



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 & 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 & Company – 2021

Stakeholder engagement and s.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.

As a subsidiary of NatWest Group our operations are aligned to the strategy and purpose of NatWest Group plc and we follow the policies and procedures of NatWest Group plc, which are reflected, as appropriate in the disclosures below.

Clients

Meeting the needs of clients is central to our long-term success and is a constant feature of Board discussions and decisions. Client NPS is regularly reviewed by the Board and Executive Committee and represents a key performance metric. During the year the Board received regular updates on client matters through reports from the Chief Executive Officer (CEO) and spotlights from the business areas. The directors met with clients throughout the year to enhance relationships and understand their views.

We operate a Client Council, bringing together clients from across the spectrum of our client base. Through the Client Council we undertake research during the year to better understand our clients' views and test developments which helps us to evolve in line with their needs.

Colleagues

As at 31 December 2021, NWB had seconded 1,750 colleagues to the Group (2020 – 1,724) (full time equivalent basis, including temporary workers). Details of 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 us to achieving our vision. Twice yearly our colleagues are asked to share their views on what it is like to work for us via a collective opinion survey. Our latest survey results, benchmarked against the Global Financial Services norms, shows us ahead in the majority of categories with colleagues valuing flexibility, support and work life balance.

Colleague voice

The Board promotes colleague voice in the boardroom through a variety of channels, including an 'open chair', which provides the opportunity for junior colleagues to attend board and committee

meetings. The People Council, made up of circa 50 colleagues, represents colleagues at all levels and acts as custodian of our culture plan. It provides an opportunity for our Executive Committee and Board to engage directly with colleagues.

Speak Up

One of the ways colleagues can report concerns relating to wrong-doing or misconduct is by raising their concerns via Speak Up, our whistleblowing service. The 2021 colleague opinion survey showed that our colleagues are more confident than ever in raising concerns. We believe this is due to our promotion of the speak up policy and encouraging all colleagues to challenge inappropriate behaviour.

Rewarding our colleagues

Individual performance objectives are clearly linked to our vision, strategy and purpose. We take a balanced approach to managing performance which is linked to reward. This includes taking into account 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.

Health and wellbeing of our colleagues

As an employer we want to make sure our colleagues have the right support to be healthy and happy at work (regardless of location) and feel able to bring their whole self to work. We have continued to roll out wellbeing programmes, initiatives and products that focus on physical, mental and financial wellbeing.

Developing our colleagues

We believe everyone has the right to be supported to reach their full potential. We invest in the future with ongoing coaching, training, support and encouragement. Every colleague has a personal development plan and access to a personal development coach.

In September 2021 we welcomed 14 graduates into our graduate schemes, plus 8 interns on an 8-week virtual programme. Gender balance and diversity are critical for these schemes to support a balanced workforce for the future. In 2021 we had at least 50% ethnically diverse representation on all early career programmes. Gender balance was at or above 50% representation for female participation on all programmes except one.

Employment of people with disabilities

We ensure that prospective candidates with disabilities are considered equally for employment. On becoming a colleague we are committed to training, career development and promotion based on merit. If a colleague becomes disabled during their career, it is our policy, wherever possible, to retain colleagues in their existing role or to re-deploy to a more suitable role.

Inclusion

Our vision to be the best Wealth Manager for the UK is dependent on having the best people that reflect both our client base and wider society. It is essential that we continue to build a diverse and inclusive organisation. We have a strong and active Respect, Diversity & Inclusion Council that is made up of colleagues who lead the employee led networks covering faith, disability, ethnicity, gender, LGBT+ and social mobility.

This year the spotlight has remained firmly on inclusion, not only the continued focus on ethnically diverse colleagues but right across the inclusion agenda. We have hosted several bank wide listening events that have been supported by the CEO and other Executive Committee members. The Board monitors diversity and inclusion on a quarterly basis to check progress against key measures. Internal policies such as recruitment and promotion support this agenda. Our aim is to have a full gender balance in our CEO-3 and above global roles by 2030 and 14% of roles at CEO-4 and above to be held ethnically diverse colleagues by 2025. The latest data demonstrates good progress towards both targets over the last two years: Females within the top 3 levels of the organisation have increased from 25% to 32.8% and ethnically diverse colleagues in the top 4 levels of the organisation have increased from 7% to 11.7%. Both aims remain a top priority on the people agenda, as we build a fully inclusive organisation.

