Trust is the real technology story

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Trust must be earned

As technology becomes more capable and customer interactions more complex, trust will become a more important source of competitive advantage. But trust cannot simply be claimed. It will be earned repeatedly through the quality of the experience customers receive, the outcomes delivered and the protections they can see around them.

Our previous chapters have considered the first part of the trust equation, looking at how AI can deliver a better experience. But trust also requires customers to be confident that AI is being used safely, responsibly and in their interests.

Customers are clear about what builds that confidence. 77% of customers surveyed by NatWest say complete reliability is vital or very important, while 76% want clear, understandable explanations. And 63% value services that give them confidence that their finances are organised and their money is where it should be.

Together, these point to a straightforward requirement: consistent delivery, effective resolution when things go wrong and outcomes that leave customers better off.

76%
want transparency about when AI is being used

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77%
want to understand how their data is handled

As technology plays a greater role, customers also expect greater visibility. 76% want transparency about when AI is being used and 77% want to understand how their data is handled, with the human accountability discussed in Chapter One.

Banks have long operated in an environment where trust, governance and accountability are fundamental requirements. They manage highly sensitive information, operate within complex regulatory frameworks and are responsible for decisions that can have a significant impact on customers' financial wellbeing.

Many of the capabilities required for responsible AI adoption are already deeply embedded within banking organisations.

The importance that customers place in the trustworthy use of AI and the systems that ensure trustworthy use, underline the central role trust will play in the story of AI and growth. The UK's AI opportunity will be determined not just by who adopts AI, but by whether the country creates the conditions for responsible, trustworthy adoption at scale.

The wider conditions for trusted adoption

Regulatory environment

No single organisation can build trust alone, and customers do not expect businesses to mark their own homework on something as important as AI. NatWest's research found that three-quarters of Retail customers believe strong oversight by independent regulators is important to building confidence in AI banking services.

Recent FCA research reinforces why this matters. Among younger investors, trust in AI is already relatively high, but understanding of the protections around AI is less well developed. More than half (56%) said they trust AI tools, yet 44% mistakenly believed AI-generated financial information was regulated.

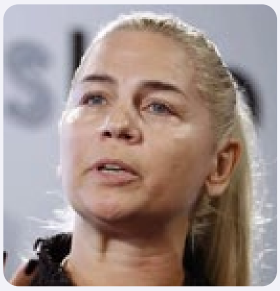
Effective regulation has an important role to play in creating the confidence needed for organisations to adopt AI responsibly while giving customers confidence in how it is being used. NatWest is actively contributing to this through its work with the Financial Conduct Authority, including the FCA's AI Live Testing initiative.

Regulation will need to evolve as adoption accelerates. The Mills Review highlights important considerations around competition, customer switching and financial stability, alongside the potential for growing differences between firms operating inside and outside the regulatory framework. The challenge will be ensuring innovation can thrive while maintaining consistent protections and a level playing field.

Cyber security and resilience

AI is creating new security challenges that extend beyond any individual organisation. Frontier AI models are increasing the speed, scale and sophistication of fraud and cyber threats, lowering barriers to sophisticated attacks and accelerating the discovery of vulnerabilities. For regulators and government, the challenge has shifted from regulating individual technologies to creating confidence in entire AI ecosystems.

The conversation is increasingly moving beyond the risks faced by individual organisations to questions about the resilience of the wider system and the capabilities needed to support it over the long term. This is a matter of national interest, requiring collaboration across industry, regulators and government, alongside continued investment in UK AI capability through initiatives such as Lumen Sovereign with Cosine.



"The most exciting AI developments are still ahead of us. Success will not be determined by who adopts AI fastest, but by who adopts it most thoughtfully. Our role is to understand emerging technologies and carry out cutting-edge research that addresses real customers needs so we can earn the trust that allows innovation to scale."

Dr Maja Pantic, Chief AI Research Officer

How NatWest is building trust in its use of AI

"At NatWest, our mandate is clear: to set the standard for responsible AI in financial services. As AI reshapes the economy, governance is not an afterthought – it is the foundation of innovation. We are embedding AI governance directly into our technology, committing to action and transparency, so we can continue building trusted relationships with our customers."

Dr Paul Dongha, Head of Responsible AI and AI Strategy

Trust through action

- **Specialist teams:** Dedicated Responsible AI team which oversees the bank's AI strategy, governance and risk management. NatWest's Chief AI Research Office is focused on research into cutting-edge capabilities that support security and sustainability in the future.
- **Clear standards and accountability:** An AI Ethics Code of Conduct, board-level oversight and a network of more than 150 AI Ethics Advocates embedded across the organisation, helping to ensure responsible AI considerations are built into day-to-day decision-making.
- **Robust controls:** New AI applications undergo oversight from risk, legal, privacy, security and model governance teams to help ensure they are safe, transparent and appropriate.
- **Security from the outset through Agentic X:** Through initiatives such as Agentic X, NatWest is embedding increased security, compliance and risk controls directly into AI workflows, helping new capabilities scale safely and efficiently.
- **Continuous monitoring and control:** The AI Control Tower is being developed to provide ongoing oversight of AI systems after deployment, while centralising the monitoring of large language model activity – helping manage emerging risks and strengthening visibility across the organisation. An important next step will be how this evolves for the wider emerging agentic ecosystem beyond NatWest.
- **Modernised and trusted data is a critical enabler:** The bank has invested in ensuring its data is high-quality, well-governed and accessible to help deploy AI more effectively, improving decision-making and delivering better outcomes for customers and colleagues.
- **Collaboration and oversight:** NatWest works closely with regulators and policymakers as AI adoption evolves, supported by board-level oversight of AI strategy and governance.

Trust through transparency

For further information on AI and Data Ethics Code of Conduct

NatWest's approach is set out in its AI and Data Ethics Code of Conduct, which provides a framework for how AI is developed and used while continuing to evolve alongside technology, regulation and customer expectations.

NatWest AI and Data Ethics Code of Conduct

- **Put people and accountability at the centre:** AI can support decisions and interactions, while appropriate human oversight and accountability remain in place.
- **Protect customers and their data:** AI should be secure, resilient and designed to protect customers' money, identity, privacy and information.
- **Promote fairness and avoid discrimination:** AI should support fair outcomes and be developed and used in ways that recognise and address potential bias.
- **Enable transparency and informed use:** customers and colleagues should be able to understand how AI is being used and have appropriate routes to challenge or seek human support where needed.
- **Support responsible governance:** AI should be subject to clear standards, controls and oversight throughout its development and use.