



Section 172(1) of the Companies Act 2006

Section 172(1) of the Companies Act 2006 is one of the statutory duties that directors have and requires them to promote the success of the company for the benefit of shareholders as a whole while taking into account the interests of other stakeholders and, in so doing, have regard to the matters set out in Section 172(1)(a) to (f) of the Companies Act 2006. Certain companies within the NatWest Group need to include a statement (a Section 172(1) Statement) within their Annual Report explaining how the directors have had regard to these matters.

The Section 172(1) Statements for the following subsidiaries can be accessed or viewed below.

- NatWest Holdings Limited
- National Westminster Bank Plc
- The Royal Bank of Scotland plc
- NatWest Markets Plc
- [Ulster Bank Limited](#)
- [Coutts and Company](#)
- [Coutts Finance Co.](#)
- [RBS Collective Investments Funds Limited](#)
- [FreeAgent Central Limited](#)
- [NatWest Trustee and Depositary Services Limited](#)
- [Lombard Business Leasing Limited](#)
- [JCB Finance Limited](#)
- [Lombard North Central PLC](#)
- [Lombard Finance Limited](#)
- [Lombard Lessors Limited](#)
- [Lombard Maritime Limited](#)
- [RBS Invoice Finance Limited](#)
- [RBS AA Holdings \(UK\) Limited](#)
- [Lombard Technology Services Limited](#)
- [Care Homes Holdings Limited](#)
- [Care Homes 2 Limited](#)

NatWest Holdings Limited - 2021

Please see the [2021 Annual Report and Accounts](#)

National Westminster Bank Plc - 2021

Please see the [2021 Annual Report and Accounts](#)

The Royal Bank of Scotland plc - 2021

Please see the [2021 Annual Report and Accounts](#)

NatWest Markets Plc - 2021

Please see the [2021 Annual Report and Accounts](#)

Ulster Bank Limited - 2021

Stakeholder engagement and s.172(1) statement

This statement describes how the directors have had regard to the matters set out in section 172 (1) (a) to (f) of the Companies Act 2006 (section 172) when performing their duty to promote the success of the company.

Board engagement with stakeholders

The Board's key stakeholder groups for the purposes of section 172 remained customers, colleagues, communities, regulators and suppliers. References to "colleagues" in this Report mean all members of the workforce (for example, contractors and agency workers).

Relevant stakeholder interests were considered by the Board and management (as appropriate) during the planning and implementation of the transfer of the Bank's business to NatWest Bank in 2021. This included regular liaison with regulators and social partners and communications with colleagues and customers. For colleagues, communications were leader led supported by central written messaging. Core throughout was facilitating two-way dialogue, allowing colleagues to provide feedback and ask questions.

Further information on how NatWest Group (which includes UBL) engages with its stakeholders can be found in the NatWest Group 2021 Annual Report and Accounts and at natwestgroup.com.

Supporting effective Board discussions and decision making

Board and Committee Terms of Reference reinforce the importance of considering both NatWest Group's purpose and the matters set out in section 172 in Board discussions and decision-making. Board and Committee paper templates include a section for authors to explain how the proposal or update aligns with NatWest Group's purpose and a separate section for them to include an assessment of the relevant stakeholder impacts for the directors to consider.

Directors are mindful that it is not always possible to achieve an outcome which meets the requirements, needs and/or expectations of all stakeholders who are, or may be, impacted.

Principal decisions

Principal decisions are those decisions taken by the Board that are material, or of strategic importance, to the company, or are significant to the company's key stakeholders. Below is an example of a principal decision taken during 2021.

On 12 November 2020, NatWest Group plc announced that it proposed to simplify the way it conducted its business in Northern Ireland by transferring the banking business of UBL to NatWest Bank under a Banking Business Transfer Scheme pursuant to Part VII of the Financial Services and Markets Act 2000 (the "Scheme"). The UBL Board had, in April 2020, established a Board Committee (the "Committee") to approve the transfer of the business of UBL to NatWest Bank and any related documentation.

The Committee met in 2020 to provide certain approvals in connection with the first court hearing in respect of the Scheme. In 2021, the Committee met and provided various approvals in connection with the final court hearing in respect of the Scheme. The Committee received a comprehensive paper which detailed the documents being presented for approval and the internal and external reviews that had been undertaken in advance. The paper also outlined the key dates and activities which would follow the Committee meeting including the date of the final court hearing, timing for customer and colleague communications and the Scheme effective date. On 4 May 2021, NatWest Group plc announced that the Scheme had taken effect on 3 May 2021.

Following the transfer of the Bank's business to NatWest Bank, certain changes were made to simplify the Bank's corporate governance arrangements. These included, with effect from 29 July 2021, the non-executive directors of the Bank stepping down from the Board and all Board Committees being stood down. The Chairman, CEO and CFO remain on the Board to provide continuity and oversee transitional matters. Further details on these corporate governance changes can be found in the Report of the directors on page 3 of UBL Annual Report & Accounts 31 December 2021.

Coutts and Company - 2020

For the financial year ended 31 December 2020 the Bank has chosen to report against the Wates Corporate Governance Principles for Large Private Companies, published by the Financial Reporting Council (FRC) in December 2018 and available on the FRC website (the Wates Principles). The disclosures below explain how the Bank has applied the Wates Principles in the context of our corporate governance arrangements.

The priorities for 2020 agreed by the Board support Our Purpose – *"We champion potential, helping people, families and businesses to thrive"* – and reflect the Bank's vision to be the best Private Bank for the UK. These objectives include a continued focus on promoting stakeholder voices in the boardroom.

Principal stakeholders in 2020 remained those previously identified by the Board – namely the Bank's clients, colleagues and shareholder, as well as suppliers, business partners and the local communities in which we operate. Three of these stakeholder groups provide the core metrics on which the Bank's performance is measured – namely client satisfaction (measured through NPS), colleague sentiment (measured through regular 'Our View' staff surveys), and shareholder returns (measured through RoE).

The level of engagement across these stakeholder groups intensified significantly during 2020 in response to the coronavirus pandemic. Whilst COVID-19 posed a range of significant challenges, the Bank's focus on its stakeholders and its over-arching purpose helped guide our response. Both NPS and colleague feedback scores reached record highs during the year. More details are provided below, in the various sections covering the Bank's different stakeholder groups.]

This section of the Strategic report describes how the directors have had regard to the matters set out in section 172(1) (a) to (f) and forms the directors' statement required under section 414CZA of The Companies Act 2006.

Board training and support on s.172(1) duties

Directors are supported in the discharge of their duties by the Company Secretary. All directors receive guidance on their statutory duties, including on section 172(1), and receive regular ‘teach-ins’ on relevant topics outside of formal Board meetings. The Bank, as part of the NatWest Group, maintains an ongoing focus on stakeholder considerations; this is encouraged through templates for formal Board and Committee papers that require stakeholder considerations to be identified.

Clients

Meeting the needs of clients is central to the Bank’s long-term success and is a constant feature of Board discussions and decisions. Client Net Promoter Scores are regularly reviewed by the Board and Executive Committee, and represent a key performance metric. Whilst the ability of the directors to meet clients was severely curtailed on account of the pandemic, the Bank intensified its client communications to support and inform clients throughout the year. Directors also participated in virtual sessions with clients. These included a series of “Coutts in Conversation” events, led by the Chairman, involving distinguished external speakers engaging with Coutts clients on topics of current interest.

The Bank also operates a Client Council, bringing together circa 700 clients from across the spectrum of our client base. Through the Client Council the Bank undertakes research several times a year to better understand clients’ views and to help the Bank evolve in line with clients’ needs. For instance, during 2020 13 members of the Client Council participated in a pilot scheme between the Bank and CoGo to measure their carbon footprint.

Entrepreneur Month events and interaction with NWB accelerator hubs provided support for circa 2,500 entrepreneurs in the year. We are also partnering with the British Growth Fund (BGF) to establish a UK Enterprise Fund.

COVID-19 has inevitably had a significant impact on our clients. As a Bank we are proud to have assisted our clients through this turbulent period through participation in government backed lending schemes, which have seen advances of over £315 million across the various categories, and by implementing payment deferrals for our clients where appropriate.

Colleagues

Our colleagues

As at 31 December 2020, NWB had seconded 1,724 colleagues to the Group (2019 – 1,584) (full time equivalent basis, including temporary workers). Details explaining the increase in staff numbers and their related costs are included in note 3 to the consolidated accounts.

Engaging our colleagues

A highly engaged workforce is crucial in helping the Bank to achieve its vision to be the best Private Bank for the UK. To achieve this the Bank is striving to ensure it is a really great place to work.