NatWest Group has an additional ambition to have Black colleagues occupying 3% of CEO-5 and above UK roles by 2025. This is not measured at an individual business level. Gender and ethnicity pay gap data now forms part of NatWest Group's Annual Report and Accounts.

Community

We have a long and distinguished history of supporting philanthropic causes. We draw on this legacy through our support of the Coutts Charitable Foundation ("the Foundation"). 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 and the performing arts community.

Our award-winning Coutts Institute has also continued to support clients with their philanthropic needs.

We support our communities in a variety of ways, including the donation of over £480,000 from both colleague fundraising and our clients via our Thank You from Coutts reward programme. This year our colleague charity of the year was Future Frontiers, a charity which supports disadvantaged children through education and provides them with the skills for further education or employment.

We have continued our support of St Saviour's & St Olave's, a local girl's school, and via our Thank You from Coutts rewards programme our clients have donated 169 iPads to assist students during the pandemic. Over 90 students have participated in our mentoring programme which supports students to achieve their individual goals.

Climate

Climate change is a critical global issue which has significant implications for all our stakeholders. We have a responsibility to address emerging climate risks and support the wider NatWest Group climate ambitions.

Our ambitions, which support NatWest Group's, include:

- to reach net zero emissions across our managed investments by the end of 2050;
- to halve the level of carbon intensity of our discretionary portfolios and funds by the end of 2030 (compared to 31 December 2019);
- 50% of our mortgage book to be secured against homes with an Energy Performance Certificate (EPC) rated C or above by the end of 2030;
- exclusive use of renewable electricity in our direct operations by 2025.

We reduced the carbon intensity of equity holdings of all funds and discretionary¹ portfolios by an average of 38%² (compared to 31 December 2019).

Carbon intensity is calculated as carbon emissions per \$1 million of sales. As of 31 December 2021, this is only measured for equity holdings as data availability is better than for other asset classes. On average, as of 31 December 2021, equity holdings make up 60% of the total assets in all funds and discretionary portfolios. Carbon intensity data is sourced from third party sources, at fund and underlying company level, and is used to calculate the weighted average carbon intensity for all in-scope assets under management. Where external data isn't available, proxies are selected that match the company/fund characteristics³.

Governance

The Board oversees our response to climate-related risk and opportunities. During 2021 the Board has discussed our climate strategy and received targeted training to support ongoing oversight.

The Private Banking Climate Change Working Group ('PBCCWG') is a sub-committee of the Wealth Businesses Risk Committee, established to ensure we are embedding climate-related activity within the business, focusing on the development of our strategy, risk management framework, setting of our risk appetite and performance against appetite with respect to climate risks. The overall response to climate-related risk is managed by the Wealth Businesses Executive Committee.

Climate-related risks and opportunities within our asset management business are managed by the Investment Committee and the Asset Management Risk Forum. Relevant output from these meetings is presented to the PBCCWG before progressing to the Wealth Businesses Risk Committee. Our Responsible Investing Policy and Stewardship Policy, which are available on [coutts.com](https://www.coutts.com), set out our approach to integrating ESG into our investment decision-making process.

Climate strategy

Most of our carbon footprint is as a result of our investment and lending activities. We are already taking significant steps to reduce this.

¹ In 2021, funds and discretionary portfolios represented £27 billion or 91% of our assets under management.

² External data used in calculations is based on data at 30 September 2021.

³ Climate metrics, particularly targets, projections, forecasts and other forward-looking climate metrics, used in this document merit special caution about their usefulness in decision-making as they are more uncertain than, say, historical financial information.

We plan to reduce the level of carbon intensity of our discretionary portfolios and funds by 50% by the end of 2030 (compared to 31 December 2019). To support this ambition, we have divested from high-impact fossil fuels in our funds managed by Blackrock excluding any companies that derive more than 5% of their revenue from thermal coal extraction, Arctic oil and gas and tar sands and more than 25% of revenue from thermal coal generation.

We are a member of the Net Zero Asset Managers Initiative, a global alliance of 128 asset managers collaborating to achieve net zero emissions by 2050 or sooner.

We are also part of the Institutional Investors Group on Climate Change, a leading global investor membership body and the largest one focusing specifically on climate change. We are actively working with other investors to tackle climate change and to encourage the whole asset management industry to drive real progress by 2030.

We are striving to make our lending more sustainable. Our ambition is that 50% of our mortgage loan book will be secured against homes with an Energy Performance Certificate (EPC) rated C or above by the end of 2030.

