



NatWest Group: Detecting and Preventing Financial Crime

Statement on correspondent & agency banking services

December 2021

Correspondent & agency banking services

Supporting material for our correspondent & agency banking customers



Introduction

- NatWest Group is a financial services company providing a range of products and services to personal, commercial, large corporate and institutional customers. We are a UK-centred bank with our headquarters in Edinburgh but also support our customers to access international markets in Europe, Asia and the U.S
- Our purpose is to champion potential, helping people, families and businesses to thrive. This lies at the core of our activity as we strive to create long term, deeper relationships with our customers
- Our actions to tackle financial crime are intrinsically linked to Our Purpose and reflected in Our Values. We strive to play our role in tackling financial crime which can do untold harm to our customers and the communities which we serve
- Our financial crime statement can be found here:
https://www.natwestgroup.com/content/dam/natwestgroup_com/natwestgroup/pdf/20210513-financial-crime-statement.pdf
- Further information on NatWest Group 'Financial Crime Statement' for AML & Sanctions, Anti-Bribery & Corruption and Anti-Tax Evasion can be found here (within Downloads section): <https://www.natwestgroup.com/our-purpose.html>

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Purpose & Strategy

- Being purpose-led is about balancing the needs of all our stakeholders and not avoiding the tough decisions. It is about accepting and recognising the difficulties and challenges and bringing the right people into decision-making
- We are committed to embedding our purpose at the core of our business allowing us to make a positive contribution to society, working with and alongside our stakeholders
- We're putting purpose at our heart of every action and decision. And we're focusing on relationships, not transactions, striving to put the needs of people (colleagues, customers, suppliers, communities and shareholders) and the planet at the heart of everything we do. We are also striving to be transparent about the challenges that being purpose-led can surface
- This is helping our customers and communities trust and value us, which in turn means that we can all be proud of the company we work for. We are building a bank that is safe, simple and smart that will create long-term, sustainable impact to help all of us to thrive

Our commitment to fighting financial crime

- NatWest Group AML programme is based on the laws, regulations and regulatory guidance in place in the various jurisdictions in which we operate. We expect that our clients adopt similar practices to help prevent financial crime
- This commitment extends to the following financial crime risks and relevant legislation:
 - Money laundering and terrorism financing (ML/TF) by managing risk and complying with relevant anti-money laundering and counter-terrorism financing (AML/CTF) laws
 - Economic and trade sanctions (Sanctions) laws
 - Anti-bribery and corruption (ABC) legislation
 - Tax reporting legislation

We expect our correspondent & agency banking customers to uphold this commitment

Correspondent & agency banking services

Expectations of our correspondent & agency banking customers



Roles & Responsibilities

- In order to meet our obligations, along with standard due diligence requests, from time-to time we may need to request additional information from you regarding your customers and their transactions
- We appreciate your support in responding as quickly and thoroughly as you can in these matters. As such we may not be able to support certain business activity and reserve the right to reject any client, payment, or business that is not consistent with this policy statement
- Your account must never be used for unlawful/illicit activity. This includes, amongst others, money laundering, Sanctions avoidance/evasion, facilitation of tax evasion, transacting the proceeds of bribery and corruption
- We expect you to maintain a framework to manage these risks appropriately
- We expect all correspondent & agency banking customers who conduct business with NatWest to have Financial Crime Compliance programs, policies and procedures that comply with applicable laws and regulations in the jurisdiction in which you operate and the currencies in which you transact
- We expect these programs include know your customer, enhanced customer due diligence, transaction screening and transaction monitoring and reporting

How our financial crime commitment affects you

NatWest Group will not commence or maintain correspondent or agency banking relationships with:

- Shell banks or financial institutions which hold relationships with shell banks
- Financial Institutions that are unwilling to comply with the Group's Customer Due Diligence requirements
- Financial institutions offering or maintaining anonymous and/or numbered accounts (or similar), where the true beneficiary remains 'hidden'
- Financial institutions which offer Payable-Through Accounts and provides such services through their business relationship with the Group
- Financial institutions (including branches or subsidiaries) which are not appropriately licensed for the services they provide, and financial institutions which hold relationships with unlicensed financial institutions

Correspondent & agency banking services

Expectations of our correspondent & agency banking customers



Crypto Assets/ESE Sectors

- NatWest Group has a restrictive appetite towards Crypto-Asset activity. Should you wish to use your account to provide services to your clients operating as Crypto-Asset Exchanges (or similar) you will need to discuss this with us first
- NatWest Group has adopted appetite positions towards various sectors as defined in its Environmental, Social & Ethical policies. We expect our clients to respect these policies and not process transactions which conflict with these
- Further details can be found in the 'Downloads' section here: <https://www.natwestgroup.com/our-purpose.html>

Sanctions

- NatWest Group is committed to complying with sanctions laws and regulations of the UK, EU, UN and US, as well as other applicable sanctions laws and regulations in the jurisdictions in which NatWest Group operates
- NatWest Group takes a prohibitive stance towards transactions and relationships with persons located in countries or regions subject to comprehensive sanctions or owned or controlled by persons in such countries
- NatWest Group does not have any subsidiaries or branches in countries or regions subject to comprehensive sanctions. These countries and regions include the Crimea region, Cuba, Iran, North Korea, Sudan and Syria
- NatWest Group has procedures and policies designed to comply with the requirements of the EU, UK, UN and US Sanctions regimes globally. In addition, in all countries where NatWest Group entities operate, local law and sanctions lists are complied with

Correspondent & agency banking services

Expectations of our correspondent & agency banking customers



Anti-Tax Evasion

- NatWest Group has no appetite for facilitating tax evasion
- We intend to only deal with clients who are tax compliant and we will not knowingly facilitate any transactions that seek to circumvent or abuse tax laws
- We expect the reasonable assistance of our clients with our due diligence

Anti-Bribery & Corruption

- NatWest Group is firmly committed to acting with integrity, fairness, due skill, care and diligence in all its business dealings and commercial relationships
- NatWest has a zero tolerance to actions and activities that knowingly breach bribery and corruption laws or regulations, and for any disregard for the ABC Policy, arising from any staff