



NatWest  
Group

**Serving our  
customers  
every day**

**NatWest Group plc**

**2023 Statement on Modern Slavery  
and Human Trafficking**



# Introduction

Despite ongoing efforts across the globe, slavery is not going away. The [Global Slavery Index](#)<sup>(1)</sup> reveals the number of people living in modern slavery has continued to grow since 2016 against a backdrop of increasing and more complex conflicts, widespread environmental degradation, climate-induced migration, a global rollback of women's rights, and the economic and social impacts of the COVID-19 pandemic.

While much of the commentary focuses on countries outside the UK, significant problems continue in NatWest Group's home markets. The 2023 Index estimated that, in the UK, there were over 122,000 people bound in slavery.

These stark figures underline the importance NatWest Group places on addressing this critical issue in our society, although we know we can't do this alone. That's why we are working collaboratively with stakeholders, including other businesses, investors, the UK Government, law enforcement agencies, NGOs, charities and customers to enable us to keep informed of changes in policy and grow our understanding of [modern slavery](#).

As a leading UK bank with 19 million customers, we recognise our obligation to comply with all appropriate legislation, including the UK Modern Slavery Act 2015 (MSA). Our approach to promoting respect for human rights is informed and guided by internationally recognised human rights standards including the United Nations Guiding Principles (UNGPs) on Business and Human Rights.

We continue to make progress every year. In 2023, we focused our activity on reviewing and updating our policies and processes, monitoring our supply chain for risks of modern slavery, strengthening our approach to human trafficking as a financial crime, training and raising awareness of modern slavery with colleagues across NatWest Group.

NatWest Group was the highest scoring bank in the 2023 [CCLA Modern Slavery UK Benchmark](#). We achieved a Tier 2 position of evolving good practice. While there is room for further improvement, we were recognised for providing evidence of human rights due diligence practices on modern slavery informed by experts and civil society partners, and activity in the "find it, fix it and prevent it" categories.

I am encouraged by the progress we have made in the last 12 months and recognise that there is more to do. The following statement, for the year ended 2023, outlines the progress we have made to date, as well as the additional activity we aim to conduct in 2024. Our 2024 aims are also signposted throughout the document.

We are committed to working with stakeholders to make improvements and we welcome feedback from all stakeholders on both our approach and our Modern Slavery and Human Trafficking Statement.

**James Holian**

**Managing Director, Business Banking & International Retail  
Chair, NatWest Group Human Rights Action Group**

**12 June 2024**

'At NatWest Group we recognise we have an important role to play in promoting respect for human rights. In 2023 we have made progress and will continue to work to identify and address modern slavery.'

(1) [The Global Slavery Index 2023](#).



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This is our eighth Modern Slavery and Human Trafficking Statement made in accordance with section 54 of the MSA. This statement applies to NatWest Group plc and its subsidiaries that are subject to the provisions of the MSA. A list of those subsidiaries is provided in the appendix.

For the purpose of this statement our definition of modern slavery encompasses slavery, servitude and forced labour or compulsory labour, human trafficking, sexual exploitation and child labour in accordance with Article 12 of Section 54 of the MSA. This statement covers the financial year ended December 2023.

Estimated  
**50 million**  
people worldwide in modern slavery<sup>(1)</sup>

Over  
**122,000**  
people in slavery in the UK<sup>(1)</sup>



(1) Global Slavery Index 2023.



# 1 2023 overview

In 2023 our activity was focused around the following areas:

## 1.1 Developing, reviewing and updating our policies and processes:

- We published a standalone Human Rights Risk Acceptance Criteria (RAC) which forms part of our Environmental, Social and Ethical (ESE) framework. This will be rolled out in 2024 and applies to sectors where there is heightened human rights risk, including sectors identified by the Unseen Modern Slavery Helpline as being at heightened risk for modern slavery.
- We conducted an ESE sector review of all of our RACs to reflect relevant human rights wording. These were published in December.  
[Read more on page 8.](#)
- We furthered our commitment to fair pay by achieving accreditation as a Regional Living Wage Employer from the Fair Wage Network and are now recognised as a Global Living Wage Employer.
- We reviewed and updated our Supplier Charter which outlines our commitments and expectations of suppliers in relation to human rights including modern slavery.
- We identified our Salient Human Rights Issues which have the most potential to occur if action is not taken to prevent or address them.

## 1.2 Assessing our supply chain for risks of modern slavery:

- EcoVadis continues to help us understand/measure our banks performance and the performance of our suppliers on key sustainability metrics, including the policies and processes in place to identify and tackle modern slavery. During 2023, 528 of our suppliers completed an EcoVadis assessment and received a rating.

