



NatWest Group plc

*(Incorporated in Scotland with limited liability under the Companies Acts 1948 to 1980,
registered number SC045551)*

£40,000,000,000

Euro Medium Term Note Programme

This supplement (the "**1st Supplementary Prospectus**") to the Prospectus dated 26 November 2020 (as supplemented, the "**Prospectus**"), which comprises a base prospectus for the purpose of Regulation (EU) 2017/1129, constitutes a supplementary prospectus for the purposes of Article 23 of the Regulation (EU) 2017/1129 as it forms part of domestic law in the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**UK Prospectus Regulation**") and has been prepared in connection with the £40,000,000,000 Euro Medium Term Note Programme (the "**Programme**") established by, NatWest Group plc (the "**Issuer**" or "**NatWest Group**"). Terms defined in the Prospectus have the same meaning when used in this 1st Supplementary Prospectus. This 1st Supplementary Prospectus is supplemental to, and should be read in conjunction with, the Prospectus and the documents incorporated by reference therein.

This 1st Supplementary Prospectus has been approved by the United Kingdom Financial Conduct Authority (the "**FCA**"), as competent authority under the UK Prospectus Regulation. The FCA only approves this 1st Supplementary Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the UK Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer that is the subject of this 1st Supplementary Prospectus. With effect from the date of this 1st Supplementary Prospectus the information appearing in, or incorporated by reference into, the Prospectus shall be supplemented in the manner described below.

The Issuer accepts responsibility for the information contained in this 1st Supplementary Prospectus. To the best of the knowledge of the Issuer such information is in accordance with the facts and makes no omission likely to affect its import.

Purpose of the Supplementary Prospectus

The purpose of this 1st Supplementary Prospectus is to:

- (a) incorporate by reference into the Prospectus certain sections of the 2020 Annual Report and Accounts of the Group (as defined below);
- (b) following publication of the 2020 Annual Report and Accounts of the Group, update the statements of no significant change and no material adverse change for NatWest Group;
- (c) update the forward-looking statements information set out in the Prospectus;

- (d) update the risk factors set out in the Prospectus;
- (e) update certain information relating to ring-fencing;
- (f) update certain information relation to legal proceedings; and
- (g) update certain information relating to external auditors and financial information of the Issuer.

Incorporation of Information by Reference

By virtue of this 1st Supplementary Prospectus the following sections of the 2020 annual report and accounts of the Group (the "**2020 Annual Report and Accounts of the Group**"), which were published via the regulatory news service of the London Stock Exchange plc on 19 February 2021:

- (i) Strategic report on pages 4 to 83:
 - 2020 highlights and progress on pages 4 to 15;
 - Bulding a purpose-led bank on pages 16 to 45;
 - Our stakeholders on pages 46 to 61;
 - Risk management on pages 62 to 64; and
 - Governance and compliance on pages 65 to 83;
- (ii) Business Review on pages 84 to 96:
 - Presentation of information on page 84;
 - Segmental reporting on page 84;
 - Business Developments on page 84;
 - Financial summary on pages 85 to 89; and
 - Segment performance on pages 90 to 96;
- (iii) Governance on pages 97 to 156:
 - Our Board on pages 97 to 98;
 - Corporate governance on pages 99 to 105;
 - Report of the Group Nominations and Governance Committee on page 106;
 - Report of the Group Audit Committee on pages 107 to 111;
 - Report of the Group Board Risk Committee on pages 112 to 115;
 - Report of the Group Sustainable Banking Committee on pages 116 to 117;
 - Report of the Technology and Innovation Committee on page 118;
 - Directors' remuneration report on pages 119 to 130;
 - Directors' remuneration policy on pages 131 to 132;
 - Annual report on remuneration on pages 133 to 146;
 - Other remuneration disclosures on pages 147 to 150;
 - Compliance report on pages 151 to 152;
 - Report of the directors on pages 153 to 155; and
 - Statement of directors' responsibilities on page 156;
- (iv) Risk and capital management on pages 157 to 245:
 - Presentation of information on page 157;
 - Update on Covid-19 on page 157
 - Risk management framework on pages 157 to 164;
 - Credit risk on pages 165 to 212;
 - Capital, liquidity and funding risk on pages 213 to 228;
 - Market risk on pages 229 to 239;