To support this ambition, we offer green mortgages to clients to incentivise them to improve the energy efficiency of their homes. Our green mortgage product offers relevant clients a discounted arrangement fee for purchasing a more energy efficient home (EPC Grade A or B) or making improvements to their home to make it more energy efficient (EPC Grade C and above). As at 31 December 2021 we had received 179 applications for Coutts Green Mortgage products. This represents 7.4% of total mortgage applications in the year.

We launched a collaboration with Octopus Energy which intends to make it simple for clients and colleagues to move to electric vehicles. Through this initiative Octopus offers tailored advice, charging infrastructure funding solutions and access to some of the latest renewable technologies in a single solution to help clients and colleagues move to electric vehicles.

We were also among the first investment houses to buy into the UK government's debut green gilts issuance. These are a form of government debt where the proceeds are earmarked solely to be invested in environmentally beneficial projects.

We are founding supporters of the Queen's Green Canopy tree planting initiative and signatories of The Terra Carta, which aims to give fundamental rights and values to nature and create a more sustainable future.

Risk Management

Climate-related risk, in addition to the threat of financial loss, includes potential adverse non-financial impacts associated with climate change and the associated political, economic and environmental responses. Physical risks may arise from climate and weather-related events such as heatwaves, droughts, floods, storms, and a rise in sea level. They can potentially result in financial losses, impairing asset values and the creditworthiness of borrowers. Transition risks may arise as borrowers adjust their business models towards a low-carbon economy. Changes in policy, technology and sentiment may prompt reassessment of customers' financial risk and may lead to falls in the value of a large range of assets.

Identified financial risk from climate change, is being embedded into our existing enterprise-wide risk management frameworks. This will help to enable informed risk-based decisions that support the delivery of our strategic objectives within the Board-approved risk appetite.

Climate related risks are being incorporated into our Risk Appetite Statement monitoring document.

For asset management, our strategic asset allocation is predominantly focused on equities and bonds. We source data³ from external data providers MSCI and Morningstar for the external investment funds in our multi-asset portfolios and funds. This helps us assess climate risk exposure within these assets. An overview of our risk process is provided in our stewardship policy, which is available on [coutts.com](https://www.coutts.com).

We have a detailed fund research process and have developed our approach to assessing ESG risks and opportunities, combining qualitative and quantitative datapoints and insights. The framework looks at the approach to responsible investing at three levels: firm, investment strategy and stewardship. Framework results are fed into our fund due diligence process and annual reviews. The insights gained throughout the due diligence process form the basis of our engagement with fund managers, and we track progress and incorporate this into our responsible investing score.

We have a responsibility to tackle climate issues through the investments we manage on behalf of our clients. One of the most important tools we have to create positive change is our own voice. Through our engagement provider, EOS at Federated Hermes, we engage with the companies we invest in about the issues our clients care about.

Supporting effective Board discussions and decision-making

Our Board Terms of Reference reinforce the importance of considering both *Our Purpose* and the matters set out in section 172 in Board discussions and decision-making. Our Board and Board Committee paper template includes a section for paper authors to explain how the 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.

Our directors are mindful that it is not always possible to achieve an outcome which meets the requirements, needs and expectations of all stakeholders who are, or may be, impacted. For decisions which are particularly challenging or complex, we piloted an additional page to our template this year which provides directors with further information to support purposeful decision making. This additional page uses the framework of Blueprint for Better Business (an independent charity which aims to enable a better society through better business) as a base and is aligned to our broader purpose framework.

Principal decisions are those decisions taken by the Board that are material, or of strategic importance, to the Bank, and also those that are significant to key stakeholders. One such principal decision taken by the Board during the year was becoming a B Corp certified bank.

Case Study – becoming a certified B Corp

In July 2021, we officially became a B Corp, which is a key step in our journey to meet the highest standards of social and environmental performance across the business. This was a carefully considered decision by the Board which sought to embed sustainability and *Our Purpose* ambitions into the strategy.

To support the Board in its decision-making, it received comprehensive papers prepared by management on ESG topics and how these may be embedded within the strategy, as well as the specifics of the B Corp accreditation process. During its discussions, the Board noted the stakeholder impacts of the proposal as well as acknowledging the potential opportunities which may arise, for example in terms of stimulating innovative thinking in relation to ESG and broader stakeholder issues.