## 1.3 Strengthening our activity to tackle human trafficking as a financial crime:

- We continued our efforts to combat financial crime and the misuse of our products and services by criminals, taking a proactive approach to financial crime risk. We continued to investigate financial crime and disseminated intelligence to relevant areas of the bank and externally to enable the better detection and disruption of financial crime.
- We continued to raise awareness of modern slavery and human trafficking across the bank to help colleagues to identify and raise concerns around modern slavery.
- The Threat Intelligence Team, in the Threat Mitigation Unit (TMU), continued its work with Data and Analytics colleagues and external stakeholders to enhance our ability to detect activity indicative of modern slavery and human trafficking through proactive detection.

- The Economic Crime Unit (ECU) works through the output of this by undertaking investigations of customers who may be either potential perpetrators or victims, and providing feedback, to enhance our detection capabilities.

## 1.4 Training and raising awareness of modern slavery with colleagues across NatWest Group:

- To coincide with Anti-Slavery Day on 18 October, we published internal editorial content including an interview with the CEO of anti-slavery charity Unseen. During the week-long campaign we presented a series of webinars exploring four different themes of modern slavery through real case studies. Unseen also hosted a lunch and learn event which highlighted the realities of modern slavery and the impact on victims, and examined the role that the financial services sector can play in tackling the issue.
- We worked with Unseen to review and update our group-wide e-learning module. The module highlights red flag indicators that colleagues can use to recognise possible signs of modern slavery and provides information on how to report any concerns. This learning is mandatory for all of our Supply Chain Services managers.

## 1.5 Engaging with stakeholders:

- We continued our engagement with stakeholders including STOP THE TRAFFIK and TRIBE Freedom Foundation in 2023, which helped us to grow our understanding of modern slavery and changes in the external environment.
- We joined the Unseen Business Hub community, which provided us with expert webinars and updates, practical resources and access to helpline trends and analysis of high-risk sectors.
- We continued collaborative engagement with The Thun Group, the UN Global Compact (UNGC) Network UK Modern Slavery Working Group and Joint Money Laundering Intelligence Taskforce (JMLIT).
- In the process of assessing and publishing our Salient Human Rights Issues we engaged internal and external stakeholders, and spoke with investors, charities, colleague representative groups, a supplier and representatives of UK businesses.



## 2 About NatWest Group

### About NatWest Group

NatWest Group plc is registered in Edinburgh, but we have subsidiaries in various jurisdictions.

We operate through a variety of brands which offer retail and business banking, private banking, investment banking and corporate finance. Our main subsidiary companies are National Westminster Bank plc, Royal Bank of Scotland plc, NatWest Markets plc, Coutts & Company and Royal Bank of Scotland International Limited. Details of all of our subsidiaries and the countries in which they are incorporated can be found in our [Annual Reports and Accounts](#).

### Our colleagues

As at 31 December 2023, we employed 61,200 FTE<sup>(1)</sup> permanent employees globally. In addition, the average number of temporary colleagues employed during 2023 was 2,100.

When recruiting temporary workers we only use a small number of pre-approved recruitment agencies. All agencies are contractually required to complete pre-employment screening (PES) of their workers in line with NatWest Group requirements.

The NatWest Group PES policy seeks to limit the risk of forced and compulsory labour in our workforce by ensuring newly hired employees, non-employees (contingent workers) and third-party supplier workers complete background vetting checks before they can join us. These include (without limitation and to the extent legally permissible) identity, right to work, activity, address, credit, criminal, education and fraud checks.

PES enables us to verify that the candidate is who they say they are, and to check their conduct and test their integrity through a declaration of adverse information and evidence in accordance with NatWest Group values, confirming there are no legal or regulatory barriers to employing them. When colleagues join us, we aim to provide plenty of support, education and training for business and regulatory purposes. We expect colleagues to behave ethically at work and operate in line with Our Code and values. Their failure to do so can result in disciplinary action.

### Collective bargaining and freedom of association

We regularly interact with our employee representatives such as trade unions, elected employee bodies and works councils and consider these a vital means of transparency and engagement for us. We frequently use these sessions to discuss developments and updates on the progress of our strategic priorities. We aim to respect our employees' right of freedom of association across all our businesses and we share information about our employee representative bodies with our colleagues on our intranet. Approximately 72% of our employees are covered by a collective agreement and/or employee representative arrangements.

### Pay

Our [Fair Pay Charter](#) sets out NatWest's commitment to pay all colleagues fairly, competitively and transparently, and our Reward Policy is updated according to the current and future needs of the business. We are proud to be accredited as a Living Wage Employer by the Living Wage Foundation, demonstrating our commitment to paying wages that meet the true cost of living in the UK. Our rates of pay continue to exceed the Living Wage Foundation benchmarks. For our hubs outside the UK, we continue to pay above the minimum and living wage rates. In 2023, we furthered our commitment to fair pay by achieving accreditation as a Regional Living Wage Employer from the Fair Wage Network and are now recognised as a Global Living Wage Employer. This demonstrates how we take steps, in every location in which we operate, to ensure our colleagues are paid enough to have a decent standard of living, including food, water, housing, education, healthcare, transport, clothing and other essential needs, such as provision for unexpected events.

