

SUPPLEMENTARY PROSPECTUS DATED 1 MAY 2018



The Royal Bank of Scotland Group plc

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

NatWest Markets Plc (formerly known as The Royal Bank of Scotland plc)

*(Incorporated in Scotland with limited liability under the Companies Acts 1948 to 1980,
registered number SC090312)*

£90,000,000,000

Euro Medium Term Note Programme

This supplement (the "**4th Supplementary Prospectus**") to the Prospectus dated 7 December 2017, as supplemented by the 1st supplementary prospectus dated 3 January 2018, the 2nd supplementary prospectus dated 23 February 2018 and the 3rd supplementary prospectus dated 23 March 2018 (the "**Prospectus**"), which comprises a base prospectus for the purpose of Directive 2003/71/EC (as amended), constitutes a supplementary prospectus for the purposes of Section 87G of the Financial Services and Markets Act 2000 (the "**FSMA**") and has been prepared in connection with the £90,000,000,000 Euro Medium Term Note Programme (the "**Programme**") established by The Royal Bank of Scotland Group plc ("**RBSG**") and NatWest Markets Plc (formerly known as The Royal Bank of Scotland plc) (each, an "**Issuer**" and together, the "**Issuers**"). Terms defined in the Prospectus have the same meaning when used in this 4th Supplementary Prospectus.

This 4th Supplementary Prospectus is supplemental to, and should be read in conjunction with, the Prospectus and the documents incorporated by reference therein.

Each Issuer accepts responsibility for the information contained in this 4th Supplementary Prospectus. To the best of the knowledge of each Issuer (each having taken all reasonable care to ensure that such is the case) such information is in accordance with the facts and does not omit anything likely to affect the import of such information.

Purpose of the Supplementary Prospectus

The purpose of this 4th Supplementary Prospectus is to:

- (a) incorporate by reference into the Prospectus the RBSG Q1 2018 IMS (as defined below);
- (b) following the publication of the RBSG Q1 2018 IMS, update the statement of no significant change for RBSG;
- (c) incorporate by reference into the Prospectus the 30 April Ring-Fencing Announcement (as defined below);
- (d) incorporate by reference into the Prospectus the Ring-Fencing Director Changes Announcement and the Director Change Announcement (each as defined below);

- (e) following the 30 April Ring-Fencing Announcement, reflect the related change of name of "The Royal Bank of Scotland plc" to "NatWest Markets Plc" in the Prospectus;
- (f) update certain information relating to legal proceedings, litigation and investigations; and
- (g) update certain sections of the Prospectus in light of Regulation (EU) 2016/1011 (the "**Benchmark Regulation**").

Incorporation of Information by Reference

By virtue of this 4th Supplementary Prospectus:

- (a) the unaudited Q1 2018 Interim Management Statement of RBSG (except for: (i) the last sentence under note (4) to the table entitled "*Balance sheet related key metrics and ratios*" in the section entitled "*Business performance summary*"; and (ii) the remainder of the second sentence under note 4 ("*Post balance sheet events*") after the words "second half of 2018") (the "**RBSG Q1 2018 IMS**"), which was published via the regulatory news service of the London Stock Exchange on 27 April 2018;
- (b) the announcement entitled "The Royal Bank of Scotland Group plc – Ring-Fencing Transfer Scheme Effective" (the "**30 April Ring-Fencing Announcement**"), which was published via the regulatory news service of the London Stock Exchange on 30 April 2018;
- (c) the announcement entitled "Ring Fenced Structure – Director Changes" (the "**Ring-Fencing Director Changes Announcement**"), which was published via the regulatory news service of the London Stock Exchange on 27 April 2018; and
- (d) the announcement entitled "Director Change" (the "**Director Change Announcement**"), which was published via the regulatory news service of the London Stock Exchange on 27 April 2018,

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.

A copy of any or all of the information which is incorporated by reference in the Prospectus can be obtained from the website of RBSG at <http://www.rbs.com> and from the London Stock Exchange plc's website at <http://www.londonstockexchange.com/exchange/prices-and-news/news/market-news/market-news-home.html>.

If a document which is incorporated by reference in the Prospectus by virtue of this 4th 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 4th Supplementary Prospectus.

Those parts of the documents incorporated by reference which are specifically excluded from the incorporation by reference in this 4th Supplementary Prospectus are either not relevant for prospective investors or the information is included elsewhere in the Prospectus.

