



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 "**2nd Supplementary Prospectus**") to the Prospectus dated 7 December 2021 (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 2nd Supplementary Prospectus. This 2nd Supplementary Prospectus is supplemental to, and should be read in conjunction with, the Prospectus and the documents incorporated by reference therein.

This 2nd 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 2nd 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 2nd Supplementary Prospectus. With effect from the date of this 2nd 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 2nd 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 2nd Supplementary Prospectus is to:

- (a) incorporate by reference into the Prospectus the NWG Q1 2022 IMS (as defined below);
- (b) following the publication of the NWG Q1 2022 IMS, update the statements of no significant change and no material adverse change for NatWest Group;
- (c) update the risk factors set out in the Prospectus; and

- (d) update certain information relating to legal proceedings.

Incorporation of Information by Reference

By virtue of this 2nd Supplementary Prospectus the unaudited Q1 2022 Interim Management Statement (excluding: (i) the row titled "*Pro forma CET I ratio, pre dividend accrual*" in, and footnote 7 to, the table under the heading "*Business performance summary*" on page 3) (the "**NWG Q1 2022 IMS**"), which was published via the regulatory news service of the London Stock Exchange plc on 29 April 2022 and 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://www.rbs.com> and from the London Stock Exchange plc's website at <https://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html>.

If a document which is incorporated by reference in the Prospectus by virtue of this 2nd 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 2nd 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 2nd 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 March 2022 (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) "*Outlook*" on page 51 of the 2021 Annual Report and Accounts of the Group, (b) "*Risk and capital management – Credit risk*" on pages 197 to 248 of the 2021 Annual Report and Accounts of the Group and "*The impact of the COVID-19 pandemic and related uncertainties continue to affect the UK, global economies and financial markets and NatWest Group's customers, as well as its competitive environment, which may continue to have an adverse effect on NatWest Group*" on page 406 of the 2021 Annual Report and Accounts of the Group and (c) "*Risk and capital management – Credit risk*" on pages 14 to 19 of the NWG Q1 2022 IMS, there has been no material adverse change in the prospects of NatWest Group since 31 December 2021 (the last date to which the latest audited published financial information of the Group was prepared).

Updating the risk factors set out in the Prospectus

The section entitled "*Risk Factors relating to Issuer*" set out on pages 7 to 9 of the Prospectus shall be updated to include the following at the end of the section:

"NatWest Group faces continued economic and political risks and uncertainty in the UK and global markets

The outlook for the global economy over the medium-term remains uncertain due to a number of factors including: the COVID-19 pandemic, societal inequalities and changes, trade barriers and the increased possibility of and/or continuation of trade wars, geopolitical tensions, widespread political instability (including as a result of populism and nationalism, which may lead to protectionist policies, state and privately sponsored cyber and terrorist acts or threats, efforts to destabilise regimes or armed conflict), energy prices, changes in inflation and interest rates (including negative interest rates), supply chain disruption, climate, environmental, social and other sustainability-related risks and global regional variations in the impact and responses to these factors.

These conditions could be worsened by a number of factors including macro-economic deterioration, increased instability in the global financial system and concerns relating to further financial shocks or contagion (for example, due to economic concerns in emerging markets), market volatility or fluctuations in the value of the pound sterling, new or extended economic sanctions, volatility in commodity prices or concerns regarding sovereign debt. This may be compounded by the changing demographics of the populations in the markets that NatWest Group serves, increasing social and other inequalities, or rapid change to the economic environment due to the adoption of technology and artificial intelligence. Any of the above developments could adversely impact NatWest Group directly (for example, as a result of credit losses) or indirectly (for example, by impacting global economic growth and financial markets and NatWest Group's customers and their banking needs).

In addition, NatWest Group is exposed to risks arising out of geopolitical events or political developments, such as exchange controls and other measures taken by sovereign governments that may hinder economic or financial activity levels. Furthermore, unfavourable political, military or diplomatic events, including secession movements or the exit of other member states from the EU, armed conflict (including the Russia/Ukraine conflict and related consequences for geopolitical stability, energy supply and prices, and cross-border financial transactions, including as a result of economic sanctions), pandemics and widespread public health crises (including the current COVID-19 pandemic and any future epidemics or pandemics), state and privately sponsored cyber and terrorist acts or threats, and the responses to them by governments and markets, could negatively affect the business and performance of NatWest Group, including as a result of the indirect effect on regional or global trade and/or NatWest Group's customers.

NatWest Group faces political uncertainty in Scotland, as a result of a possible second Scottish independence referendum. Independence may adversely impact NatWest Group since NatWest Group plc and other NatWest Group entities (including NWM Plc) are incorporated in Scotland. Any changes to Scotland's relationship with the UK or the EU would impact the environment in which NatWest Group and its subsidiaries operate, and may require further changes to NatWest Group's structure, independently or in conjunction with other mandatory or strategic structural and organisational changes which, any of which could adversely impact NatWest Group. The value of NatWest Group's financial instruments may be materially affected by market risk, including as a result of market fluctuations. Market volatility, illiquid market conditions and disruptions in the credit markets may make it extremely difficult to value certain of NatWest Group's financial instruments, particularly during periods of market displacement. This could cause a decline in the value of NatWest Group's financial instruments, which may have a material adverse effect on NatWest Group's results of operations in future periods, or inaccurate carrying values for certain financial instruments.

In addition, financial markets are susceptible to severe events evidenced by rapid depreciation in asset values, which may be accompanied by a reduction in asset liquidity. Under these conditions, hedging and other risk management strategies may not be as effective at mitigating trading losses as they would be under more normal market conditions. Moreover, under these conditions, market participants are particularly exposed to trading strategies employed by many market participants simultaneously and on a large scale, increasing NatWest Group's counterparty risk. NatWest Group's risk management and monitoring processes seek to quantify and mitigate NatWest Group's exposure to more extreme market moves. However, severe market events have historically been difficult to predict and NatWest Group could realise significant losses if extreme market events were to occur.

Any of the above may have a material adverse effect on NatWest Group's business, results of operations and outlook."

Updating the legal proceedings disclosure set out in the Prospectus

The section entitled "*Description of the Issuer – Legal Proceedings*" set out on page 100 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:

- (i). the section entitled "*Litigation and regulatory matters*" in the "*Notes*" to the consolidated financial statements" on pages 369 to 374 of the 2021 Annual Report and Accounts of the Group; and
- (ii). the section entitled "*Litigation and regulatory matters*" in the "*Notes*" at page 32 of the NWG Q1 2022 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 and regulatory matters*" in the "*Notes*" at pages 369 to 374 of the 2021 Annual Report and Accounts of the Group and (ii) the section entitled "*Litigation and regulatory matters*" in the "*Notes*" at page 32 of the NWG Q1 2022 IMS, 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 2nd Supplementary Prospectus, a significant effect on the financial position or profitability of the Issuer or the Group.

Other Information

To the extent that there is any inconsistency between any statement in this 2nd Supplementary Prospectus and any other statement in or incorporated by reference in the Prospectus, the statements in this 2nd Supplementary Prospectus will prevail.

Save as disclosed in this 2nd 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 2nd 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 2nd Supplementary Prospectus or the Prospectus.