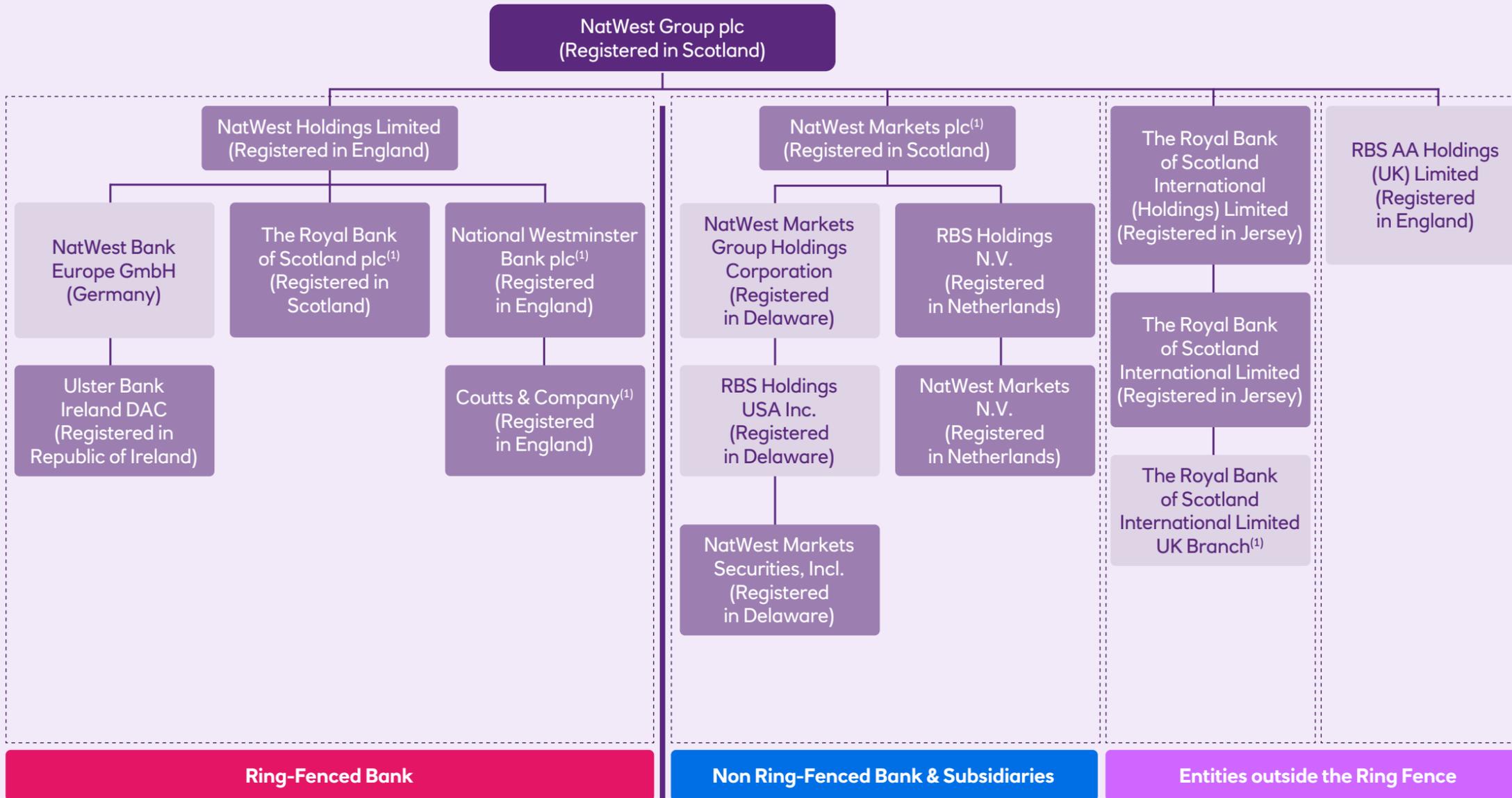


(1) Full Time Equivalents of our permanent and internal fixed term resource. Each full-time employee is one FTE, with part-time employees recorded based on hours worked.



About NatWest Group continued

High level legal entity structure



(1) UK authorised institutions.

■ Principal and/or Material Regulated Subsidiaries

📄 For the list of subsidiaries in scope see page 20.