Statement of No Significant Change – RBSG

There has been no significant change in the trading or financial position of the Group taken as a whole since 31 March 2018 (the end of the last financial period for which the latest unaudited interim financial information of the Group has been published).

Change of name

Effective from 30 April 2018, The Royal Bank of Scotland plc has changed its name to NatWest Markets Plc. The registered number remains SC090312 as the legal entity remains the same. Further details can be found in the 30 April Ring-Fencing Announcement, which has been incorporated by reference in the Prospectus.

All references in the Prospectus to "The Royal Bank of Scotland plc" shall therefore be read as references to "NatWest Markets Plc".

Updating the legal proceedings disclosure set out in the Prospectus

The section entitled "Legal Proceedings" on page 67 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 RBSG, RBS and the Group face, see:

- (i) the section entitled "Litigation, investigations and reviews" in the "Notes" at pages 313 to 325 of the 2017 Annual Report and Accounts of RBSG; and
- (ii) the section entitled "Material developments in litigation, investigations and reviews" in the "Notes" of the RBSG Q1 2018 IMS,

each as referred to in, and incorporated by reference into, this Prospectus."

Legal Proceedings

Other than as referred to in (i) the section entitled "Litigation, investigations and reviews" in the "Notes" at pages 313 to 325 of the 2017 Annual Report and Accounts of RBSG and (ii) the section entitled "Material developments in litigation, investigations and reviews" in the "Notes" of the RBSG Q1 2018 IMS, there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuers are aware), which may have or have had during the 12 months preceding the date of this 4th Supplementary Prospectus, a significant effect on the financial position or profitability of RBSG, RBS, the Group and/or, as the case may be, the RBS Group.

Benchmark Regulation

Certain sections of the Prospectus shall be updated in light of the Benchmark Regulation, as follows:

- (a) the following paragraph shall be inserted after the existing text on page vi of the Prospectus:

"Interest and/or other amounts payable under the Notes may be calculated by reference to certain reference rates. Any such reference rate may constitute a benchmark for the

purposes of Regulation (EU) 2016/1011 (the "**Benchmark Regulation**"). If any such reference rate does constitute such a benchmark, the Final Terms will indicate whether or not the benchmark is provided by an administrator included in the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority ("**ESMA**") pursuant to Article 36 (*Register of administrators and benchmarks*) of the Benchmark Regulation. Transitional provisions in the Benchmark Regulation may have the result that the administrator of a particular benchmark is not required to appear in the register of administrators and benchmarks at the date of the Final Terms. The registration status of any administrator under the Benchmark Regulation is a matter of public record and, save where required by applicable law, neither Issuer intends to update the Final Terms to reflect any change in the registration status of the administrator.";

- (b) the sub-section entitled "Forms of Final Terms – Part I – Applicable Final Terms for Issues by RBSG" on pages 81 to 89 shall be supplemented to include the following item on page 87, before the paragraph entitled "Third Party Information":

"29 Relevant Benchmark[s]: [[*specify benchmark*] is provided by [*administrator legal name*]][*repeat as necessary*]. As at the date hereof, [[*administrator legal name*][*appears*]/[*does not appear*]][*repeat as necessary*] in the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 (*Register of administrators and benchmarks*) of the Benchmark Regulation]/[As far as the Issuer is aware, as at the date hereof, [*specify benchmark*] does not fall within the scope of the Benchmark Regulation]/[Not Applicable]"; and

- (c) the sub-section entitled "Forms of Final Terms – Part II – Applicable Final Terms for Issues by RBS" on pages 90 to 98 of the Prospectus shall be supplemented to include the following item on page 96, before the paragraph entitled "Third Party Information":

"28 Relevant Benchmark[s]: [[*specify benchmark*] is provided by [*administrator legal name*]][*repeat as necessary*]. As at the date hereof, [[*administrator legal name*][*appears*]/[*does not appear*]][*repeat as necessary*] in the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 (*Register of administrators and benchmarks*) of the Benchmark Regulation]/[As far as the Issuer is aware, as at the date hereof, [*specify benchmark*] does not fall within the scope of the Benchmark Regulation]/[Not Applicable]".

Other Information

To the extent that there is any inconsistency between any statement in this 4th Supplementary Prospectus and any other statement in or incorporated by reference in the Prospectus, the statements in this 4th Supplementary Prospectus will prevail.

Save as disclosed in this 4th Supplementary Prospectus no other significant new factor, material mistake or 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 4th 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 4th Supplementary Prospectus or the Prospectus.