Twice a year our colleagues are asked to share their views on what it is like to work for the Bank via a collective opinion survey. This year has been slightly different in that, as well as the main survey, we undertook several ad hoc pulse surveys in response to COVID-19. Most experiences have been positive, with the Bank enabling colleagues to work from home and encouraging flexible working. However, for some of our colleagues this has been a challenging time, particularly with physical and mental health and overall wellbeing. The main survey shows that our handling of the pandemic has helped to increase engagement levels to an all-time high. We are now ahead of benchmark GFS on all key measures.

During the COVID-19 pandemic we acted quickly to implement practical support for colleagues, and it remains imperative that we have the right support and channels available to our colleagues to help them recover and ultimately thrive throughout these challenging times. We have focused on ensuring that colleagues working from home have appropriate equipment, including laptops, mobile phones and furniture such as desks and chairs. In addition, we have temporarily moved colleagues with transferable skills to support our clients and cover workloads of colleagues, such as those required to self-isolate or with caring responsibilities, and we have adjusted our policies where necessary to support our colleagues and ensure that they are aware of the practical and emotional wellbeing support in place across the Bank.

Colleague voice

The Board promotes colleague voice in the boardroom through a variety of channels, including the operation of an 'open chair', which provides the opportunity for junior colleagues to attend board and committee meetings. The Bank established a People Council in 2018 to represent colleagues at all levels, and to act as custodian of the Bank's culture plan. The Council is made up of circa 50 colleagues from across all parts of the Bank and is instrumental in shaping the agenda following the outputs of colleague surveys. It also provides an opportunity for the Bank's Executive Committee and Board to engage directly with colleagues and hear first-hand about what it is like to work for the Bank, what is working well, where we could improve, and any challenges we face. Regular meetings are held with the Co-Chairs of the Council and the Chairman.

Colleague consultation

The Bank's work with the People Council and the Respect, Diversity & Inclusion Council (RD&I Council) is further supplemented by NatWest Group's colleague listening strategy. A NatWest Colleague Advisory Panel (made up of circa 30 colleagues, including representation from trade unions, works councils, colleague volunteers and colleague-led networks from across the NatWest Group) was established in 2018 and allows direct input from colleagues on a range of issues. The outputs of these sessions are also shared with the Bank.

Speak Up

One of the ways colleagues can report any concerns relating to wrong-doing or misconduct is by raising their concerns via Speak Up, NatWest Group's independent whistleblowing service. The 2020 colleague opinion survey showed the highest ever score when asking colleagues if they feel safe to speak up, as well as understanding the process of how they do that. In 2020 21 cases, which relate to the Bank (2019 - 27), were reported to Speak Up, and 19 of those were deemed as qualifying cases. All cases related to colleague conduct. No systemic issues were identified.

Building a healthy culture

The Board views building a high performing and healthy culture as essential to the Bank's long-term success. The Bank's culture plan focusses on becoming a purpose led organisation, helping people, families and businesses to thrive. It is underpinned by the Bank's vision to be the best Private Bank for the UK and by 'Our Values'. Our Values guide the way we serve our clients, how we work together and manage and mitigate risk. They help us to focus on the long term rather than the short term. 92% of colleagues tell us that Our Values and Purpose guide them every day, this is the highest ever score in this area.

Data from NatWest Group's participation in the Banking Standard Board (BSB) annual independent culture assessments supports improving colleague sentiment and the building of a healthy culture.

Data from the 2020 survey shows we have continued to make good progress, improving in the majority of BSB categories, remaining static in one but not declining in any category. Key measures of Honesty, Accountability and Reliability improved by 2 points.

The Bank also maintains a risk culture plan, aligned to the NatWest Group's target of achieving a generative risk culture whereby "risk is simply part of the way people work and think".

Rewarding our colleagues

Individual performance objectives are clearly linked to our vision and strategy. We take a balanced approach to managing performance that is linked to reward. This includes the conduct and behaviour of individuals in addition to financial performance. Delivering for our clients is key, as is the management of risk. This balanced approach to reward recognises both what the individual has achieved and how they have achieved it. The overall contribution is underpinned by Our Values, and we hold colleagues and leaders to account for performance and behaviours, both of themselves and their team.

Health and wellbeing of our Colleagues

Part of our culture plan is 'Our Way of Life'. We believe that the wellbeing of colleagues forms a large part of making the Bank a great place to work. As an employer we want to make sure our colleagues have the right support to be healthy and happy at work and feel able to bring their whole self to work.

Within the Bank we have a network of over 100 Wellbeing Ambassadors. They are there for colleagues to reach out to and can provide practical support and advice. The Bank has a programme of events throughout the year that focus on physical, mental and financial wellbeing with a host of resources and tool kits available to colleagues.

2020 has brought significant change for our colleagues, with the majority working from home as a result of restrictions introduced because of the COVID-19 pandemic, and many are continuing to live with local and regional lockdowns. These are challenging and anxious times for everyone. In response, in addition to its Employee Assistance Programme, the Bank has expanded its suite of wellbeing support with the launch of SilverCloud, our new wellbeing programme that provides a range of support with COVID-19 concerns, sleep, mindfulness, resilience and anxiety.

Developing our colleagues

At the heart of our culture plan is 'Our Potential'. We believe everyone has the ability to grow, and the right to be supported to reach their potential. We invest in the future with ongoing coaching, training, support and encouragement. Every colleague has a personal development plan, and core requirements for Continued Professional Development are mandatory. 100% of our frontline advisors hold professional qualifications and 100% of our frontline support colleagues qualify in their first 18 months in the Bank.

Our focus in 2020 has been on personal resilience and team effectiveness during times of change, supporting our leaders to lead effectively through this complex time.

Youth employment

In September 2020 we welcomed 12 graduates into our graduate schemes, plus 11 interns on a 4-week virtual programme given the circumstances around COVID-19. Gender balance and diversity are critical for these schemes in order to support a balanced workforce for the future. In 2020 we had above 50% BAME representation on all early career programmes including insight weeks,

apprenticeships, internships and graduate schemes. Gender balance was above 50% representation for female hires on all programmes except apprentices (30%) and insight weeks (30%).

To support an inclusive workforce and social mobility we hold two insight weeks per year to encourage young people from all backgrounds, genders and ethnicities to come along and find out about career options within the Bank. In addition, this year we took part in the social mobility apprenticeship scheme where we partner with Leadership in Sport to take 10 apprentices from less privileged backgrounds onto apprenticeship schemes. We have also signed up to the 100 Black Interns initiative to get more Black people into the Investment Management Industry, and we intend to take on three Black interns in 2021 through this initiative.

Employment of people with disabilities

Within NatWest Group we have a network called Enable that is dedicated to making sure we are fully inclusive and that everyone is valued as an individual, regardless of disability.

In line with NatWest Group policy, the Bank ensures that prospective candidates with disabilities are considered for employment. Once they become a colleague we are committed to their training, career development and promotion based on merit. If a colleague becomes disabled during their career, it is the Bank's policy, wherever possible, to retain them in their existing role or to re-deploy to a more suitable role. Training is available for all line managers to help raise disability awareness across the Bank.

Inclusion

We know that more diverse and inclusive organisations perform better – inclusivity is not only the right thing to do but there is a strong business case for it. This year has seen a spotlight put on inclusion, particularly for our Black colleagues. This follows the events that happened in the US and the impact of the Black Lives Matter movement in the UK. Several listening events were held by the Ethnicity network and supported by senior colleagues. This resulted in a BAME Inclusion Plan that outlines the actions we are taking to improve diversity and inclusion. This plan underpins the NatWest Group's 10 commitments to improving diversity and inclusion following a report from a BAME task force – 'Banking on Racial Equality – a roadmap for positive change.'

Our vision to be the best Private Bank for the UK is dependent on having the best people that reflect our client base and wider society. It is therefore essential that we continue to build a diverse and inclusive organisation. This means that everyone has a seat at the table and everyone's voice is heard. We have a strong and active Respect, Diversity & Inclusion (RD&I) Council that is led by a group of colleagues who do a great job at all levels. The strands of the RD&I Council include faith, disability, ethnicity, age, gender, LGBT+ and social mobility.

The Board monitors diversity and inclusion on a quarterly basis to check progress against key measures. Internal policies such as on recruitment and promotion support this agenda. The overall aim is to have a fully gender balanced workforce by 2030 and that 14% of senior roles will be held by BAME colleagues by 2025. The latest data demonstrates good progress towards both targets over the last two years: Females at the top 3 levels of the organisation has increased from *25% to 33.6% (as at 31 December 2020) and BAME colleagues in the top 4 levels of the organisation have increased from *7% to 10.9% (as at 31 December 2020). Both targets remain a top priority on the people agenda, as we build a fully inclusive organisation.

Gender and Ethnicity pay gap data now forms part of NatWest Group's reporting: these are determined by the legal entity employer.

*Data relates to Wealth Businesses, including Coutts.