**Colleague Advisory Panel**

We established a Colleague Advisory Panel (CAP) in 2018, through which our colleagues can engage directly with senior management and the Board on topics that are important to them, thereby strengthening the voice of colleagues in the boardroom.

The CAP met with representatives from the Board twice in 2023, in May and November. Panel members and directors shared views on executive remuneration and the wider workforce, environmental, social and governance topics, Consumer Duty and NatWest Group's Salient Human Rights Issues. The CAP Chair reported to the Board on those discussions in June and December and followed up with Panel members post-Board, ensuring a continuous feedback loop.





About NatWest Group continued

### Customers in vulnerable situations

We are aware that, at any time, our customers may find themselves in a vulnerable situation where they need additional support. Customers can tell us about their support needs through all our channels of business. Our frontline colleagues have the capability to support customers in vulnerable situations, including survivors of modern slavery, and we also offer bespoke support to those who need more specialist assistance, through our Customer Protection teams and by working with third-party organisations who can offer support tailored to our customers' situations.

### Our supply chain

In support of our operations, NatWest Group purchases goods and services from suppliers. We have assessed all EcoVadis rated suppliers and found that 58% of them are based in UK or Republic of Ireland. We have no inherent seasonality in our sourcing, either in variation of the goods and services we source or in the suppliers from whom we source.

### Governance

We refreshed and renamed the Human Rights Steering Group to the Human Rights Action Group (HRAG) with the aim of accelerating progress against priority actions to develop our approach to human rights. The HRAG continues to coordinate our activities, and to make recommendations to the NatWest Group Executive Committee, Sustainable Banking Committee and Board to develop and strengthen our approach.

During 2023, the Sustainable Banking Committee and the Board considered social matters via management reports such as those on modern slavery, human rights activity, and decarbonisation of the supply chain.

The Board approved NatWest Group's Salient Human Rights Issues and 2022 Modern Slavery and Human Trafficking Statement.



#### In 2023, we:

- Offered bespoke support to vulnerable customers.



#### Our aim for 2024 is to:

- Continue to review the account opening process to help modern slavery survivors access banking facilities.

## Uncovering a human trafficking network

As a bank, we're committed to keeping our customers safe and supporting them when we see a potential vulnerability. A colleague based at one of our NatWest branches listened to her instincts when a customer came into branch to open a savings account, recognised her vulnerability and ended up uncovering a criminal gang involved in illegal activity, money laundering and human trafficking.

The customer didn't have the correct documents to process the account opening and seemed in a hurry to leave the branch. This behaviour led the colleague to follow up with the customer and discovered they had numerous open accounts with us, many recently opened. Investigation revealed there were a number of other customers in the same situation, which involved illegal use of genuine citizens' identities. We found that some of the individuals opening accounts in our branches were being forced into labour camps.

Our report to external law-enforcement agencies resulted in the criminal gang behind it being brought to justice, rescuing those trapped in modern slavery by the gang and potentially saving their lives and the lives of other victims who had been exploited.

**Step 1:**  
Spotting the signs

**Step 2:**  
Being curious

**Step 3:**  
Making a report

**Step 4:**  
Connecting the dots

**Step 5:**  
Digging deeper

**Step 6:**  
Involving the police

**Step 7:**  
Getting results



# 3 Our approach to addressing modern slavery and human trafficking

Our approach to tackling modern slavery and human trafficking sits within the wider human rights context. We recognise the important role that businesses play in promoting respect for human rights and seek to operate in accordance with a range of internationally accepted standards including the International Bill of Rights, which includes the Universal Declaration on Human Rights.

In December we published our [Salient Human Rights Issues](#) which have the most potential to occur if action is not taken to prevent or address them. As modern slavery and human trafficking can be defined in a number of ways and can take many forms, they are incorporated across both:

## Labour rights issues and unjust working conditions

This includes forced labour, including slavery and child labour, the violation of the right to freedom of association and collective bargaining, discrimination in pay, excessive working hours and unjust working conditions affecting mental and physical health and safety.

