

Stakeholder engagement

Our business is made up of a network of relationships. Listening, engaging and partnering with stakeholders helps us to address our business impacts and improve outcomes for customers, society and the environment. Below, we highlight who our key stakeholders are and some examples of how we collaborate with them to create value.



- How we engage across the company
- How we engage at Board level





For further information on how stakeholder considerations influenced the Board's discussions and decision-making, refer to our section 172(1) statement on pages 52 to 53, and our Corporate governance report on page 102.

Key ESG topics for our stakeholders

In 2021 we carried out an Environmental, Social and Governance (ESG) materiality assessment, involving a programme of stakeholder engagement to deepen our understanding of the ESG topics that matter most to them. The findings guide our reporting and decision-making, ensuring we remain focused on the right issues. While we have identified climate, enterprise and learning as the three focus areas of our purpose where we can make a meaningful contribution, our 2021 assessment confirmed that our stakeholders believe there are many other important ESG topics for NatWest Group to consider, particularly those related to our core business responsibilities.

Read more about our ESG materiality assessment, including our methodology, in our 2021 Environmental, Social and Governance Supplement.

How we engaged	What we discussed	Outcome of engagements	Challenges we faced
 Customers – the people and businesses we serve			
<ul style="list-style-type: none"> Face to face with retail customers via branches, mobile branches and with our community bankers. Also, through our video banking, telephony and secure messaging services. Customer surveys including Net Promoter Scores (NPS), syndicated surveys, focus groups and listening sessions. Complaints. With businesses, through Bankline for our business and commercial customers; our Accelerator, Business Builder and Digital Boost programmes; and our Banking on Business Surveys, polls and discussions. 	<ul style="list-style-type: none"> We support customers with their financial wellbeing, goals and plans, our products and services, and with advice on how to avoid fraud and scams. Customer experience and satisfaction, climate change (including COP26), problem debt and financial distress, our youth proposition, and building thriving local communities. Examples included service quality, and processes such as fraud blocking and customer due diligence. COVID-19, Brexit, support for small and medium-sized enterprises (SMEs), removing barriers to enterprise, UK Government's Levelling Up agenda, transition to a net-zero economy. 	<p>(*) Within the scope of EY assurance. Refer to page 78</p> <ul style="list-style-type: none"> In 2021 we delivered 6.1 million^(*) financial capability interactions and helped 470,813^(*) additional customers start to save. We helped 111,895 people to identify scams and know where to go to get help in 2021. In terms of customer advocacy in 2021, NPS for Retail Banking improved by six points for NatWest and seven points for Royal Bank of Scotland. In Commercial Banking, NatWest maintained a leading score in the market while Royal Bank of Scotland is one of the leading brands – refer to page 56 for full details. Complaints provided us with the opportunity to improve our journeys for customers and enhance colleague capability. Our Digital Boost collaboration has supported SME recovery and helped drive inclusive economic growth. We have committed to support Digital Boost to offer expertise to 500,000 women and 200,000 people from ethnically diverse backgrounds. 	<p>Several customers reached out to us expressing their dissatisfaction at the closure of their local branch.</p> <p>The way people bank with us has changed dramatically in recent years, with an increased demand for mobile and online services as customers benefit from a faster and easier way to bank. However, we still have more than 800 branches open and 16,000 physical points of presence including our ATM network and our relationship with the Post Office.</p>
<ul style="list-style-type: none"> Customer engagement programme for non-executive directors. Customer feedback videos. 	<ul style="list-style-type: none"> Customer experience and how our customers think about us. Changing customer behaviours and product feedback. 	<ul style="list-style-type: none"> Non-executive directors were able to observe customer-facing colleagues in action and to hear customer feedback as part of a focus group or customer listening surgery. Feedback videos were shown to NatWest Group Board as part of the annual Board strategy session and provided useful insights to help inform Board discussions. 	<p>Closing a branch is a decision we take very seriously – we know it can affect people who are less confident with the alternatives we offer. We will strive to guide those customers through the changes and find the best way to serve them from now on.</p>
 Colleagues – the people who deliver our purpose			
<ul style="list-style-type: none"> Our View opinion survey. Wellbeing Champions, Inclusion Champions, Our Colleague Experience Squad and employee-led networks. Team meetings, town halls and all-colleague webinars. Junior Management Team (JMT). 	<ul style="list-style-type: none"> Our View asks for colleague opinion on topics such as purpose, wellbeing, inclusion, leadership and reward. Our colleague representative groups are passionate about advancing topics that influence our culture, such as wellbeing; new ways of working; diversity, equity and inclusion; colleague capability; and remuneration. Several of the above topics, plus our sustainability aims. The JMT mirrored the size and shape of the executive leadership team, and supported several strategic goals. 	<ul style="list-style-type: none"> Our View September 2021 survey results showed that overall colleague sentiment remains strong, despite the impact of the pandemic. Our c.1,300 Wellbeing Champions supported and amplified our wellbeing strategy, signposting colleagues to the right resources at the right time. We continued to support our c.24,000 participant employee-led networks, who empowered colleagues and helped to create an inclusive workplace. In 2021, we transformed our approach to mandatory diversity, equity and inclusion learning. With help from some of our c.1,500 Inclusion Champions, we created an e-Learning module featuring videos focusing on lived experiences of colleagues. The JMT created Mystery Meetups – an initiative that encourages connections across NatWest Group, promoting wellbeing and a one-bank mentality. 	<p>Over 46,700 colleagues (81%) participated in our September 2021 Our View survey. Despite colleague sentiment on culture, purpose, inclusion and building capability remaining strong, scores in the reward category have declined since 2020, but remain aligned with the Global Financial Services Norm (GFSN) in all but one question. We will seek to address this, subject to performance, in 2022.</p>
<ul style="list-style-type: none"> Colleague Advisory Panel. Board and Group Sustainable Banking Committee (SBC) talent sessions with potential Group Executive Committee (ExCo) successors. 	<ul style="list-style-type: none"> Wellbeing, remuneration (including executives and the wider workforce), climate, retail banking strategy, sustainability and purpose. Board: customer behaviour and purpose, sustainability and climate. SBC: how we can continue to support, build relationships, and grow within the communities we serve. 	<ul style="list-style-type: none"> The Colleague Advisory Panel continued to provide an important two-way communication channel between the Board and colleagues on key topics of interest. Executive talent sessions helped our non-executive directors get to know potential future leaders, through focused debates on strategic topics. 	<p>Across all 15 measured categories, NatWest Group is an average of 11 percentage points above the GFSN and five percentage points above the Global High Performance Norm (GHPN).</p>