Community, Environment and Sustainability

We have a long and distinguished history of supporting philanthropic causes, derived from the work of Angela Burdett-Coutts. Angela was a progressive 19th century philanthropist who was concerned with breaking cycles of poverty, and the provision of basic human need. The Bank draws on this legacy in its support for the Coutts Charitable Foundation (the Foundation). Set up in 2013, the Foundation was established to support sustainable solutions that tackle the causes and consequences of poverty. The core focus of the Foundation is supporting women and girls in the UK.

In addition to supporting the Foundation, the Bank supports our communities in a variety of ways, recognising that our support this year was even more critical than usual given the impact of COVID-19 on our local communities and charities. Since March 2020, we have donated the food produce from our Sky-line Garden to The Connection and The Felix Project, charities dedicated to helping disadvantaged and vulnerable people. Our Coutts Cookbook also supports The Felix Project,

with full sale proceeds being donated (over £5k). We also partnered with NatWest Group to raise £882k for the National Emergencies Trust COVID-19 fundraiser through a silent auction we ran for our clients. We continued our support for MoneySense, the NatWest financial education for children programme; for St Saviour's & St Olave's, a local girl's school; as well as for The Conservation Volunteers, where our staff help plant trees in local areas.

The Bank also has colleague nominated charities on which we focus fundraising efforts and events throughout the year. During 2020 the chosen theme was mental health and we have supported MQ and Place-2-Be, raising over £100k. Every colleague can take three days paid leave per year to volunteer in their local community or for a charity of their choice. We also encourage charitable donations using payroll giving.

The Board is committed to managing the wider social, environmental and economic impacts of the Bank's operations, products and propositions. Climate change, in particular, is recognised as a key risk for the Bank and governance has been established to manage the risks and opportunities related to this, as set out in the Task Force for Climate-Related Financial Disclosures (TCFD) statement (see page 7 of the Annual Report).

Suppliers

The Board recognises the key role suppliers play in ensuring the Bank delivers a reliable service to its clients. During the year, the Board continued to focus on the framework for managing intra-group as well as third-party suppliers. NatWest Group plc also launched a new Supplier Charter, replacing its previous Supplier Code of Conduct. The Charter sets out expectations in terms of ethical business conduct, human rights, environmental sustainability, and diversity and inclusion. In line with Our Purpose, it details not only what we expect from our suppliers but also outlines what our own commitments are in these key areas.

The Bank also publishes, as part of NatWest Group plc's statement, an annual statement on Modern Slavery and Human Trafficking, made in accordance with section 54 of the UK's Modern Slavery Act 2015.

Regulators

The Board recognises the importance of open and continuous dialogue with regulators. The Chair, CEO and Chair of the Risk and the Audit Committee meet regularly with the Financial Conduct Authority (FCA) and Prudential Regulation Authority (PRA) through Continuous Assessment and Proactive Engagement meetings.

Shareholder

The Bank recognises the benefits that being part of the wider Group provides, for example in terms of the ability to call on extensive IT and other specialist resources, including in relation to cyber-crime defences. The shareholder's perspective is provided through interactions at both management and Board levels. Cross referrals between clients of the Bank and clients of the wider NatWest Group have continued to increase.

How stakeholder interests have influenced decision making

The Bank's key stakeholders and the range of engagement methods used by directors to understand their views and interests are described above.

The Bank recognises the importance of engaging with stakeholders to help inform its strategy and board decision-making. Relevant stakeholder interests, including those of clients, colleagues, its shareholder and others, are considered by the Board when it takes decisions.

The Bank defines principal decisions as those that are material or of strategic importance but also those that are significant to any of its key stakeholder groups.

In making its decisions, the Board considers the outcomes of relevant stakeholder engagement, as well as the need to maintain a reputation for high standards of business conduct, and to consider the long-term consequences of its decisions.

A key decision in this respect was taken by the Board during the year, later ratified by the Bank's shareholder, to seek accreditation as a Benefit Corporation (B-Corp). B-Corps are businesses that have been accredited as having reached a minimum threshold across ESG metrics and commit to continuous improvement.

In reaching its decision, the Board considered the implications of becoming a B-Corp in terms of all its stakeholders, including its clients, colleagues and shareholder. It concluded that, by setting out to achieve high standards across the areas specified for B-Corps, accreditation would provide further momentum to the Bank's efforts to take into account stakeholder considerations in all its activities, and to develop further as a purpose-led organisation.

Coutts Finance Co. – 2021

Directors' Duties and Engagement with Stakeholders

Section 172(1) of the Companies Act 2006 (Section 172) is one of the statutory duties that directors have and requires them to promote the success of the Company for the benefit of shareholders as a whole, while considering the interests of other stakeholders and, in so doing, have regard to the matters set out in Section 172(1)(a) to (f). These include the long-term consequences of decisions, colleague interests, the need to foster the Company's business relationships with suppliers, customers and others; the impact on community and the environment, and the Company's reputation.

Directors are supported in the discharge of their duties by the Company Secretary. All directors receive guidance on their statutory duties, including Section 172, and were briefed on the reporting requirements introduced by the Companies (Miscellaneous Reporting) Regulations 2018 in advance of the effective date. NatWest Group has introduced a new approach to board and committee papers with greater focus on ensuring relevant stakeholder interests are clearly articulated and guidance on documenting decisions has been refreshed to ensure these are recorded in a consistent manner across NatWest Group.

RBS Collective Investment Funds Limited - 2021

Directors' Duties and Engagement with Stakeholders

Section 172(1) statement

This section of the Strategic Report forms the directors' statement required under section 414CZA of The Companies Act 2006 ('the Act'), describing how the directors have had regard to the matters set out in section 172(1) of the Act.

Section 172(1) contains one of the statutory duties of the directors: it requires them to promote the success of the Company for the benefit of its members as a whole, whilst having regard to other stakeholders and matters as set out in s.172(1) (a) to (f). These include the likely long-term consequences of directors' decisions; employee interests; the need to foster the Company's business relationships with service providers, customers and others; the Company's impact on the community and environment; its reputation, and the need to act fairly between the Company's shareholders.

The NatWest Group's purpose – "We champion potential, helping people, families and businesses to thrive" is considered in Board discussions and decision making. This purpose forms a foundation for board discussions and decisions and is formally built in to all proposals and updates.

Board training and support on s.172(1) duties

Directors are supported in the discharge of their duties by the Company Secretary. All directors receive guidance on their statutory duties, including s.172(1), and regular 'teach-in' sessions are held on relevant topics.

Key Stakeholders

The Company's key stakeholders are: investors in the Funds ("customers"), NatWest employees ("colleagues", being full time, part time, contractors and agency staff employed by NatWest Group) engaged on the Company's work, material suppliers such as the Investment Manager, Transfer Agents, Fund Accountants and the Depositary, as well as the Company's shareholder. These key stakeholders have been identified by virtue of contracts held by those stakeholders either directly with the Company or with the funds managed by the Company.

Customers

Servicing customers is one of the key pillars of the NatWest Group purpose: to champion potential, helping people, families and businesses to thrive. The Board pays careful attention to the outcomes that the Company's funds deliver to its Customers and, through the Assessment of Value, sets out any proposed improvements to deliver on this commitment. This has been evidenced by the review and subsequent reduction of charges for customers that applied from 1 January 2021, together with the launch of a platform share class with lower charges, to accommodate customers who hold their assets on an external platform so they only pay an external platform charge.

Colleagues

A highly engaged workforce is crucial in helping NatWest Group to achieve its purpose. To achieve this, NatWest Group is striving to ensure it is a really great place to work.

Twice a year our colleagues are asked to share their views on what it is like to work for NatWest Group via a collective opinion survey. This year has been slightly different in that, as well as the main survey, we undertook several ad hoc pulse surveys in response to COVID-19. Most experiences have been positive, with NatWest Group enabling colleagues to work from home and encouraging flexible working. However, for some of our colleagues this has been a challenging time, particularly with physical and mental health and overall wellbeing. The main survey shows that our handling of the pandemic has helped to increase engagement levels to an all-time high. We are now ahead of benchmark scores for the global financial services industry on all key measures.

COVID-19 continues to have impacts, both in the movements of global markets and the potential for disruption to service provision. We and the majority of our third-party service providers have continued to utilise a combination of home working and split locations in line with UK government guidelines.

Service providers

The Board recognises the key role service providers - such as the Depositary, Risk Manager, Fund Administrators and Transfer Agent - play in ensuring that the Company delivers a reliable service to customers. During the year, the Board held two 'deep dive' sessions with individual service providers, as part of a regular Board-level engagement programme, in addition to the regular interactions and monitoring that took place at management level.

The Company is also committed to managing the wider social, environmental and economic impacts of its operations, which includes the way it deals with its customers and manages sustainability issues in its supply chain. Refer to www.natwestgroup.com for NatWest Group's Modern Slavery Statement and details of the Group's new Supplier Charter, both of which apply to relevant subsidiaries within NatWest Group, including the Company. The Supplier Charter, which replaced Group's previous Supplier Code of Conduct sets out expectations in terms of ethical business conduct, human rights, environmental sustainability, and diversity and inclusion. In line with the Group's purpose, it details not only what the Company expects from its suppliers, but also outlines what the Company's own commitments are in these key areas.