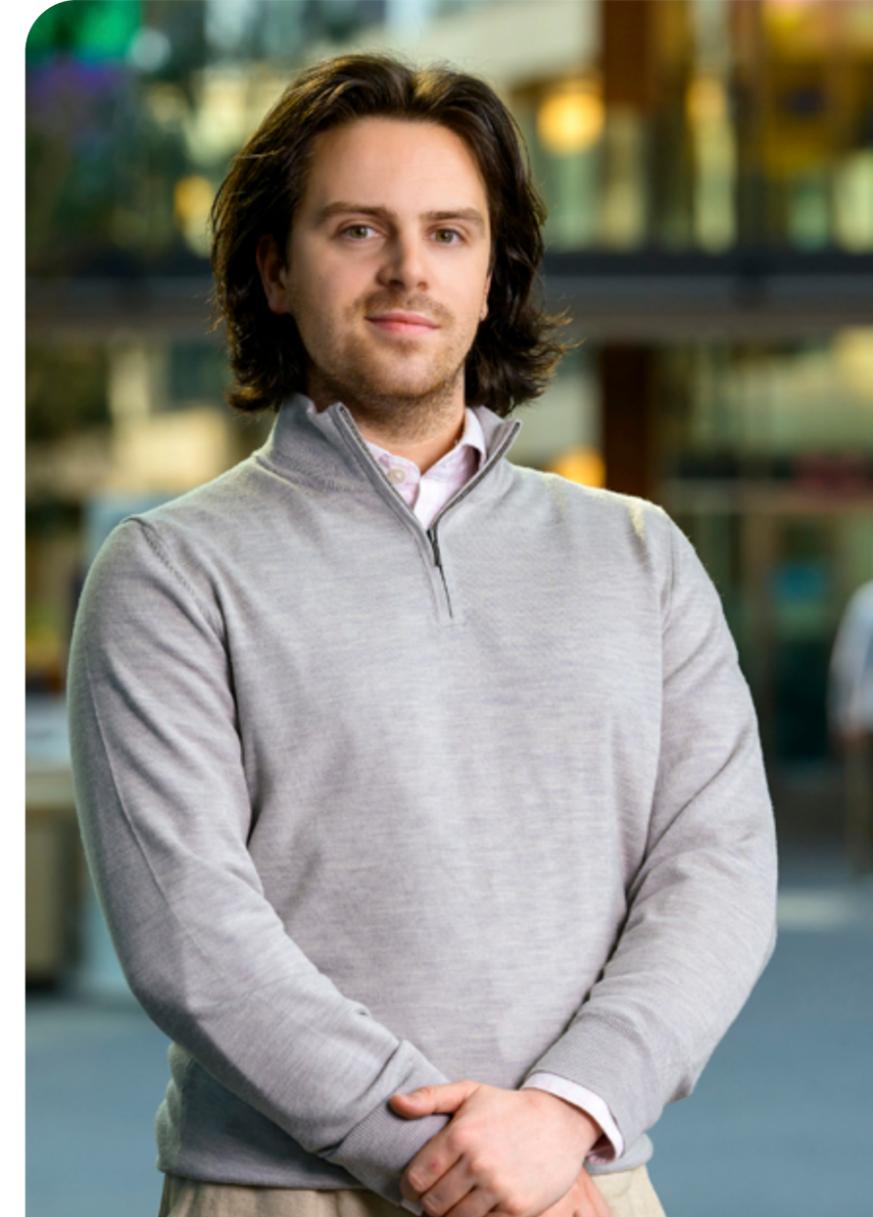
## Discrimination and lack of support for the vulnerable

This includes discrimination in recruitment, employment practices and service provision based on personal and protected characteristics which leads to inequality and lack of support for the vulnerable. In the context of human trafficking vulnerable people are often the victims, who may be recruited, transported and harboured, either nationally or across borders.

This initial identification of our Salient Human Rights Issues is an essential and first step in human rights due diligence with regard to human trafficking and exploitation through force, fraud, coercion or deception, forced labour, slavery, child labour and debt bondage.

We recognise the importance of a collaborative approach to addressing modern slavery. In 2023, we engaged regularly with expert groups and charities to help us better understand the external environment and to help us improve policies and processes to identify and mitigate modern slavery risk. As a founding signatory of the UN Principles for Responsible Banking, our ambition is to align our strategy with the 2015 Paris Agreement and the Sustainable Development Goals.<sup>(1)</sup>

Our work on modern slavery and human trafficking strives to make a positive impact. We joined the UNGC Network UK Modern Slavery Working Group in 2020. Since then NatWest Group has explored modern slavery issues, sharing challenges and best practices with UK network members. During 2023, the working group heard from experts and engaged in discussions on a range of human rights and modern slavery issues. In 2023, NatWest Group also took part in the UNGC Modern Slavery Act Statement Peer Review Programme, where we obtained feedback from peers on our MSA statement in a safe environment and participated in candid conversations with other businesses about the challenges of producing an MSA statement.



(1) The SDGs are a collection of 17 non-legally binding interlinked global goals set forth by the UN for countries and governments. References throughout this statement to the above SDGs are indicative guidance for NatWest Group's ambition to align its strategy with the SDGs and NatWest Group makes no representation, warranty or assurance of any kind, express or implied, or takes no responsibility or liability as to whether NatWest Group's strategy furthers the objective or achieves the purpose of the indicated SDG.



