

SUPPLEMENTARY PROSPECTUS DATED 18 FEBRUARY 2022



NatWest Markets Plc

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

£15,000,000,000

Euro Medium Term Note Programme

This supplement (the "**1st 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 £15,000,000,000 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 2021 Annual Report and Accounts of NWM Group (as defined below);
- (b) following publication of the 2021 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 in 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 2021 annual report and accounts of the NWM Group (the "**2021 Annual Report and Accounts of NWM Group**"), which were published via the regulatory news service of the London Stock Exchange plc on 18 February 2022:

- (i) Strategic report on pages 1 to 33:
 - 2021 performance highlights on page 1;
 - Our purpose framework on pages 2 to 3;
 - Chief Executive's review on page 4;
 - Outlook on page 5;
 - Our business model on pages 6 to 7;
 - Our strategy on pages 8 to 9;
 - Operating environment on pages 10 to 11;
 - Risk management on pages 12 to 15;
 - Our stakeholders on pages 16 to 19;
 - Our colleagues on page 20;
 - Learning and enterprise on page 21; and
 - Climate-related disclosure on pages 22 to 33;
- (ii) Financial review on pages 36 to 41:
 - Presentation of information on page 36;
 - Performance overview on page 37;
 - NWM Group business review on pages 38 to 40; and
 - Board of directors and secretary on page 41;
- (iii) Risk and capital management on pages 42 to 88:
 - Presentation of information on page 42;
 - Update on COVID-19 on page 42;
 - Risk management framework on pages 42 to 50;
 - Market risk on pages 51 to 56;
 - Capital, liquidity and funding risk on pages 57 to 62;
 - Credit risk on pages 63 to 82;
 - Pension risk on page 83;
 - Compliance & conduct risk on pages 83 to 84;
 - Financial crime risk on pages 84 to 85;
 - Climate risk on pages 85 to 86;
 - Operational risk on pages 86 to 87;
 - Model risk on page 87; and
 - Reputational risk on page 88;
- (iv) Report of the directors on pages 89 to 92;
- (v) Statement of directors' responsibilities on page 93;

- (vi) Financial statements on pages 94 to 177:
 - Independent auditor's report on pages 95 to 104;
 - Consolidated income statement for the year ended 31 December 2021 on page 105;
 - Consolidated statement of comprehensive income for the year ended 31 December 2021 on page 105;
 - Balance sheet as at 31 December 2021 on page 106;
 - Statement of changes in equity for the year ended 31 December 2021 on page 107;
 - Cash flow statement for the year ended 31 December 2021 on pages 108 to 109;
 - Accounting policies on pages 110 to 114; and
 - Notes on the accounts on pages 115 to 177;
- (vii) Non-IFRS measures on page 178;
- (viii) Risk Factors on pages 179 to 200; and
- (ix) Forward looking statements on page 201.

which has been (1) previously published and (2) filed with the Financial Conduct Authority, and 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 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 NWM Group taken as a whole since 31 December 2021 (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) "Risk and capital management – Credit risk" on pages 63 to 82 of the 2021 Annual Report and Accounts of NWM Group and (b) "The impact of the COVID-19 pandemic and related uncertainties continue to affect the UK, global economies and financial markets and NWM Group's customers, as well as its competitive environment, which may continue to have an adverse effect on NWM Group" on page 179 of the 2021 Annual Report

and Accounts of NWM Group, there has been no material adverse change in the prospects of NatWest Markets since 31 December 2021 (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" commencing on page v of the Prospectus shall be deleted and replaced with a reference to the "2021 Annual Report and Accounts of NWM Group".

Updating the risk factors set out in the Prospectus

The first paragraph of the section entitled "Risk Factors relating to the NWM Group" set out on page 4 of the Prospectus shall be deleted and replaced with the following:

"Prospective investors should consider the section entitled "Risk Factors" at pages 179 to 200 in the 2021 Annual Report and Accounts of NWM Group 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 73 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" at pages 167 to 171 of the 2021 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 entitled "*Litigation and regulatory matters*" in the "Notes" at pages 167 to 171 of the 2021 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 1st 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 107 of the Prospectus shall be amended to include the following:

"The consolidated financial statements of NatWest Markets for the year ended 31 December 2021 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 2021 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 2021 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.