Community and Environment

The Company and NatWest Group are committed to tackling climate change. Investments held by the Funds are analysed by the Investment Manager on environmental, social and governance ("ESG") factors. Two targets have been set by the Investment Manager to reduce the carbon footprint of the Funds:

- 25% reduction in carbon emissions in the equity investments held by the Funds in 2021, which was achieved.
- 50% reduction in overall carbon emissions in all investments held by the Funds by 2030.

Shareholder

The Company recognises the benefits that being part of a wider Group provides, for example in terms of the ability to call on extensive IT and other specialist resources such as on cyber-crime defences. The shareholder's perspective is provided through interactions at management and board levels.

How stakeholder interests have influenced decision making

The Company recognises the importance of engaging with stakeholders to help inform the Company's strategy and board decision making. Relevant stakeholder interests are taken into account by the Board when it takes decisions.

The Company defines principal decisions as those that are material or of strategic importance to the Company and also those that are significant to any of the Company's key stakeholder groups. In making its decisions, the Board considers the outcomes of relevant stakeholder engagement, as well as the need to maintain a reputation for high standards of business conduct and to consider the long-term consequences of its decisions.

Please refer to the Annual Report and Accounts of NatWest Group plc for further information on NatWest Group's approach to stakeholder engagement.

FreeAgent Central Limited – 2020

Directors' Duties and Engagement with Stakeholders

Section 172(1) of the Companies Act 2006 (Section 172) is one of the statutory duties that directors have and requires them to promote the success of the company for the benefit of shareholders as a whole while taking into account the interests of other stakeholders and, in so doing, have regard to the matters set out in Section 172(1)(a) to (f). These include the long-term consequences of decisions, colleague interests, the need to foster the company's business relationships with suppliers, customers and others; the impact on community and the environment.

Directors are supported in the discharge of their duties by the Company Secretary. All directors receive guidance on their statutory duties, including Section 172(1), and were briefed on the

reporting requirements introduced by the Companies (Miscellaneous Reporting) Regulations 2018 in advance of the effective date. NatWest Group has introduced a new approach to board and committee papers with greater focus on ensuring relevant stakeholder interests are clearly articulated and guidance on documenting decisions has been refreshed to ensure these are recorded in a consistent manner across NatWest Group.

Engagement with suppliers, customers and others

Customers are at the heart of everything NatWest Group does and the Board recognises the key role suppliers play in ensuring the company delivers a reliable service to customers. The company is also committed to managing the wider social, environmental and economic impacts of its operations which includes the way it deals with its customers and manages sustainability issues in its supply chain. Refer to natwestgroup.com for NatWest Group's Modern Slavery Statement and details of the Supplier Code of Conduct, both of which apply to relevant subsidiaries within NatWest Group.

Engaging colleagues

Engaging colleagues is crucial to the success of a company and the company benefits from NatWest Group's approach to colleague engagement. NatWest Group has a well-established colleague listening strategy designed to provide an open channel for colleagues to share their views.

NatWest Group's Colleague Advisory Panel (CAP), established in 2018, met twice during 2019, providing a valuable mechanism to engage directly with colleagues on topics of strategic interest affecting NatWest Group. Topics discussed with the CAP included purpose, future strategy, executive pay, inclusion and sustainability. Every year colleagues are asked to share their thoughts on what it's like to work for NatWest Group via a colleague opinion survey. The results are shared with all colleagues and detailed discussions take place across NatWest Group, including the company. Key themes from the results inform and shape people strategy. NatWest Group also has ongoing discussion and engagement with a number of employee representatives such as trade unions and work councils and regularly discuss developments and updates on the progress of strategic plans with the European Employee Council (ECC). Where colleagues wish to report any concerns relating to wrong doing or misconduct, one of the ways they can do this is by raising their concerns via Speak Up, NatWest Group's whistleblowing service.

NatWest Group is proud to be building an inclusive bank which is a great place for all colleagues to work. NatWest Group's inclusion guidelines apply to all colleagues globally and focus on five key priorities - LGBT Innovative, Gender Balanced, Disability Smart, Ethnically Diverse, all leading to Inclusive Culture. Detailed information can be found in the 2019 Annual Report and Accounts of NatWest Group plc and on natwestgroup.com.

How stakeholder interests have influenced decision making

The company recognises the importance of engaging with stakeholders to help inform the company's strategy and board decision making. Relevant stakeholder interests, including those of colleagues, are taken into account by the board when it takes decisions. The company defines principal decisions as those that are material [or of strategic importance] to the company and also those that are significant to any of the company's key stakeholder groups.

Please refer to the Annual Report and Accounts of NatWest Group plc for further information on NatWest Group's approach to stakeholder engagement.

Section 172(1) statement

In this statement we describe how our directors have had regard to the matters set out in section 172(1) (a) to (f) of the Companies Act 2006 (section 172) when performing their duty to promote the success of the company.

Engagement with stakeholders

The Board reviews and confirms its key stakeholders for the purposes of S.172 annually. For 2021 they remain colleagues, authorised fund managers, third party providers (such as custodians and data suppliers), regulators and the Company's shareholder.

Colleagues

Colleague engagement

As government advice relaxes around workplace, public transport, social distancing, self-isolation rules and the success of the vaccination roll out, the NWTDS introduced a new way of working with a hybrid approach to office and home working, appropriate to the needs of the role to enable us to continue to deliver for customers. Our office spaces now support a more flexible and dynamic working environment when we do spend time in the office.

The Company values the input of its colleagues and actively seeks opportunities to engage with them to contribute to on-going dialogue and activities to make the Company better for our customers and colleagues. The bi-annual colleague listening survey, known as 'Our View', provides valuable data to decision makers across NWTDS and the wider RBSI Group in support of improving employee engagement and satisfaction. At NWTDS level, 69% of the NWTDS population completed the latest OurView survey in September 2021 (RBSI Group level, 76%). NWTDS has seen significant progress vs September 2020. Material improvements were seen in each of the 3 core indexes of Culture, Engagement and Leadership whilst improving its scores in 12 categories vs September 2020 despite the ongoing pandemic and reality of the new normal working routine, which had a significant impact on its previously office based only operations. The survey evidences NWTDS's third consecutive series of improved results albeit there is some way to go to reach the levels across each category that some areas of the wider Bank enjoy.

Focus Groups with the support of the leadership team, have helped drive significant improvements over the last 2 years. Peer to Peer workshops have also taken place, with over 170 pieces of feedback collated and factored in to working group actions plans.

Diversity, Equity and Inclusion

The Company has a Diversity, Equity and Inclusion Policy and values and promotes diversity in all areas of recruitment and employment.

We work to avoid limiting potential through bias, prejudice or discrimination. The key principles of our Diversity Equity and Inclusion Policy are to attract, motivate and retain the best talent. We base the employment relationship on the principles of fairness, respect and inclusion. We comply with local laws on equality and Our Code, which sets out NatWest Group's expected behaviours and standards of conduct, to build and develop an inclusive workforce in order to understand and respond to our diverse customer base.

Championing the potential of our colleagues

We are committed to developing knowledge, skills and behaviours in a number of key critical capability areas that support our ambition and purpose. By encouraging a culture of continuous learning, knowledge sharing and reflective practice, we are ensuring that colleagues stay relevant and employable – and that we can adapt to the changing needs of our customers, communities and context.

Our approach to performance management provides clarity for our colleagues about how their contribution links to our ambition. Individual performance objectives are clearly linked to our vision and strategy.

We have a balanced approach to reward which recognises both what the individual has achieved and how they have achieved it. We recognise contributions that support our values and hold individuals to account for behaviour and performance that do not.

Authorised Fund Managers and 3rd party providers

Customers are at the heart of everything NatWest Group does, and the Board recognises the key role suppliers play in ensuring the Company delivers a reliable service to customers. The Company is also committed to managing the wider social, environmental and economic impacts of its operations which includes the way it deals with its customers and manages sustainability issues in its supply chain. Refer to natwestgroup.com for NatWest Group's Modern Slavery Statement and details of the Supplier Code of Conduct, both of which apply to relevant subsidiaries within NatWest Group.

NWG joined the Net Zero Banking Alliance, working with financial organisations to help deliver the Paris Agreement. NWG has submitted 2030 sector emissions reduction estimates to the Science Based Targets initiative (SBTi) for validation and will continue to enhance availability of data to support future calculations of financed emissions and emissions intensities.

RBSI Group, as part of NWG, achieved climate positive status for our own direct operations in 2021. In 2021, we used internationally recognised carbon credits which add environmental, social and community benefits. NWG plans to reduce the carbon footprint for our wider operational value chain by 50% by 2030 and achieve net zero by 2050.

