

SUPPLEMENTARY PROSPECTUS DATED 2 MARCH 2021



NatWest Markets Plc

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

£10,000,000,000

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 £10,000,000,000 Euro Medium Term Note Programme (the "**Programme**") established by NatWest Markets Plc (the "**Issuer**" or "**NatWest Markets**"). 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 NWM Group (as defined below);
- (b) following publication of the 2020 Annual Report and Accounts of NWM Group, update the statements of no significant change and no material adverse change;
- (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 relation to legal proceedings; and
- (f) 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 NWM Group (the "**2020 Annual Report and Accounts of NWM Group**"), which were published via the regulatory news service of the London Stock Exchange plc on 19 February 2021:

- (i) Strategic report on pages 3 to 27:
 - 2020 performance highlights on page 3;
 - Chief Executive's statement on pages 4 to 5;
 - Building a Purpose-led bank on page 6;
 - Our business and operations on page 7;
 - Supporting customers on pages 8 to 9;
 - Operating environment on pages 10 to 11;
 - Our colleagues on page 12;
 - Outlook on page 13;
 - Risk overview on pages 14 to 17; and
 - Board engagement with our stakeholders on pages 18 to 19; and
 - Climate-related disclosures on pages 20 to 27;
- (ii) Financial review on pages 28 to 33:
 - Presentation of information on page 28;
 - Performance overview on pages 28 to 28;
 - The impact of COVID-19 on page 29;
 - NWM Group business review on pages 30 to 32; and
 - Board of directors and secretary on page 33;
- (iii) Risk and capital management on pages 34 to 79:
 - Presentation of information on page 34;
 - Update on COVID-19 on page 34;
 - Risk management framework on pages 34 to 40;
 - Market risk on pages 41 to 46;
 - Capital, liquidity and funding risk on pages 47 to 52;
 - Credit risk on pages 53 to 70;
 - Pension risk on page 71;
 - Compliance & conduct risk on pages 71 to 72;
 - Financial crime risk on page 72;
 - Climate-related risk on page 73;
 - Operational risk on pages 73 to 74;
 - Model risk on pages 74 to 75; and
 - Reputational risk on page 75;

- (iv) Report of the directors on pages 76 to 78;
- (v) Statement of directors' responsibilities on page 79;
- (vi) Financial statements on pages 80 to 154:
 - Independent auditor's report on pages 81 to 88;
 - Consolidated income statement for the year ended 31 December 2020 on page 89;
 - Consolidated statement of comprehensive income for the year ended 31 December 2020 on page 89;
 - Balance sheet as at 31 December 2020 on page 90;
 - Statement of changes in equity for the year ended 31 December 2020 on page 91;
 - Cash flow statement for the year ended 31 December 2020 on page 92;
 - Accounting policies on pages 93 to 97; and
 - Notes on the accounts on pages 98 to 154;
- (vii) Non-IFRS measures on page 155;
- (viii) Risk Factors on pages 156 to 172; and
- (ix) Forward looking statements on page 173,

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 NatWest Group plc at investors.natwestgroup.com/regulatory-news/company-announcements and from the London Stock Exchange plc's website at 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 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 NWM 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 NWM Group has been published).

Save as disclosed in the sections entitled (a) "*Risks relating to the COVID-19 pandemic*" on pages 156 to 157 of the 2020 Annual Report and Accounts of NWM Group and (b) "*Risk and capital management – Credit risk*" on pages 53 to 70 of the 2020 Annual Report and Accounts of NWM Group, there has been no material adverse change in the prospects of NatWest Markets since 31 December 2020 (the last date to which the latest audited published financial information of the NWM Group was prepared).

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

The reference to the "Registration Document" in the paragraph titled "Forward-looking statements" on page vii of the Prospectus shall be deleted and replaced with a reference to the "2020 Annual Report and Accounts of NWM Group".

Updating the risk factors set out in the Prospectus

- (a) The first paragraph of the section entitled "*Risk Factors relating to the NWM Group*" set out on page 5 of the Prospectus shall be deleted and replaced with the following:

"Prospective investors should consider the section entitled "*Risk Factors*" at pages 156 to 172 in the 2020 Annual Report and Accounts of NWM Group as referred to in, and incorporated by reference into, this Prospectus."

- (b) The risk factor "*Change of law*" commencing on page 13 of the Prospectus shall be updated so that the second 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 NWM Group and its operating environment.*" on pages 159 to 160 of the 2020 Annual Report and Accounts of the Group, as referred to in, and incorporated by reference into, this Prospectus."

- (c) The risk factor "*The Notes may be written down or converted into ordinary shares*" commencing on page 11 of the Prospectus shall be updated so that the seventh sentence is deleted and replaced with the following:

"See further (i) "*NatWest Group (including NWM Group) may become subject to the application of UK statutory stabilisation or resolution powers which may result in, among other actions, the write-down or conversion of NWM Group entities' Eligible Liabilities.*" on page 165 of the 2020 Annual Report and Accounts of NWM Group and (ii) "*NWM Plc and/or its regulated subsidiaries may not meet the prudential regulatory requirements for capital.*" on pages 161 to 162 of the 2020 Annual Report and Accounts of NWM Group, each as referred to in, and incorporated by reference into, this Prospectus."

Updating the legal proceedings disclosure set out in the Prospectus

The section entitled "*Legal Proceedings*" on page 74 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 Markets and the NWM Group face, see the section entitled "*Litigation and regulatory matters*" in the "*Notes to the financial statements*" at pages 144 to 147 of the 2020 Annual Report and Accounts of NWM Group as referred to in, and incorporated by reference into, this Prospectus."

Legal Proceedings

Other than as referred to in the section "*Litigation and regulatory matters*" in the "*Notes to the financial statements*" at pages 144 to 147 of the 2020 Annual Report and Accounts of NWM 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 Supplementary Prospectus, a significant effect on the financial position or profitability of NatWest Markets and/or the NWM Group.

Information on Auditors and Financial Statements

The section entitled "*Auditors and Financial Statements*" on page 108 of the Prospectus shall be amended to include the following:

"The consolidated financial statements of NatWest Markets for the year ended 31 December 2020 have been audited by EY.

The financial information incorporated by reference in this Prospectus does not constitute the Issuer'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.