Our approach to addressing modern slavery and human trafficking continued

### 3.1 NatWest Modern Slavery Working Group

Our Modern Slavery Working Group develops and embeds our goals to tackle modern slavery through relevant policies and practices. Working group members take part in informal discussions with other organisations

and stakeholders, including attending workshops and webinars to enhance their knowledge of the issue, share best practice and ensure that our approach continues to evolve.

**Below is an illustration of the governance that our approach to Modern Slavery and Human Trafficking is subject to:**



In 2023, we:

- Continued to work with Unseen to better understand the modern slavery risks and issues related to our own operations and business relationships. We joined the Unseen Business Hub community, which provided us with expert webinars and updates, practical resources and access to helpline trends and analysis of high-risk sectors.
- Refreshed and renamed the ‘Human Rights Steering Group’ the ‘Human Rights Action Group’, with the aim of accelerating progress against priority actions to develop our approach to human rights across the NatWest Group.



Our aim for 2024 is to:

- Continue to monitor the external environment, engaging with Non-Governmental Organisations (NGOs) and charities and utilising their insight and guidance to strengthen our approach to identifying and tackling modern slavery.





# 4

## Policies

We have several policies in place that set our expectations for employees and suppliers, which are aimed at helping us to embed modern slavery considerations including:

- Our **Values** are central to how we work together to deliver our strategy.
- Our **Code**, The NatWest Group Code of Conduct, lays out the values and behaviours we expect from each other.
- Our **Critical People Capabilities** are made up of skills and behaviours and set clear expectations on what is consistently required from us all.
- Our **YES Check** asks five simple questions to guide the thinking behind our decisions and actions.
- Our **Fair Pay Charter** supports our commitment to pay competitively and transparently, helping our colleagues perform at their best every day.
- Our **Human Rights Position Statement** articulates our aim to promote and respect human rights within our own operations, through our supply chain, with our customers, and in any interactions that we have with local communities.
- Our **Financial Crime Policies**, procedures, internal systems and controls enable us to identify, manage and mitigate financial crime risk.
- Our **Environmental, Social and Ethical Risk Management Framework** forms part of NatWest Group's overall Reputational Risk Policy and requires enhanced due diligence to be performed for certain customer relationships, transactions, activities and projects. To manage these risks, we apply Risk Acceptance Criteria for sectors and topics which present heightened ESE risk and define the level of ESE risk the bank is prepared to accept. Where material concerns relating to human rights violations are identified, including with respect to the Salient Human Rights Issues identified by NatWest Group, we will engage with the customer to understand the actions they have taken to cease and remediate and to prevent future violations.
- Our **Supplier Charter** clearly states that we expect our suppliers to comply with the MSA. It also sets out wider expectations in regard to human rights and, importantly, outlines our own progress.
- Our **Responsible Investing Policy** and **Stewardship Policy** set out the approach to integrating ESG risk into the investment decision-making process of our Private Banking business.
- We continue to review relevant policies to ensure they comply with the legislation and support the spirit of the MSA.

## Our values

are central to how we work together to deliver our strategy. Being inclusive, curious, robust, sustainable and ambitious helps us to form an integral part of our cultural identity.

### Inclusive

We champion your belonging

### Curious

We champion your ideas

### Robust

We champion your judgement

### Sustainable

We champion your impact

### Ambitious

We champion your future

## Utilising internal systems and controls

The Sexual Exploitation Dashboard, created by our Financial Crime Team, identified a customer displaying several indicators of sexual exploitation. The female customer in her early twenties was receiving credits from multiple third-party individuals and was using the funds to make transfers to third parties, as well as payments for travel and accommodation, and websites used for the advertising of adult services. A full review of the account and the activity resulted in a disclosure to the National Crime Agency via a Suspicious Activity Report (SAR).



Policies continued

## 4.1 Raising a concern

Speak Up is NatWest Group's whistle-blowing service.

The Speak Up reporting service allows anyone to report their concerns confidentially (and anonymously, if preferred) about any conduct and behaviour that falls short of our code of conduct (Our Code), breaches our internal policies and procedures, breaches regulatory requirements or is illegal.

Our Speak Up policy states the responsibility of all employees to raise concerns they become aware of. The Speak Up policy applies to all employees and those acting on behalf of, or representing, NatWest Group, such as contractors, subcontractors, suppliers, temporary colleagues, secondees, consultants, interns and volunteers. This also includes any persons formerly in these roles.

The Speak Up team receives all concerns raised through the service and assesses each case against the Speak Up policy.

All concerns that meet the policy definition are assigned to an investigation team that investigates the allegations raised and, where appropriate, liaises with and refers these to law enforcement. Feedback is shared with the individual who reported the incident throughout and at the conclusion of the investigation. While as much information as possible is shared, due to confidentiality requirements there are times when detailed information can't be shared to protect the integrity of the investigation, or the privacy of individuals being investigated. The effectiveness of the Speak Up framework, together with trends and themes identified from reports received, is reported on a biannual basis to the NatWest Group Audit Committee.