During 2021 we worked with a specialist services firm to build an ESG insight tool for depository customers. The platform utilises artificial intelligence to augment customer ESG data and provide a timely assessment of a customer's performance against their ESG investment objectives and developing regulatory requirements. We demonstrated the tool to five customers, seeking their feedback in 2021 to support development.

Regulators

The RBSI Group continues to deal with a range of significant risks and uncertainties in the external economic, political and regulatory environment including:

- Changes to the FCA Investment Firm Prudential Regime for MiFID Investment firms.
- Challenges adjusting to the UK's new trading relationship with the EU and supply chain labour and material shortages caused by a range of factors including Covid-related, Brexit-related and specific industry issues.

The Company holds off balance sheet balances due to its fiduciary capacity. A CASS (Client Assets Specialist Sourcebook) audit is carried out separately on an annual basis for the UK Financial

Conduct Authority. Ernst and Young LLP have provided this service during the 2021 period under the FRC's CASS Audit Standard.

Supporting effective Board discussions and decision-making

Our Board and Committee terms of reference reinforce the importance of considering both our purpose and the matters set out in section 172. Our Board and Committee paper template includes a section for authors to explain how a proposal or update aligns with our purpose and a separate section for them to include an assessment of the relevant stakeholder impacts for the directors to consider.

Principal decisions

Principal decisions are those decisions taken by the Board that are material, or of strategic importance, to the company, or are significant to the Company and NatWest Group's key stakeholders.

How stakeholder interests have influenced decision making

The Company recognises the importance of engaging with stakeholders to help inform the Company's strategy and Board decision making. Relevant stakeholder interests, including those of colleagues, are taken into account by the Board when it takes decisions.

In making the following principal decisions, the Board considered the outcomes of relevant stakeholder engagement as well as the need to maintain a reputation for high standards of business conduct.

The Board has approved a major transformation programme to modernise the Company's operating platforms and how data is dealt with, streamline its operating model and improve controls and evolve the business model to become the depositary of the future, all of which will benefit key stakeholders. During 2020 a project team was set up to deliver this vision through a Data Intelligence Platform and significant progress has been made in 2021 to turn this vision into reality. The cloud platform environments have been created, all core processes designed, regulatory governance complete and development is well advanced in readiness to move into production on a phased basis in 2022. Customers are supporting the transition with some acting as pilot customers.

Maintaining capital adequacy is critical to retaining investor confidence and protection. Effective and efficient capital planning is a core focus for NWTDS, balancing our commitment to maintaining safety and soundness with sustainable risk adjusted shareholder returns. On 6 April 2022, the Board of Directors approved a dividend of £9 million. Base case capital plan and stress test modelling support the payment of this dividend.

Lombard Business Leasing Limited - 2020

Stakeholder engagement and s.172(1) statement

NatWest Group recognises the importance of engaging with stakeholders and understanding their views, to help inform strategy and board discussions and decision-making. This section of the Strategic Report describes how the directors have had regard to the matters set out in section 172(1) (a) to (f), and forms the directors' statement required under section 414CZA, of the Companies Act 2006.

The company is a wholly owned subsidiary of NatWest Group plc. As such, its operations are aligned to the strategy and purpose of NatWest Group plc and it follows the policies and procedures of NatWest Group plc, as applicable. This is reflected, as appropriate, in the disclosures below.

Our Stakeholders

The company's key stakeholders and the engagement methods used by directors to understand their views and interests are set out below.

The Company's key stakeholder is its sole shareholder, Lombard North Central plc, which manages the relationships with other stakeholders on behalf of the Company.

The Company's indirect stakeholders are business customers of all sizes, from small family run businesses to large commercial enterprises, a panel of selected asset finance brokers, NatWest employees ("colleagues", being full time, part time, contractors and agency staff employed by NatWest Group) engaged on Company related work, and suppliers who support the Company in the provision of elements of its products and services.

Customers

During the year, the board received regular updates on customer issues through Net Promoter Scores, customer feedback and complaint volumes. The Board were also regularly updated on the nature and extent of COVID-19 support provided to customers.

Colleagues

Information on how NatWest Group engages with colleagues can be found in the NatWest Group plc 2020 Annual Report and Accounts. This includes details of the NatWest Group Colleague Advisory Panel, colleague opinion surveys, the NatWest Group Academy, the People Pledge, our wellbeing strategy and NatWest Group's inclusion guidelines and policies.

Suppliers

The Board is mindful of the role suppliers play in ensuring a reliable service is delivered to customers, and of the importance of relationships with key suppliers, particularly in the current environment.

Information on NatWest Group's Supplier Charter, Modern Slavery Act Statement and Human Rights statement can be found in the NatWest Group plc 2020 Annual Report and Accounts.

Community and environment

The Company actively adopts the NatWest Group's purpose of championing potential, helping people, families, and businesses to thrive. In particular the Company is supporting customers to act on the risks and opportunities climate change presents and to transition to a low carbon economy.

A decision was taken to enter into a new lease arrangement with an external party. This transaction supported the NatWest Group strategy to support green projects and contributed to NatWest Group's Climate and Sustainable Finance commitments.

Details of NatWest Group's engagement with communities and its response on climate change can be found in the NatWest Group plc 2020 Annual Report and Accounts. Please also refer to the NatWest Group plc's 2020 Climate-related Disclosure Report and ESG Supplement available on natwestgroup.com

How stakeholder interests have influenced decision making

Relevant stakeholder interests, including those of colleagues, customers, suppliers, and others are considered by the board during its discussions and when it takes decisions. In making its decisions,

the board also considers the need to maintain a reputation for high standards of business conduct, and the long-term consequences of its decisions.

A decision was taken to pay a final dividend to the Company's sole shareholder after careful consideration of the distributable reserves available to the Company and the effect of the distribution on the Company's long-term success.

All other decisions taken by the board during the financial year were routine in nature but took account of relevant stakeholder interests, as appropriate.

Further details on how NatWest Group plc engages with its stakeholders can be found in the NatWest Group plc 2020 Annual Report and Accounts and on natwestgroup.com.

JCB Finance Limited - 2021

Directors' Duties and Engagement with Stakeholders

Section 172(1) statement

Section 172(1) of the Companies Act 2006 (Section 172) is one of the statutory duties that directors have and requires them to promote the success of the Company for the benefit of shareholders as a whole while taking into account the interests of other stakeholders and, in so doing, have regard to the matters set out in Section 172(1)(a) to (f). These include the long term consequences of decisions, colleague interests, the need to foster the Company's business relationships with suppliers, customers and others; the impact on community and the environment; the Company's reputation and the need to act fairly as between members.

The Company's key stakeholders are business customers of all sizes, from small family run businesses to large commercial enterprises, the JCB Dealer network, JCB Finance employees (being full time and part time staff), and suppliers who support the Company in the provision of elements of its products and services. These key stakeholders have been identified by virtue of contracts and relationships held by those stakeholders directly with the Company. The range of engagement methods used by directors to understand the various stakeholder views and interests include Net Promoter Scores, complaint volumes, staff surveys and open lines of communication with the Dealer network at all levels within the business.

Directors are supported in the discharge of their duties by the Company Secretary. All Directors are aware of their statutory duties, including Section 172 and are aware of the reporting requirements introduced by the Companies (Miscellaneous Reporting) Regulations 2018.

Engagement with suppliers, customers and others

Customers are at the heart of everything JCB Finance does and the Board recognises the key role suppliers play in ensuring the Company delivers a reliable service to customers. The Company is also committed to managing the wider social, environmental and economic impacts of its operations which includes the way it deals with its customers and manages sustainability issues in its supply chain. Refer to jcb-finance.com for the Company's Modern Slavery Statement.

Engaging employees

JCB Finance adopts a pro-active approach to employee engagement. The management structure provides open channels for employee communication and feedback, and confidential employee surveys are used to ensure employee views are taken into account in decision making.

How stakeholder interests have influenced decision making

The Company recognises the importance of engaging with stakeholders to help inform strategy and Board decision making. Relevant stakeholder interests, including those of employees, are taken into account by the Board when it takes decisions. All decisions taken by the Board during the financial year were routine in nature but took account of relevant stakeholder interests, as appropriate. Please refer to the Annual Report and Accounts of the NatWest Group plc for further information on its approach to stakeholder engagement.

Lombard North Central PLC - 2021

Stakeholder engagement and s.172(1) statement

NatWest Group recognises the importance of engaging with stakeholders and understanding their views, to help inform strategy and board discussions and decision-making. This section of the Strategic Report describes how the board of directors of the Company (the Board) have had regard to the matters set out in section 172(1) (a) to (f), and forms the directors' statement required under section 414CZA, of the Companies Act 2006.

The Company is a wholly owned subsidiary of NatWest Group plc. As such, its operations are aligned to the strategy and purpose of NatWest Group plc and it follows the policies and procedures of NatWest Group plc, as applicable. This is reflected, as appropriate, in the disclosures below.

