

Statement on Anti-Money Laundering, Counter Terrorist Financing and Sanctions



NatWest Group has zero tolerance for actions and activities that knowingly breach Anti-Money Laundering (AML), Counter Terrorist Financing (CTF) and Sanctions laws and regulations.

NatWest Group has developed and implemented an AML Programme consisting of an AML/CTF policy, procedures, and internal systems and controls. These apply to all business and staff globally and NatWest Group requires compliance with these obligations whenever acting for or on behalf of NatWest Group.

1 – Legal and Regulatory Framework

NatWest Group's AML/CTF Programme is based on the laws, regulations and regulatory guidance in jurisdictions in which we operate. In the UK, these include:

- The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2019;
- The Criminal Finances Act 2017;
- Sanctions and Anti Money Laundering Act 2018;
- The Proceeds of Crime Act 2002 (as amended);
- The Terrorism Act 2000 and the Anti-Terrorism, Crime and Security Act 2001 (as amended);
- The FCA Handbook; in particular "Senior Management Arrangements, Systems and Controls" Sourcebook;
- The Joint Money Laundering Steering Group guidance.

In addition, where appropriate, NatWest Group applies locally applicable laws and regulations.

Compliance with the AML/CTF policy and procedures is monitored across NatWest Group using the three lines of defence model – Risk Management, Risk Oversight, and Audit. In addition, NatWest Group has a variety of automated systems and controls designed to monitor various elements of AML/CTF compliance, including payments, transactions, customer identification and due diligence, and Politically Exposed Persons (PEP) and Terrorist screening.

2 – AML/CTF Programme

NatWest Group AML/CTF Programme addresses key AML/CTF risk areas and includes but is not limited to:

- The appointment of a Group Money Laundering Reporting Officer who has responsibility for oversight of NatWest Group's compliance with all relevant laws and regulations;
- The identification of potential AML/CTF risks relevant to NatWest Group's activities;
- Established AML/CTF policy and local procedures to ensure compliance with AML/CTF laws and regulations;
- Customer identification and verification;
- The identification of beneficial owners;
- The identification and risk assessment of Politically Exposed Persons;
- Enhanced due diligence for high-risk clients;
- Internal procedures for monitoring and reporting suspicious activities;
- Relevant procedures for reporting suspicious activities to the designated and appropriate financial intelligence unit;
- Screening customers against relevant financial Sanctions, PEP, and Terrorist lists;

- The retention of relevant records in line with NatWest Group’s regulatory obligations in the jurisdictions in which it operates and in line with NatWest Group’s internal policy requirements;
- The provision of advice and management reports, including Management Information to senior management regarding compliance with AML/CTF laws and regulations;
- Regular staff training and awareness, as appropriate to the role, including training of senior management;
- The promotion of effective compliance through a range of independent assurance testing and audit activity to provide appropriate oversight and follow-up actions in the event of non-compliance;
- The management of regulatory inquiries and incidents.

3 – Sanctions Programme

NatWest Group has procedures and policies designed to comply with the requirements of the EU, UK and US sanctions regimes globally. In addition, in all countries where NatWest Group entities operate, local law and sanctions lists are also complied with.

NatWest Group takes a prohibitive stance towards transactions and relationships for persons located in countries subject to comprehensive sanctions or owned or controlled by persons in such countries. NatWest Group does not have any subsidiaries or branches in countries subject to comprehensive sanctions.

Any accounts identified as held by EU or UK designated persons are frozen in accordance with the applicable regulations. NatWest Group is not subject to ownership or control by persons subject to EU, UK and US sanctions nor are any subsidiaries or branches.