



NatWest

Environmental and Social Risk

13th February 2026

Environmental and Social Risk Concerns

We recognise that the activities of our customers may have environmental and social (E&S) impacts – including polluting activities and the potential for human rights violations. E&S risk management forms part of NatWest Group’s overall Reputational Risk Policy and requires enhanced due diligence to be performed for customers in scope of our E&S Risk Acceptance Criteria.

To manage E&S risks, we have developed Risk Acceptance Criteria (RAC) for sectors which present heightened E&S risk and define the level of E&S risk the bank is prepared to accept.

The E&S Risk Framework supports our ongoing work for our risk appetites and practices to be informed and guided by the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct. We expect all customers to comply with all applicable laws, regulations, and licencing conditions relevant to their operations.

Context

The E&S Risk Concerns process ensures that E&S risk is identified and managed for customers and transactions in sectors which are not covered by specific E&S Risk Acceptance Criteria.

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We expect and encourage our customers to demonstrate commitment and compliance to mitigating E&S risk through:

- Having in place policies and plans which demonstrate a good understanding of E&S issues
- Demonstrating the capacity to manage these risks through good governance and controls
- A positive track record of managing ESE risks
- A commitment to transparency.

Customers undergo enhanced due diligence by a specialist team where there is evidence that an E&S Risk Concern may be present. A decision will be made whether the risk falls within **Prohibited or Restricted** risk category. We do not support customers and/or transactions involved in prohibited activities.

E&S Risk Concerns include, but are not limited to, customers or transactions where there is recent evidence (last three years) of one or more of the following issues:

- Major or sustained environmental or socially related campaigns against a company – e.g. in sectors such as chemicals, tobacco, pharmaceuticals, or companies associated with controversial projects.
- Major environmental or social incidents or fines, e.g. a pollution event or a mine explosion, or companies with a poor health and safety record, particularly repeated non-compliance with environmental or health & safety legislation.
- Transactions involving trade of goods with heightened environmental or health and safety risk such as hazardous/explosive chemicals or gases.