How we engaged	What we discussed	Outcome of engagements	Challenges we faced
<div><div></div><div>Communities – the places where we have an impact</div></div> <div><div><ul style="list-style-type: none">– We continued to engage with our charity relationships, supporting them through Payroll Giving, colleague fundraising and volunteering, and disaster and emergency appeals.– We supported young people through the delivery of our MoneySense and CareerSense programmes.– NGOs, academia and think tanks.</div><div><div><ul style="list-style-type: none">– We discussed raising awareness of charitable donations, and enabling employee volunteering and fundraising opportunities through our Do Good Feel Good campaign.– MoneySense gave financial advice to young people while our CareerSense programme provided critical employability skills – especially to those from underprivileged backgrounds.– We discussed several climate-related topics, such as our lending policies, Paris Alignment, biodiversity and COP26.</div><div><div><ul style="list-style-type: none">– Our direct community investment in 2021 amounted to £7,266,818^(*). Across all of our fundraising and volunteering programmes, our colleagues have given £3,543,533 and 43,003 worktime volunteering hours.– MoneySense has helped 10 million young people learn about money since it was launched in 1994, and is currently supported by over 6000 active volunteer colleagues. CareerSense has seen 8,200 pupil registrations since its launch in June 2021.– We sponsored COP26, published our first Nature and Biodiversity Statement, and signed up to the Net Zero Banking Alliance and other commitments.</div></div><div><div><ul style="list-style-type: none">– The Chairman, Group CEO, Group CFO and selected non-executive directors attended the COP26 Climate Summit along with members of the executive team.</div><div><div><ul style="list-style-type: none">– Progress against our climate ambitions, goals and targets.– Regulatory and investor expectations in relation to climate.</div><div><div><ul style="list-style-type: none">– Non-executive directors and the executive team spent time talking with customers, colleagues and industry peers at a range of climate-focused events.</div></div></div><div><div></div><div>Suppliers – where we source our goods and services</div></div><div><div><ul style="list-style-type: none">– Regular review meetings with key suppliers.– Policy due diligence activity.– Audit reviews.</div><div><div><ul style="list-style-type: none">– Environmental and ethical sustainability.– Prompt payment.– Risk management.</div><div><div><ul style="list-style-type: none">– In collaboration with key stakeholders, we completed the first review of our Supplier Charter, which sets out our aims and expectations in several key areas.– We worked with EcoVadis – a leading organisation providing third-party evidence-based assessments of sustainability performance – to measure our own performance and that of our suppliers against the charter, enabling us to identify social, environmental and ethical improvements.</div></div><div><div><ul style="list-style-type: none">– Business reviews (regular Board reports)</div><div><div><ul style="list-style-type: none">– Regular updates on key supplier and partnership relationships and initiatives being undertaken with them.</div><div><div><ul style="list-style-type: none">– Business review updates provided the Board with visibility on key supplier activity and how this supported our purpose, strategy, financial performance and climate ambitions.</div></div></div><div><div></div><div>Investors – providers of the capital and funding that supports our business activities</div></div><div><div><ul style="list-style-type: none">– Investor spotlight sessions, presentations at industry conferences and meetings with our senior management.</div><div><div><ul style="list-style-type: none">– These presentations provided a deep dive into key areas of the business, progress to date and future priorities.</div><div><div><ul style="list-style-type: none">– Institutional investors and research analysts gained a deeper understanding of our business and were able to ask questions of the wider management team.</div></div><div><div><ul style="list-style-type: none">– The Chairman, Group CEO, and Group CFO took part in a programme of engagement through quarterly results presentations and 1-1 meetings with our largest investors.– The Chairman, Group CEO, and other non-executive directors represented the Board at three virtual shareholder events with private shareholders.– The Chairman and a number of non-executive directors hosted a corporate governance forum for investors.