Throughout consideration of the proposal, the directors remained mindful of their duties under section 172 including the impact on community and environment. The Board discussed in detail the various stakeholders that would be impacted, with management engaging directly with the certifying body ('B Lab') and NatWest Group, providing feedback to the Board on any additional considerations identified as a result. Considering relevant stakeholder interests is key to purposeful decision-making.

As a certified B Corp our articles of association were amended to require the Board to balance profit with purpose.

Following achievement of B Corp status, the Board has continued to receive regular updates on B Corp as well as broader ESG matters and how these support our strategic aims. In 2022, the Board expects to receive regular updates in relation to key climate matters.

This year Coutts was a founding member of the 'B Finance UK Coalition' which was launched at COP26 and also supported B Lab UK's Boardroom 2030 initiative.

Regulators

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

Suppliers

The Board is mindful of the role suppliers play in ensuring a reliable service is delivered to clients, and of the importance of relationships with key suppliers, particularly in the current environment. The Board received updates on its suppliers on an ad hoc basis.

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.

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.

Board changes

Following an external recruitment process, Sharmila Nebhrajani OBE was appointed to the Coutts & Co Board as a non-executive director in May 2021. Francesca Barnes stepped down as a non-executive director in October 2021, with Sharmila Nebhrajani OBE succeeding her as Chairman of the Coutts & Co Audit Committee and Coutts & Co Risk Committee.

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 – 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 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.

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 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 2020, 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 2021 Annual Report and Accounts of NatWest Group plc and on natwestgroup.com.

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.

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.

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.

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 NatWest Group plc for further information on NatWest Group's approach to stakeholder engagement.

NatWest Trustee and Depositary Services Limited – 2021

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 - 2021

Stakeholder engagement and s.172(1) statement

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.

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, 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

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 through Lombard customer satisfaction surveys, customer feedback and complaint volumes.

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.

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 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.

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.

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 expectations of 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.

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.

Lombard Finance Limited – 2022

Directors' Duties and Engagement with Stakeholders

Stakeholder engagement and s.172(1) statement

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.

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

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.

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, 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.

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 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.

All decisions taken by the Board during the financial year were routine in nature but considered relevant to 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.

Lombard Lessors Limited - 2022

Directors' Duties and Engagement with Stakeholders

Stakeholder engagement and s.172(1) statement

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.

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

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.

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, 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.

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.

All decisions taken by the Board during the financial year were routine in nature but considered relevant to 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.

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.

RBS Invoice Finance Limited – 2021

Directors’ Duties and Engagement with Stakeholders

Stakeholder engagement and s.172(1) statement

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.

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.

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 through Company customer satisfaction surveys, customer feedback and complaint volumes.

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.

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.

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, the need to act fairly between the members of the company 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.

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.

This statement describes an example of principal decisions taken by the Board during 2021.

Approving capital distributions

Factors considered:

- long term likely consequences.
- relationships with customers, suppliers and others; and
- maintaining a reputation for high standards of business conduct.

What was the decision-making process?

In May and December 2021, the decision was taken to pay interim dividends to the Company's sole shareholder. The Board's decisions were made after careful consideration of the distributable reserves available to the Company and a key focus of Board-level discussions was how surplus capital was being managed.

How did the directors fulfil their duties under section 172? How were stakeholder interests considered?

Again, in taking decisions, the directors were mindful of their duties under section 172. For the dividend decisions the directors were particularly focused on whether the declaration of a dividend would support the long-term sustainable success of the Company.

How was NatWest Group's purpose considered as part of the decision?

The Board is aware that in taking decisions on capital distributions, it also needs to consider the financial implications of those decisions in terms of continuing to support customers and maintaining financial stability.

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

Lombard Technology Services Limited – 2021

Stakeholder engagement and s.172(1) statement

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. For 2021, the key stakeholder group remained its sole shareholder, Lombard North Central PLC, which manages 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 Group 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.

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

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.

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.

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.

Description of Principal Decision

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

During the year a review was carried out over the activities of the immediate parent company, Lombard North Central PLC and its subsidiaries which was overseen by the board of Lombard North Central PLC. As a result of that review, it has been determined that it is in the best interests of Lombard North Central PLC that the Company cease to take on new business. The Company continues to trade over existing business as it runs down.

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 Holdings Limited - 2021

Stakeholder engagement and s.172(1) statement

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

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Communities and environment

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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.

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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.