Board engagement with stakeholders

NatWest Group recognises the importance of engaging with stakeholders and understanding their views, to help inform strategy and Board discussions and decision-making. For 2021, the key stakeholder groups remained business customers of all sizes, from small family run businesses to large commercial enterprises, a panel of selected asset finance brokers, NatWest employees ("colleagues" being full time, part time, contractors and agency staff employed by NatWest Group plc) engaged on Company related work, and suppliers who support the Company in the provision of elements of its products and services.

Our Stakeholders

The Company's key stakeholders and the engagement methods used by directors to understand their views and interests are set out below.

Customers

During the year, the Board received regular updates on customer issues through Lombard customer satisfaction surveys, customer feedback and complaint volumes.

Colleagues

We want NatWest Group to be a great place to work. By offering a fulfilling job, a healthy workplace, fair rewards, excellent development and great leadership, we believe together our colleagues can thrive and unlock the full potential of NatWest Group.

The NatWest Group undertakes an Our View Survey twice a year to track levels of staff satisfaction and engagement. Further information on how NatWest Group engages with colleagues, including details of the support provided to our people can be found in the NatWest Group plc 2021 Annual Report and Accounts.

Regulators

NatWest Group operates in a highly regulated market which continues to evolve in scope. As such, we understand the need to have an ongoing, constructive and open dialogue with all relevant regulatory bodies.

Further information on how NatWest Group engages with regulators can be found in the NatWest Group plc 2021 Annual Report and Accounts.

Suppliers

As a purpose-led business, we foster strong relationships with all our key stakeholders, including our supply chains.

Further information on NatWest Group's Supplier Charter can be found in the NatWest Group plc 2021 Annual Report and Accounts.

Communities and environment

Making a positive contribution to the communities in which we live and work is integral to delivering on our purpose. The Company actively adopts the NatWest Group's purpose of championing potential, helping people, families and businesses to thrive. In particular the Company is supporting customers to take action on the risks and opportunities climate change presents and to transition to a low carbon economy.

Further information on communities and environment can be found in the NatWest Group plc 2021 Annual Report and Accounts, the NatWest Group plc 2021 Climate-related Disclosure Report and the NatWest Group plc ESG Supplement.

Supporting effective Board discussions and decision-making

NatWest Group's purpose – championing potential, helping people, families and businesses to thrive - continues to influence the Company's Board discussions and decision-making.

Relevant stakeholder interests, including those of colleagues, customers, suppliers and others are considered by the Board during its discussions and when it takes decisions. In making its decisions, the Board also considers the need to maintain a reputation for high standards of business conduct, and the long-term consequences of its decisions. However, Directors are mindful that it is not always possible to achieve an outcome which meets the requirements, needs and/or expectations of all stakeholders who are, or may be impacted by its decisions.

Principal decisions are those decisions taken by the Board that are material, or of strategic importance to the Company, or are significant to any of the Company's key stakeholders.

Decisions were taken to pay interim dividends to the Company's sole shareholder. These decisions were made after careful consideration of the distributable reserves available to the Company and the effect of the distributions on the Company's long-term success.

Further details on how NatWest Group plc engages with its stakeholders can be found in the NatWest Group plc 2021 Annual Report and Accounts and on natwestgroup.com.

Directors' Duties and Engagement with Stakeholders

Stakeholder engagement and s.172(1) statement

NatWest Group recognises the importance of engaging with stakeholders and understanding their views, to help inform strategy and board discussions and decision-making. This section of the Strategic Report describes how the directors have had regard to the matters set out in section 172(1) (a) to (f), and forms the directors' statement required under section 414CZA, of the Companies Act 2006.

The company is a wholly owned subsidiary of NatWest Group plc. As such, its operations are aligned to the strategy and purpose of NatWest Group plc and it follows the policies and procedures of NatWest Group plc, as applicable. This is reflected, as appropriate, in the disclosures below.

Our Stakeholders

The company's key stakeholders and the engagement methods used by directors to understand their views and interests are set out below. The Company's key stakeholder is its sole shareholder, Lombard North Central PLC, which manages the relationships with other stakeholders on behalf of the Company. The Company's indirect stakeholders are customers of all sizes, from small family run businesses to large commercial enterprises, a panel of selected asset finance brokers, Group employees ("colleagues", being full time, part time, contractors and agency staff employed by the Group) engaged on Company related work, and suppliers who support the Company in the provision of elements of its products and services.

Customers

During the year, the board received regular updates on customer issues through Net Promoter Scores and customer feedback. The Board were also regularly updated on the nature and extent of COVID-19 support provided to customers.

Colleagues

Information on how NatWest Group engages with colleagues can be found in the NatWest Group plc 2020 Annual Report and Accounts. This includes details of the NatWest Group Colleague Advisory Panel, colleague opinion surveys, the NatWest Group Academy, the People Pledge, our wellbeing strategy and NatWest Group's inclusion guidelines and policies.

Suppliers

The Board is mindful of the role suppliers play in ensuring a reliable service is delivered to customers, and of the importance of relationships with key suppliers, particularly in the current environment. Information on NatWest Group's Supplier Charter, Modern Slavery Act Statement and Human Rights statement can be found in the NatWest Group plc 2020 Annual Report and Accounts.

Community and environment

The Company actively adopts the NatWest Group's purpose of championing potential, helping people, families and businesses to thrive. In particular the Company is supporting customers to

take action on the risks and opportunities climate change presents and to transition to a low carbon economy.

Details of NatWest Group's engagement with communities and its response on climate change can be found in the NatWest Group plc 2020 Annual Report and Accounts. Please also refer to the NatWest Group plc's 2020 Climate-related Disclosure Report and ESG Supplement available on natwestgroup.com.

How stakeholder interests have influenced decision making

Relevant stakeholder interests, including those of colleagues, customers, suppliers and others are considered by the board during its discussions and when it takes decisions. In making its decisions, the board also considers the need to maintain a reputation for high standards of business conduct, and the long-term consequences of its decisions.

All decisions taken by the board during the financial year were routine in nature but took account of relevant stakeholder interests, as appropriate.

Further details on how NatWest Group plc engages with its stakeholders can be found in the NatWest Group plc 2020 Annual Report and Accounts and on natwestgroup.com.

Lombard Lessors Limited - 2021

Directors' Duties and Engagement with Stakeholders

Stakeholder engagement and s.172(1) statement

NatWest Group recognises the importance of engaging with stakeholders and understanding their views, to help inform strategy and board discussions and decision-making. This section of the Strategic report describes how the directors have had regard to the matters set out in section 172(1) (a) to (f), and forms the directors' statement required under section 414CZA, of the Companies Act 2006.

The company is a wholly owned subsidiary of NatWest Group plc. As such, its operations are aligned to the strategy and purpose of NatWest Group plc and it follows the policies and procedures of NatWest Group plc, as applicable. This is reflected, as appropriate, in the disclosures below.

Our Stakeholders

The company's key stakeholders and the engagement methods used by directors to understand their views and interests are set out below.

The Company's key stakeholder is its sole shareholder, Lombard North Central plc, which manages the relationships with other stakeholders on behalf of the Company.

The Company's indirect stakeholders are customers of all sizes, from small family run businesses to large commercial enterprises, a panel of selected asset finance brokers, NatWest employees ("colleagues", being full time, part time, contractors and agency staff employed by NatWest Group) engaged on Company related work, and suppliers who support the Company in the provision of elements of its products and services.

Customers

During the year, the board received regular updates on customer issues through Net Promoter Scores. The Board were also regularly updated on the nature and extent of COVID-19 support provided to customers.

Colleagues

Information on how NatWest Group engages with colleagues can be found in the NatWest Group plc 2020 Annual Report and Accounts. This includes details of the NatWest Group Colleague Advisory Panel, colleague opinion surveys, the NatWest Group Academy, the People Pledge, our wellbeing strategy and NatWest Group's inclusion guidelines and policies.

Suppliers

The Board is mindful of the role suppliers play in ensuring a reliable service is delivered to customers, and of the importance of relationships with key suppliers, particularly in the current environment. Information on NatWest Group's Supplier Charter, Modern Slavery Act Statement and Human Rights statement can be found in the NatWest Group plc 2020 Annual Report and Accounts.

Community and environment

The Company actively adopts the NatWest Group's purpose of championing potential, helping people, families and businesses to thrive. In particular the Company is supporting customers to take action on the risks and opportunities climate change presents and to transition to a low carbon economy.

Details of NatWest Group's engagement with communities and its response on climate change can be found in the NatWest Group plc 2020 Annual Report and Accounts. Please also refer to the NatWest Group plc's 2020 Climate-related Disclosure Report and ESG Supplement available on natwestgroup.com.