</div><div><div><ul style="list-style-type: none">– Progress against strategic priorities, financial performance, capital return policy, environmental, social and governance topics, regulation and the macroeconomic environment.– As above, plus a discussion around dividends and share price performance, supporting enterprise and tackling climate change.– Board succession planning, diversity and inclusion, key areas of Board focus, ‘Say on Climate’ resolutions.</div><div><div><ul style="list-style-type: none">– The Chairman, Group CEO and Group CFO have an open dialogue with institutional investors, updating investors on progress and keeping the Board informed about their views and priorities throughout the year.– Private shareholders also had the opportunity to raise any concerns directly with Board members at our virtual shareholder events.– Investors received an update on key corporate governance topics and the Board heard their views on evolving practice for Say on Climate resolutions.</div></div></div><div><div></div><div>Regulators – who we seek to comply with</div></div><div><div><ul style="list-style-type: none">– We engaged in several regulatory consultations.</div><div><div><ul style="list-style-type: none">– Alternative risk-free reference rates (to replace LIBOR).– Credit risk.– Cybersecurity.– Historical conduct issues.– Access to cash.– COVID-19 support measures and recovery.– Environmental, Social and Governance issues.</div><div><div><ul style="list-style-type: none">– We sent bilateral responses to material consultations or other requests for comment/input issued by various government, regulatory and standard setting bodies during 2021.– We engaged with regulators during the policy proposal phase on several occasions to help inform priorities – examples included the independent review of ring-fencing and proprietary trading and the FCA’s proposals for a new consumer duty.</div></div><div><div><ul style="list-style-type: none">– Prudential Regulation Authority (PRA) attendance at July 2021 Board meeting.– Non-executive directors engaged with regulators through continuous assessment and proactive engagement meetings.</div><div><div><ul style="list-style-type: none">– PRA periodic summary meeting (PSM) outputs.– Topics included strategy, financial performance, capital distributions, Board and Committee priorities, Board effectiveness, governance, risk and control environment, financial crime and ring-fenced bank independence.</div><div><div><ul style="list-style-type: none">– The Board were able to hear directly from the PRA on the key messages in the PRA’s PSM letter, including regulator expectations for key areas of Board focus.– Engagement meetings allowed the directors to understand the regulators’ key areas of interest and provide them with direct feedback on those topics.</div></div></div><div><div><p>During 2021, the COVID-19 pandemic resulted in NatWest Group temporarily closing two popular volunteering programmes – MoneySense for Schools and The Conservation Volunteers (TCV). MoneySense for Schools remained closed throughout 2021, though online resources were still available. However, due to the TCV programme being delivered outdoors, in June we were once again able to offer colleagues the chance to do their bit to help nature and biodiversity to thrive.</p></div><div><p>Where suppliers that underwent the EcoVadis assessment performed below the global average, we know there is more we can do to engage and support them in improving their performance on key sustainability topics.</p><p>To achieve this, we have put in place a strategy for 2022 that aims to enable our suppliers to improve and help us cultivate a more responsible value chain.</p></div><div><p>COVID-19 restrictions presented a challenge for the 2021 AGM. As a solution to investors being unable to attend the AGM, we held a virtual shareholder event one week prior to the AGM. Investors had the opportunity to hear from Board members and ask questions prior to voting on the AGM resolutions. Answers and a recording of the event were made available on our website. Holding the event demonstrated that engagement with investors is a priority for the Board.</p></div><div><p>In December 2021, NatWest Bank Plc was fined £264.8 million by the FCA for three breaches of the Money Laundering Regulations 2007. We deeply regret that we failed to adequately monitor one of our customers between 2012 and 2016 for the purpose of preventing money laundering. We cooperated fully with the FCA’s investigation. As part of its ongoing programme of investment in its people, processes and technology, NatWest Group’s financial plans already include over £1 billion to further strengthen financial crime controls over the next five years.</p></div></div></div></div></div></div></div></div></div></div></div></div></div></div>			