### Investigating Speak Up reports

In 2023 one report was received through the Speak Up service from an employee who had obtained information from a member of the public relating to an allegation of attempted trafficking of sex workers.

The concern was not about bank activity or on bank premises. No evidence was found, and the allegation was unsubstantiated. However, due to the seriousness of the allegation, an Internal Money Laundering Suspicion Report was raised, and a full investigation was conducted.



In 2023, we:

- Enhanced Speak Up training for new joiners by rolling out quarterly refresher training sessions in addition to the Speak Up module, ensuring that all new joiners know and understand how to report concerns.
- Developed anonymised email functionality providing reporters with the ability to receive notifications of updates from investigators while still remaining anonymous.



Our aim for 2024 is to:

- Deliver a new Group Policy Learning Module for new joiners.



# 5 Risk assessment and due diligence

## 5.1 Our supply chain – risk assessment and due diligence

NatWest Group engages with a wide range of suppliers who help us to deliver high quality products and services to our customers. All our suppliers are expected to operate in an ethical, open and transparent way, and in accordance with applicable laws and regulation. The majority of our EcoVadis rated suppliers (58%) are based in the UK and the Republic of Ireland. We foster strong relationships with all our key stakeholders, including our supply chain.

In 2023, we updated the [Supplier Charter](#) to ensure it's a useful and accessible guide to working as a supplier with NatWest Group. We have an ambition to create a diverse and responsible supply chain, be fair and transparent with our suppliers and reach net zero by 2050 across our operational value chain. The charter sets out our progress to date and what we ask of our suppliers in relation to ethical business conduct, real living wage, prompt payment, human rights and modern slavery, environmental sustainability and diversity, equity and inclusion. We've also added new guidance about digital accessibility, included some developments and provided learning opportunities for our suppliers and their wider value chain. The charter plays a key part in any tender or contract renewal process and is a standing agenda item in supplier review meetings conducted as part of ongoing contract management. Our Supplier Charter states that we expect suppliers, among other things: to comply with the MSA; not to use child labour, in accordance with, among others, Article 3 ILO Convention 182, or forced labour, as defined in ILO Convention C029; and to work towards delivery of SDG 8.7.

## Supplier Charter 2023

Introduction

Supplier Charter

Some Developments on the Horizon...

Sustainability and Group Performance Reports

Useful Information

Table of Acronyms



In 2023, we:

- Worked to identify areas where we can enhance due diligence processes around modern slavery. Completion of a standalone modern slavery e-learning module was made a mandatory requirement for supply chain managers. The completion rate was 99%.



Our aim for 2024 is to:

- Create bespoke modern slavery training for small suppliers in UK and India.
- Continue to work with EcoVadis to better understand and measure both our own performance and the performance of our suppliers on key sustainability metrics, including the policies and processes in place to identify and tackle modern slavery and human trafficking.
- Conduct an annual review of our Supplier Charter and update, if required.





Risk assessment and due diligence continued

## 5.1 Our supply chain – risk assessment and due diligence continued

### Assessing the sustainability of our suppliers:

We work with EcoVadis, a leading organisation providing third-party evidence-based assessments of sustainability performance. Through our work with EcoVadis, we aim to understand and measure our performance and the performance of our suppliers across various areas of sustainability, as set out in our Supplier Charter. EcoVadis is helping us to understand and measure our own performance and that of our suppliers against core ESG pillars, enabling us to identify social, environmental and ethical improvements. One of EcoVadis’s four core assessment pillars is labour and human rights, in which it assesses employee health and safety, working conditions, social dialogue, career management and training, child labour, forced labour and human trafficking, diversity, discrimination and harassment and external stakeholder human rights.

EcoVadis also monitors specialist media (including but not limited to trade unions, sustainability networks, NGOs, labour watch and local media) to gather news and insights relevant to the assessed entity and sustainability. This helps to provide due diligence beyond the documentation provided by the supplier. NatWest Group has made significant progress since working with EcoVadis. At the end of 2023, 528 suppliers, which account for 61% of our total supplier spend,<sup>(1)</sup> completed an EcoVadis assessment and received a rating. Overall, our NatWest suppliers scored an average of 57.6% against the Global EcoVadis average of 45.9%. In addition, NatWest Group has also completed an EcoVadis assessment which captures our



(1) Supplier spend includes all monies paid to third party suppliers, excluding payments made to charities, regulatory bodies, intra-bank transfers etc.

own business and processes. NatWest Group achieved an overall score of 67% (increase from 62% in 2022) which is higher than both the global EcoVadis average of 45.9% and the financial services sector average of 52%. This ranks NatWest Group in the 91<sup>st</sup> percentile for rated companies.