- Pension risk on page 240;
 - Compliance & conduct risk on pages 240 to 241;
 - Financial crime risk on page 241;
 - Climate-related risk on pages 242 to 243;
 - Operational risk on pages 243 to 244;
 - Model risk on pages 244 to 245; and
 - Reputational risk on page 245;
- (v) Financial Statements on pages 246 to 342:
- Independent auditor's report on pages 247 to 257;
 - Consolidated income statement on page 258;
 - Consolidated statement of comprehensive income on page 259;
 - Consolidated balance sheet on page 260;
 - Consolidated statement of changes in equity on pages 261 to 262;
 - Consolidated cash flow statement on page 263;
 - Accounting policies on pages 264 to 268;
 - Notes to the consolidated financial statements on pages 269 to 322; and
 - NatWest Group plc financial statements and notes on pages 323 to 338;
- (vi) Non-IFRS financial measures on pages 339 to 342;
- (vii) The Capital Requirements (Country-by-Country Reporting) Regulations (Audited) on pages 343 to 344;
- (viii) Risk factors on pages 345 to 362;
- (ix) Material contracts on pages 363 to 364;
- (x) Shareholder information on 365 to 366; and
- (xi) Forward looking statements on page 367.

each of which has been (1) previously published and (2) filed with the Financial Conduct Authority, shall be incorporated in, and form part of, the Prospectus.

For at least ten years from the date of the Prospectus, a copy of any or all of the information which is incorporated by reference in the Prospectus can be obtained from the website of the Issuer at <https://investors.natwestgroup.com/regulatory-news/company-announcements> and from the London Stock Exchange plc's website at <https://www.londonstockexchange.com/news>.

If a document which is incorporated by reference in the Prospectus by virtue of this 1st Supplementary Prospectus itself incorporates any information or other documents therein, either expressly or implicitly, such information or other documents will not form part of the Prospectus except where such information or other documents are specifically incorporated by reference in, or attached to, the Prospectus by virtue of this 1st Supplementary Prospectus.

It should be noted that, except as set forth above, no other portion of the above documents is incorporated by reference into the Prospectus. In addition, where sections of any of the above documents which are incorporated by reference into the Prospectus cross-reference other sections of the same document, such cross-referenced information shall not form part of the Prospectus, unless otherwise incorporated by reference herein. Those parts of the documents incorporated by reference which are not specifically incorporated by reference in this 1st Supplementary Prospectus are either not relevant for prospective investors or the information is included elsewhere in the Prospectus.

Statement of No Significant Change and No Material Adverse Change

There has been no significant change in the financial position or financial performance of the Group taken as a whole since 31 December 2020 (the end of the last financial period for which the latest audited or interim financial information of the Group has been published).

Save as disclosed in the sections entitled (a) "*Risks relating to the COVID-19 pandemic*" on pages 345 to 347 of the 2020 Annual Report and Accounts of the Group, (b) "*Outlook*" on page 28 of the 2020 Annual Report and Accounts of the Group and (c) "*Risk and capital management - Credit risk*" on pages 165 to 212 of the 2020 Annual Report and Accounts of the Group, there has been no material adverse change in the prospects of NatWest Group since 31 December 2020 (the last date to which the latest audited published financial information of the Group was prepared).

Updating the forward-looking statements information set out in the Prospectus

The reference to the "2019 Annual Report and Accounts of the Group and the Group Q1 2020 IMS" in the paragraph titled "Forward-looking statements" commencing on page v of the Prospectus shall be deleted and replaced with a reference to the "2020 Annual Report and Accounts of the Group".