How stakeholder interests have influenced decision-making

Relevant stakeholder interests, including those of colleagues, customers, suppliers and others are considered by the board during its discussions and when it takes decisions. In making its decisions, the board also considers the need to maintain a reputation for high standards of business conduct, and the long-term consequences of its decisions.

All decisions taken by the board during the financial year were routine in nature but took account of relevant stakeholder interests, as appropriate.

Further details on how NatWest Group plc engages with its stakeholders can be found in the NatWest Group plc 2020 Annual Report and Accounts and on natwestgroup.com.

Lombard Maritime Limited - 2021

Stakeholder engagement and s.172(1) statement

NatWest Group recognises the importance of engaging with stakeholders and understanding their views, to help inform strategy and board discussions and decision-making. This section of the Strategic Report describes how the directors have had regard to the matters set out in section 172(1) (a) to (f), and forms the directors' statement required under section 414CZA, of the Companies Act 2006.

The company is a wholly owned subsidiary of NatWest Group plc. As such, its operations are aligned to the strategy and purpose of NatWest Group plc and it follows the policies and procedures of NatWest Group plc, as applicable. This is reflected, as appropriate, in the disclosures below.

Our Stakeholders

The company's key stakeholders and the engagement methods used by directors to understand their views and interests are set out below.

The Company's key stakeholder is its sole shareholder, Lombard North Central plc, which manages the relationships with other stakeholders on behalf of the Company.

The Company's indirect stakeholders are customers of all sizes, from small family run businesses to large commercial enterprises, a panel of selected asset finance brokers, NatWest employees ("colleagues", being full time, part time, contractors and agency staff employed by NatWest Group) engaged on Company related work, and suppliers who support the Company in the provision of elements of its products and services.

Customers

During the year, the board received regular updates on customer issues through Net Promoter Scores, customer feedback and complaint volumes. The Board were also regularly updated on the nature and extent of COVID-19 support provided to customers.

Colleagues

Information on how NatWest Group engages with colleagues can be found in the NatWest Group plc 2020 Annual Report and Accounts. This includes details of the NatWest Group Colleague Advisory Panel, colleague opinion surveys, the NatWest Group Academy, the People Pledge, our wellbeing strategy and NatWest Group's inclusion guidelines and policies.

Suppliers

The Board is mindful of the role suppliers play in ensuring a reliable service is delivered to customers, and of the importance of relationships with key suppliers, particularly in the current environment. Information on NatWest Group's Supplier Charter, Modern Slavery Act Statement and Human Rights statement can be found in the NatWest Group plc 2020 Annual Report and Accounts.

Community and environment

The Company actively adopts the NatWest Group's purpose of championing potential, helping people, families and businesses to thrive. In particular the Company is supporting customers to take action on the risks and opportunities climate change presents and to transition to a low carbon economy.

Details of NatWest Group's engagement with communities and its response on climate change can be found in the NatWest Group plc 2020 Annual Report and Accounts. Please also refer to the NatWest Group plc's 2020 Climate-related Disclosure Report and ESG Supplement available on natwestgroup.com.

How stakeholder interests have influenced decision making

Relevant stakeholder interests, including those of colleagues, customers, suppliers and others are considered by the board during its discussions and when it takes decisions. In making its decisions, the board also considers the need to maintain a reputation for high standards of business conduct, and the long-term consequences of its decisions.

All decisions taken by the board during the financial year were routine in nature but took account of relevant stakeholder interests, as appropriate.

Further details on how NatWest Group plc engages with its stakeholders can be found in the NatWest Group plc 2020 Annual Report and Accounts and on natwestgroup.com.

Directors' Duties and Engagement with Stakeholders

Stakeholder engagement and s.172(1) statement

NatWest Group recognises the importance of engaging with stakeholders and understanding their views, to help inform strategy and board discussions and decision-making. This section of the Strategic report describes how the directors have had regard to the matters set out in section 172(1) (a) to (f), and forms the directors' statement required under section 414CZA, of the Companies Act 2006.

The Company is a wholly owned subsidiary of NatWest Group plc. As such, its operations are aligned to the strategy and purpose of NatWest Group plc and it follows the policies and procedures of NatWest Group plc, as applicable. This is reflected, as appropriate, in the disclosures below.

Our Stakeholders

The company's key stakeholders and the engagement methods used by directors to understand their views and interests are set out below.

Customers

During the year, the Board received regular updates on customer issues through RBSIF customer satisfaction surveys, customer feedback and complaint volumes. The Board were also regularly updated on the nature and extent of COVID-19 support provided to customers. Further information on customers can be found in the NatWest Group plc 2020 Annual Report and Accounts.

Colleagues

Information on how NatWest Group engages with colleagues can be found in the NatWest Group plc 2020 Annual Report and Accounts. This includes details of the NatWest Group Colleague Advisory Panel, colleague opinion surveys, the NatWest Group Academy, the People Pledge, our wellbeing strategy and NatWest Group's inclusion guidelines and policies.

Suppliers

The Board is mindful of the role suppliers play in ensuring a reliable service is delivered to customers, and of the importance of relationships with key suppliers, particularly in the current environment.

Information on NatWest Group's Supplier Charter, Modern Slavery Act Statement and Human Rights statement can be found in the NatWest Group plc 2020 Annual Report and Accounts.

Community and environment

Details of NatWest Group's engagement with communities and its response on climate change can be found in the NatWest Group plc 2020 Annual Report and Accounts. Please also refer to the NatWest Group plc's 2020 Climate-related Disclosure Report and ESG Supplement available on natwestgroup.com.

How stakeholder interests have influenced decision making

Relevant stakeholder interests, including those of colleagues, customers, suppliers and others are considered by the Board during its discussions and when it takes decisions. In making its decisions, the Board also considers the need to maintain a reputation for high standards of business conduct and the long-term consequences of its decisions.

In November 2020, the decision was taken to pay an interim dividend to the Company's sole shareholder. The decision was made after careful consideration of the distributable reserves available to the Company and the effect of the distribution on the Company's long-term success.

Further details on how NatWest Group plc engages with its stakeholders can be found in the NatWest Group plc 2020 Annual Report and Accounts and on natwestgroup.com.

RBS AA Holdings (UK) Limited - 2020

Stakeholder engagement and s.172(1) statement

NatWest Group recognises the importance of engaging with stakeholders and understanding their views, to help inform strategy and board discussions and decision-making. This section of the Strategic Report describes how the directors have had regard to the matters set out in section 172(1) (a) to (f), and forms the directors' statement required under section 414CZA, of the Companies Act 2006.

The company is a wholly owned subsidiary of NatWest Group plc. As such, its operations are aligned to the strategy and purpose of NatWest Group plc and it follows the policies and procedures of NatWest Group plc, as applicable. This is reflected, as appropriate, in the disclosures below.

Our Stakeholders

The company's key stakeholders and the engagement methods used by directors to understand their views and interests are set out below.

The Company's key stakeholders are its subsidiary companies who rely on the Company for guidance, oversight and investment, and the NatWest Group Risk and Internal Audit functions. All subsidiary company boards adhere to a framework of expectations developed by the Company which governs the day-to-day operational and governance arrangements of subsidiaries, and their engagement with, reporting to and oversight by the Company. The Company also holds a number of social impact investments where ESG ("Environmental, Social and Governance") criteria inform investment decisions. Such investments actively contribute to the fulfilment of NatWest Group's purpose to champion potential, helping people, families and businesses to thrive.

The range of engagement methods used by directors to understand stakeholder views and interests included periodic reports, business updates and Risk-led deep dives given at regular Company board meetings.

Colleagues

Information on how NatWest Group engages with colleagues can be found in the NatWest Group plc 2020 Annual Report and Accounts. This includes details of the NatWest Group Colleague Advisory Panel, colleague opinion surveys, the NatWest Group Academy, the People Pledge, our wellbeing strategy and NatWest Group's inclusion guidelines and policies.

Suppliers

The Board is mindful of the role suppliers play in ensuring a reliable service is delivered to customers, and of the importance of relationships with key suppliers, particularly in the current environment. Information on NatWest Group's Supplier Charter, Modern Slavery Act Statement and Human Rights statement can be found in the NatWest Group plc 2020 Annual Report and Accounts.

Community and environment

The Company actively adopts the NatWest Group's purpose of championing potential, helping people, families and businesses to thrive. In particular the Company is supporting customers to take action on the risks and opportunities climate change presents and to transition to a low carbon economy.

Details of NatWest Group's engagement with communities and its response on climate change can be found in the NatWest Group plc 2020 Annual Report and Accounts. Please also refer to the NatWest Group plc's 2020 Climate-related Disclosure Report and ESG Supplement available on natwestgroup.com.

How stakeholder interests have influenced decision making

Relevant stakeholder interests, including those of colleagues, customers, suppliers and others are considered by the board during its discussions and when it takes decisions. In making its decisions, the board also considers the need to maintain a reputation for high standards of business conduct, and the long-term consequences of its decisions.

