift			-25 basis points parallel upward shift		
	Year 1 (£m)	Year 2 (£m)	Year 3 (£m)	Year 1 (£m)	Year 2 (£m)	Year 3 (£m)
Structural Hedge	39	127	215	(39)	(127)	(215)
Managed Margin	414	365	287	(374)	(420)	(395)
Other	(3)	-	-	7	-	-
Total	450	492	502	(406)	(547)	(610)

1. Page 270 of NWG FY’21 ARA; and Page 78 of the NWG H1’21 IMS.

UK Economic Assumptions[1]

	FY'21				H1'21			
Scenario	Upside	Base Case	Downside	Extreme downside	Upside	Base Case	Downside	Extreme downside
Weighting	30%	45%	20%	5%	35%	40%	20%	5%
UK GDP – Annual Growth (%)								
2021	7.0	7.0	7.0	7.0	10.1	7.3	2.7	0.1
2022	8.1	5.0	1.5	(3.6)	5.4	5.8	4.3	-
5 year - CAGR	2.4	1.7	1.4	0.6	3.9	3.5	2.9	2.5
UK Unemployment rate – annual average (%)								
2021	4.6	4.6	4.6	4.6	4.7	5.3	5.4	5.9
2022	3.5	4.1	5.1	8.3	4.3	4.8	7.0	11.8
5 year average	3.5	4.2	4.8	6.7	4.1	4.6	5.8	8.1
UK House Price Index – four quarter growth (%)								
2021	6.9	6.9	6.9	6.9	8.0	2.0	(2.4)	(5.4)
2022	7.9	1.6	(2.9)	(20.4)	1.7	0.5	(3.0)	(27.0)
5 year - total change	22.7	12.1	4.3	(5.3)	23.4	14.2	4.9	(0.8)
UK Commercial Real Estate Price – four quarter growth (%)								
2021	8.4	8.4	8.4	8.4	7.0	(1.4)	(8.4)	(13.4)
2022	10.2	4.4	(2.7)	(29.8)	2.1	2.0	(1.3)	(18.2)
5 year - total change	18.2	7.2	5.5	(6.4)	13.6	4.7	0.1	(8.7)

1. Full details of the economic assumptions can be found on pages 206 to 208 of NWG FY'21 ARA, and on pages 20 to 23 of the NWG H1'21 IMS.

Issuance and capital management strategy

- In Q1, NatWest Group plc successfully executed its first benchmark senior MREL transaction of the year
- NatWest Markets Plc issued ~£2bn senior unsecured term debt, in public benchmark format, contributing to its £4-5bn guidance for 2022

2022 Issuance guidance	2022 Q1 Issuance
NatWest Group plc (HoldCo)	
£3-5bn senior unsecured MREL from NatWest Group plc	NWG £750m Senior Unsecured
NatWest Markets Plc (OpCo)	
£4-5bn senior unsecured public benchmark issuance from NatWest Markets Plc	NWM €1bn Senior Unsecured EMTN NWM $1.5bn 3yr dual-tranche Senior Unsecured 144A NWM CHF300m Senior Unsecured EMTN

Credit ratings

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

Ratings as of 19/04/2022.

* Moody's Long-Term Bank Deposit Ratings.

ESG ratings[1]

ESG Ratings[1]	Scale	2019	2020	2021
MSCI				
Rating	AAA to CCC	BBB	AA	AA
Sustainalytics ESG Risk Rating				
Rating	1-100 Negligible to Severe	27.7 Medium risk	20.5 Medium risk	17.3 Low risk
CDP				
Rating	A to D-	B	A-	B
Industry average		C	B	B
ISS ESG				
Rating	A+ to D-	C	C	C
Prime Status		Prime	Prime	Prime
S&P CSA				
Score	100 to 1	71	41	63
Percentile Rank		77th	60th	80th

1. ESG ratings on this page (i) contain information developed by the relevant rating provider (such information and data are proprietary of the relevant rating provider or its information providers (Third Party Data)); (ii) are provided "as-is" and are not warranted to be complete, timely, accurate or suitable for a particular purpose by the relevant rating provider are provided for information purposes only; (iii) are unsolicited; (iv) do not constitute a sponsorship, endorsement, recommendation or promotion of NatWest Group or any of NatWest Group's product or project, nor an investment advice nor a warranty by the relevant rating provider; and (v) their use is subject to conditions of the relevant rating provider. Currently, ESG rating providers are not regulated like credit rating agencies. Some ESG ratings providers only rely on public information, so, their outputs may be subject to data gaps. ESG rating providers use different definitions, scope and methodologies leading to variation in ESG rating for any given company. Ratings as of 19/04/2022.

Cautionary and Forward-looking statements

The guidance, targets, expectations and trends discussed in this presentation represent NatWest Group management's, current expectations and are subject to change, including as a result of the factors described in the "Risk Factors" on pages 406-426 of the NatWest Group plc 2021 Annual Report and Accounts, pages 136-157 of NatWest Group plc's 2021 Form 20-F, as well as the Risk Factors on pages 179-200 of the NWM 2021 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 targets and guidance relating to financial performance measures, such as income growth, operating expense, cost reductions, RoTE, ROE, discretionary capital distribution targets, impairment loss rates, balance sheet reduction, including the reduction of RWAs, CET1 ratio (and key drivers of the CET1 ratio including timing, impact and details), Pillar 2 and other regulatory buffer requirements and MREL and non-financial performance measures, such as NatWest Group's initial areas of focus, climate and ESG-related performance ambitions, targets and metrics, including in relation to initiatives to transition to a net zero economy, Climate and Sustainable Funding and Financing (CSFF) and financed emissions. In addition, this document includes forward-looking statements relating, but not limited to: the Covid-19 pandemic and its impact on NatWest Group; planned cost reductions, disposal losses and strategic costs; implementation of NatWest Group's purpose-led strategy and other strategic priorities (including in relation to: its phased withdrawal from ROI, the NWM Refocusing and investment programmes relating to digital transformation of its operations and services and inorganic opportunities); the timing and outcome of litigation and government and regulatory investigations; direct and on-market buy-backs; funding plans and credit risk profile; managing its capital position; liquidity ratio; portfolios; net interest margin and drivers related thereto; lending and income growth, product share and growth in target segments; impairments and write-downs, including with respect to goodwill; restructuring and remediation costs and charges; NatWest Group's exposure to political risk, economic assumptions and risk, climate, environmental and sustainability risk, operational risk, conduct risk, financial crime risk, cyber, data 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 Promotor 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: economic and political risk (including in respect of: the impact of the COVID-19 pandemic on NatWest Group and its customers; political and economic risks and uncertainty in the UK and global markets; uncertainty regarding the effects of Brexit; 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; refocusing of its NWM franchise; and the effect of the COVID-19 pandemic on NatWest Group's strategic objectives and targets); financial resilience risk (including in respect of: NatWest Group's ability to meet targets and to make discretionary capital distributions; the competitive environment; impact of the COVID-19 pandemic on the credit quality of NatWest Group's counterparties; counterparty and borrower risk; prudential regulatory requirements for capital and MREL; the adequacy of NatWest Group's resolution plans; liquidity and funding risks; changes in the credit ratings; the requirements of regulatory stress tests; goodwill impairment; 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 net zero economy; the implementation of NatWest Group's climate change strategy and climate change resilient systems, controls and procedures; climate-related data and model risk; the failure to adapt 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 transition of LIBOR other IBOR rates to alternative risk-free rates; and changes in tax legislation or failure to generate future taxable profits).

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