Updating the risk factors set out in the Prospectus

- (a) The first paragraph of the section entitled "*Risk Factors relating to the Issuer*" set out on page 7 of the Prospectus shall be deleted and replaced with the following:

"Prospective investors should consider the section entitled "*Risk factors*" at pages 345 to 362 of the 2020 Annual Report and Accounts of the Group as referred to in, and incorporated by reference into, this Prospectus."

- (b) The risk factor "*The Notes may be written down or converted into ordinary shares*" commencing on page 15 of the Prospectus shall be updated so that the seventh sentence is deleted and replaced with the following:

"See further (i) "*The NatWest Group may become subject to the application of UK statutory stabilisation or resolution powers which may result in, among other actions, the cancellation, transfer or dilution of ordinary shares, or the write-down or conversion of certain other of NatWest Group's securities.*" on page 364 of the 2020 Annual Report and Accounts of the Group and (ii) "*NatWest Group may not meet the prudential regulatory requirements for capital and MREL, or manage its capital effectively, which could trigger the execution of certain management actions or recovery options.*" on page 352 of the 2020 Annual Report and Accounts of the Group, each as referred to in, and incorporated by reference into, this Prospectus."

- (c) The risk factor "*Change of law*" commencing on page 18 of the Prospectus shall be updated so that the last sentence of the fourth paragraph is deleted and replaced with the following:

"See further "*Continuing uncertainty regarding the effects of the UK's withdrawal from the European Union may continue to adversely affect NatWest Group and its operating environment.*" on page 347 of the 2020 Annual Report and Accounts of the Group, as referred to in, and incorporated by reference into, this Prospectus."

Updating the ring-fencing disclosure set out in the Prospectus

The section entitled "*Ring-Fencing*" on page 87 of the Prospectus shall be deleted.

Updating the legal proceedings disclosure set out in the Prospectus

The section entitled "*Legal Proceedings*" on page 87 of the Prospectus shall be deleted and replaced with the following:

"Legal Proceedings

For a description of the material governmental, legal or arbitration proceedings that NatWest Group and the Group face, see the section entitled "*Litigation and regulatory matters*" in the "*Notes to the consolidated financial statements*" on pages 315 to 319 of the 2020 Annual Report and Accounts of the Group as referred to in, and incorporated by reference into, this Prospectus."

Legal Proceedings

Other than as referred to in the section entitled "*Litigation and regulatory matters*" in the "*Notes to the consolidated financial statements*" on pages 315 to 319 of the 2020 Annual Report and Accounts of the Group, there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), which may have or have had during the 12 months preceding the date of this 1st Supplementary Prospectus, a significant effect on the financial position or profitability of the Issuer or the Group.

Information on Auditors and Financial Statements

The section entitled "*Auditors and Financial Statements*" on page 125 of the Prospectus shall be amended to include the following:

"The consolidated financial statements of NatWest Group for the year ended 31 December 2020 have been audited by EY. The financial information incorporated by reference in this Prospectus in relation to NatWest Group does not constitute NatWest Group's statutory accounts within the meaning of Section 434 of the Companies Act 2006. Statutory accounts for the year ended 31 December 2020 to which the financial information in this Prospectus relates will be delivered to the Registrar of Companies in Scotland. EY has reported on such statutory accounts for the year ended 31 December 2020 and the report in respect of such year was unqualified and did not contain a statement under Section 498(2) or (3) of the Companies Act 2006."

Other Information

To the extent that there is any inconsistency between any statement in this 1st Supplementary Prospectus and any other statement in or incorporated by reference in the Prospectus, the statements in this 1st Supplementary Prospectus will prevail.

Save as disclosed in this 1st Supplementary Prospectus no other significant new factor, material mistake or material inaccuracy relating to information included in the Prospectus has arisen or been noted, as the case may be, since the publication of the Prospectus.

The hyperlinks included in this 1st Supplementary Prospectus are included for information purposes only and the websites and their content are not incorporated into, and do not form part of, this 1st Supplementary Prospectus or the Prospectus.