A decision was taken to pay a special dividend to the Company's sole shareholder, this decision being made after careful consideration of the distributable reserves available to the Company and the effect of the distribution on the Company's long-term success.

All other decisions taken by the board during the financial year were routine in nature but took account of relevant stakeholder interests, as appropriate.

Further details on how NatWest Group plc engages with its stakeholders can be found in the NatWest Group plc 2020 Annual Report and Accounts and on natwestgroup.com.

Lombard Technology Services Limited – 2020

Stakeholder engagement and s.172(1) statement

NatWest Group recognises the importance of engaging with stakeholders and understanding their views, to help inform strategy and board discussions and decision-making. This section of the Strategic Report describes how the directors have had regard to the matters set out in section 172(1) (a) to (f), and forms the directors' statement required under section 414CZA, of the Companies Act 2006.

The company is a wholly owned subsidiary of NatWest Group plc. As such, its operations are aligned to the strategy and purpose of NatWest Group plc and it follows the policies and procedures of NatWest Group plc, as applicable. This is reflected, as appropriate, in the disclosures below.

Our Stakeholders

The company's key stakeholders and the engagement methods used by directors to understand their views and interests are set out below.

The Company's key stakeholder is its sole shareholder, Lombard North Central plc, which manages the relationships with other stakeholders on behalf of the Company.

The Company's indirect stakeholders are customers of all sizes, from small family run businesses to large commercial enterprises, a panel of selected asset finance brokers, NatWest employees ("colleagues", being full time, part time, contractors and agency staff employed by NatWest Group)

engaged on Company related work, and suppliers who support the Company in the provision of elements of its products and services.

Customers

During the year, the directors received regular updates on customer issues through Lombard customer satisfaction surveys, customer feedback and complaint volumes. The directors were also regularly updated on the nature and extent of COVID-19 support provided to customers.

Colleagues

Information on how NatWest Group engages with colleagues can be found in the NatWest Group plc 2020 Annual Report and Accounts. This includes details of the NatWest Group Colleague Advisory Panel, colleague opinion surveys, the NatWest Group Academy, the People Pledge, our wellbeing strategy and NatWest Group's inclusion guidelines and policies.

Suppliers

The Board is mindful of the role suppliers play in ensuring a reliable service is delivered to customers, and of the importance of relationships with key suppliers, particularly in the current environment. Information on NatWest Group's Supplier Charter, Modern Slavery Act Statement and Human Rights statement can be found in the NatWest Group plc 2020 Annual Report and Accounts.

Community and environment

The Company actively adopts the NatWest Group's purpose of championing potential, helping people, families and businesses to thrive. In particular the Company is supporting customers to take action on the risks and opportunities climate change presents and to transition to a low carbon economy.

Details of NatWest Group's engagement with communities and its response on climate change can be found in the NatWest Group plc 2020 Annual Report and Accounts. Please also refer to the NatWest Group plc's 2020 Climate-related Disclosure Report and ESG Supplement available on natwestgroup.com

How stakeholder interests have influenced decision making

Relevant stakeholder interests, including those of colleagues, customers, suppliers and others are considered by the board during its discussions and when it takes decisions. In making its decisions, the board also considers the need to maintain a reputation for high standards of business conduct, and the long-term consequences of its decisions.

All decisions taken by the board during the financial year were routine in nature but took account of relevant stakeholder interests, as appropriate.

Further details on how NatWest Group plc engages with its stakeholders can be found in the NatWest Group plc 2020 Annual Report and Accounts and on natwestgroup.com.

Care Homes Holdings Limited - 2021

Stakeholder engagement and s.172(1) statement

NatWest Group recognises the importance of engaging with stakeholders and understanding their views, to help inform strategy and board discussions and decision-making. This section of the Strategic Report describes how the directors have had regard to the matters set out in section 172(1) (a) to (f), and forms the directors' statement required under section 414CZA, of the Companies Act 2006.

The company is a wholly owned subsidiary of NatWest Group plc and has no direct employees. As such, its operations are aligned to the strategy and purpose of NatWest Group plc and it follows the policies and procedures of NatWest Group plc, as applicable. This is reflected, as appropriate, in the disclosures below.

Board engagement with stakeholders

Natwest Group recognises the importance of engaging with stakeholders and understanding their views, to help inform strategy and Board discussions and decision-making.

Our Stakeholders

The company's key stakeholders and the engagement methods used by directors to understand their views and interests are set out below.

The Company's key stakeholder is its sole shareholder, NatWest Markets Plc, which manages the relationships with other stakeholders on behalf of the Company.

Customers

At NatWest Group, we want to know what our customers think about us. It helps us better understand their needs and improve the products and services we offer.

During the year, the Board received regular updates on customer issues.

Further information on customers can be found in the NatWest Group plc 2021 Annual Report and Accounts.

Colleagues

We want NatWest Group to be a great place to work. By offering a fulfilling job, a healthy workplace, fair rewards, excellent development and great leadership, we believe together our colleagues can thrive and unlock the full potential of NatWest Group.

Information on how NatWest Group engages with colleagues, including details of the People Pledge, Colleague listening strategy, Performance and reward, the NatWest Group Academy and Diversity, equity and inclusion, can be found in the NatWest Group plc 2021 Annual Report and Accounts.

Suppliers

As a purpose-led business, we foster strong relationships with all our key stakeholders, including our supply chains.

Further information on suppliers, including NatWest Group's Supplier Charter, can be found in the NatWest Group plc 2021 Annual Report and Accounts.

Communities and environment

Making a positive contribution to the communities in which we live and work is integral to delivering on our purpose.

Further information on communities and environment can be found in the NatWest Group plc 2021 Annual Report and Accounts, the NatWest Group plc 2021 Climate Related Disclosures Report and the NatWest Group plc 2021 ESG Supplement.

Supporting effective Board discussions and decision-making

NatWest Group's purpose- championing potential, helping people, families and businesses to thrive – continues to influence Board discussions and decision-making.

Relevant stakeholder interests, including those of colleagues, customers, suppliers and others are considered by the Board during its discussions and when it takes decisions. In making its decisions, the Board also considers the need to maintain a reputation for high standards of business conduct, and the long-term consequences of its decisions. However, Directors are mindful that it is not always possible to achieve an outcome which meets the requirements, needs and/or expectations of all stakeholders who are, or may be, impacted.

All decisions taken by the Board during the financial year were routine in nature but considered relevant stakeholder interests, as appropriate.

Further details on how NatWest Group plc engages with its stakeholders can be found in the NatWest Group plc 2021 Annual Report and Accounts.

Care Homes 2 Limited - 2021

Stakeholder engagement and s.172(1) statement

NatWest Group recognises the importance of engaging with stakeholders and understanding their views, to help inform strategy and board discussions and decision-making. This section of the Strategic Report describes how the directors have had regard to the matters set out in section 172(1) (a) to (f), and forms the directors' statement required under section 414CZA, of the Companies Act 2006.

The company is a wholly owned subsidiary of NatWest Group plc and has no direct employees. As such, its operations are aligned to the strategy and purpose of NatWest Group plc and it follows the policies and procedures of NatWest Group plc, as applicable. This is reflected, as appropriate, in the disclosures below.

Our Stakeholders

The company's key stakeholders and the engagement methods used by directors to understand their views and interests are set out below.

The Company's key stakeholder is its sole shareholder, Care Homes Holdings Limited, which manages the relationships with other stakeholders on behalf of the Company.

Customers

Further information on customers can be found in the NatWest Group plc 2021 Annual Report and Accounts.

Colleagues

Information on how NatWest Group engages with colleagues can be found in the NatWest Group plc 2021 Annual Report and Accounts. This includes details of the NatWest Group Colleague Advisory Panel, colleague opinion surveys, the NatWest Group Academy, the People Pledge, our wellbeing strategy and NatWest Group's inclusion guidelines and policies.

Suppliers

Information on NatWest Group's Supplier Charter, Modern Slavery Act Statement and Human Rights statement can be found in the NatWest Group plc 2021 Annual Report and Accounts.

Community and environment

Details of NatWest Group's engagement with communities and its response on climate change can be found in the NatWest Group plc 2021 Annual Report and Accounts. Please also refer to the NatWest Group plc's 2021 Climate-related Disclosure Report and ESG Supplement available on natwestgroup.com.

How stakeholder interests have influenced decision-making

Relevant stakeholder interests, including those of colleagues, customers, suppliers and others are considered by the board during its discussions and when it takes decisions. In making its decisions, the board also considers the need to maintain a reputation for high standards of business conduct, and the long-term consequences of its decisions.

All decisions taken by the board during the financial year were routine in nature but considered relevant stakeholder interests, as appropriate.

Further details on how NatWest Group plc engages with its stakeholders can be found in the NatWest Group plc 2021 Annual Report and Accounts and on natwestgroup.com.