

# Environmental, Social and Ethical Risk



NatWest  
Group

## Gambling

## Risk Acceptance Criteria



# Gambling Sector

We recognise that the activities of our customers can have environmental, social and ethical (ESE) impacts – including polluting activities and the potential for human rights infringements. ESE risk forms part of NatWest Group’s overall Reputational Risk Policy and requires enhanced due diligence to be performed for certain customer relationships, transactions, activities and projects. To manage these risks, we have developed Risk Acceptance Criteria for sectors which present heightened ESE risk and define the level of ESE risk the bank is prepared to accept.

The ESE Risk Framework supports our long-term, ongoing work for our 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.

## Scope

The ESE Risk Framework applies to all legal entities within the Group for the onboarding of non-personal customers for the purposes of providing lending or loan underwriting services and applies to the management of ESE risk throughout these customers lifecycles.

## Context

NWG only supports responsible gambling. We recognise that gambling is considered to be a leisure activity for many people, however we also recognise that it can be associated with addiction and other harmful outcomes for a minority.

We consider customer relationships carefully and will only do business with companies who are committed to the highest level of customer care and place safer gambling at the forefront of their operations and strategy. We expect them to achieve, or be working towards achieving the GamCare Safer Gambling Standard Advanced Level 2 accreditation by the end of 2024.

We are also committed to supporting our customers. We offer a gambling blocking feature via our mobile app which allows customers to self-exclude and lock their card so that it can’t be used on gambling sites. We have partnered with the Money Advice Trust to provide training to specialist colleagues on vulnerabilities, including gambling addiction.

NWG works with UK gambling charity, GamCare, to enable them to provide one to one support using NatWest branches for private consultations and to provide a range of talking therapies. We have a dedicated Customer Protection Team which connects customers affected by gambling-related harm with expert support via our GamCare partnership.

Where material concerns relating to human rights violations <sup>[1]</sup> are identified, including with respect to the salient human rights issues <sup>[2]</sup> identified by NatWest Group, we will engage with the customer to understand the actions they have taken to cease and remediate and prevent future violations.

This document summarises our ESE Risk Acceptance Criteria for the Gambling sector.

## Prohibited

- Evidence <sup>[3]</sup> of human rights violations <sup>[1]</sup> where the customer is unable to demonstrate that it has taken any action to cease, remediate, prevent and/or mitigate, as appropriate, the relevant violation.
- Customers who have not achieved, or not are working towards achieving the GamCare Safer

Gambling Standard Advanced Level 2 by the end of 2024.

- The provision of banking services to any gambling company operating in jurisdictions where gambling is not legal.
- Online Gambling Operators who are not in scope of the United Kingdom or Republic of Ireland licensing regimes (including Alderney or Gibraltar).
- Unlicensed operators where a licence is required.
- Junket Operators.
- Evidence of serious breaches of regulations or licence conditions including financial crime and social responsibility clauses.

## Restricted

- Evidence <sup>[3]</sup> of human rights violations <sup>[1]</sup> where the customer is able to demonstrate that it has taken action to cease, remediate, prevent and/or mitigate, as appropriate, the relevant violation within a timeframe which is acceptable to the bank.
- Beneficial Owners/Company Directors of Online Gambling Operators or land-based casinos where the underlying gambling operator is undertaking prohibited activity, subject to investigations or is the subject of adverse media.
- Professional gamblers who are subject of on-going investigation or adverse press.
- Provision of banking services to companies / entities operating North American Tribal Gaming.
- Introducers to gambling websites (currently exempt from the Gambling Commissions licensing scheme) should have or be working towards achieving social responsibility accreditation such as GamCare or other industry equivalent where it exists.
- Land-based casinos undertaking Money Service Business activity.

## Normal

- No evidence <sup>[3]</sup> of human rights violations <sup>[1]</sup>.
- Provision of banking services to gambling operators where none of the above applies and no material issues have been identified during the annual review process.

## Glossary

Item	Definition
1. Human rights violation	A violation of any right which is inherent to all human beings, regardless of race, sex, nationality, ethnicity, language, religion or any other status.
2. Salient human rights issues	The United Nations Guiding Principles Reporting Framework defines salient human rights issues as those rights that are at risk of the most severe negative impact through a company's activities or business relationships. NatWest Group's 'Salient Human Rights Issues' can be found at <a href="https://www.natwestgroup.com/sustainability/governance-and-responsible-business/human-rights-and-modern-slavery.html">https://www.natwestgroup.com/sustainability/governance-and-responsible-business/human-rights-and-modern-slavery.html</a>
3. Evidence	A finding of a human rights violation by a government (including a government agency), supervisory authority, national or international court or multinational development agency.