On labour and human rights, our average NatWest Group score is 80% and our supplier score is 58.7% which is above the EcoVadis average of 48.8%. Where a supplier falls below the EcoVadis average, a corrective plan is initiated and, if appropriate, is discussed at supplier meetings.

### Our suppliers – due diligence:

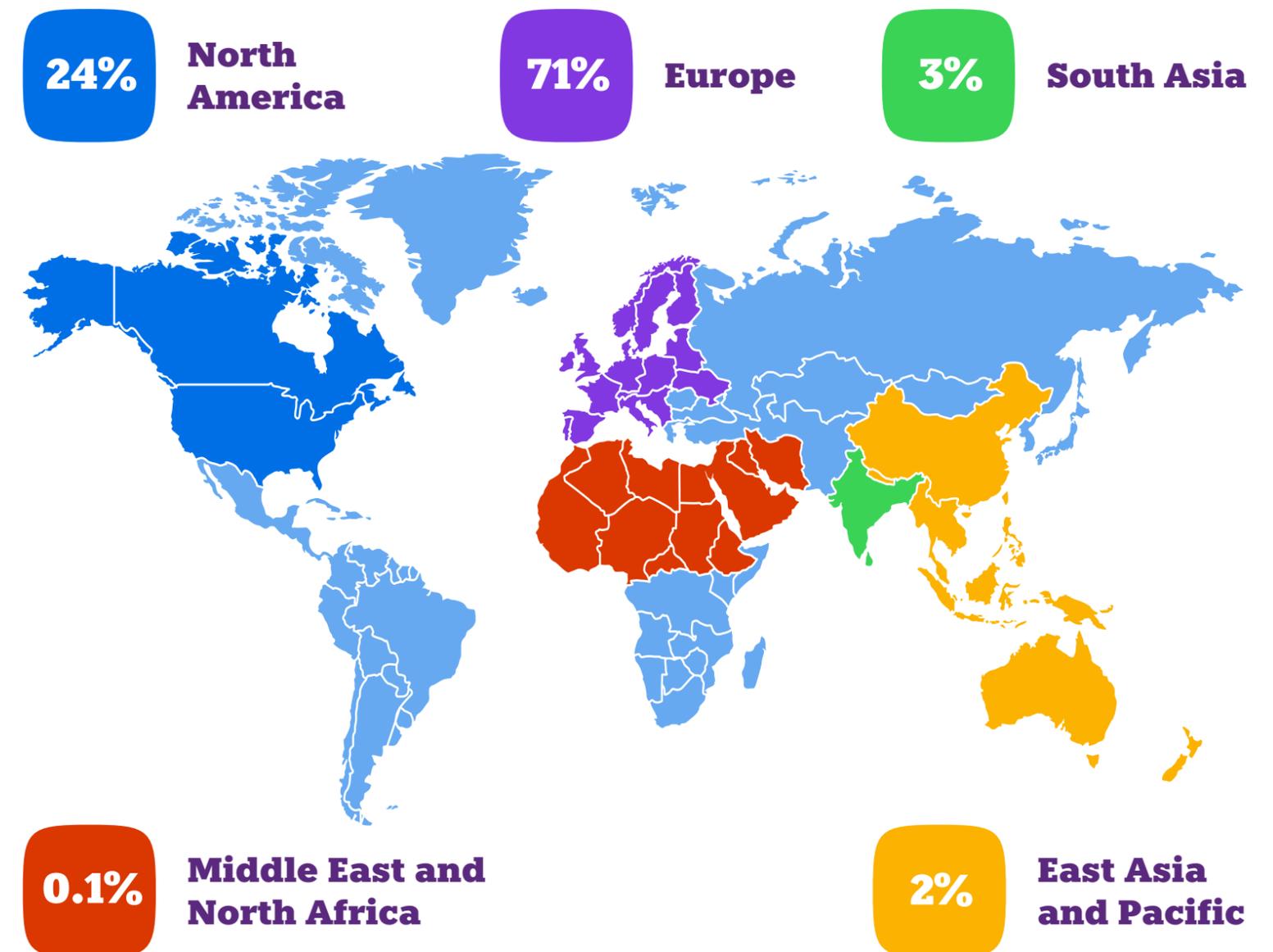
We encourage suppliers to implement the standards of the Supplier Charter with their own subcontractors. Our refreshed Supplier Charter was issued in Q4 2023. Data extracted in December 2023 indicated that 80% of suppliers aligned to our Charter, 12% didn’t provide a response, 8% said no, with the majority stating they already have their own charter/code of conduct. Aligning to the supplier charter was changed to a mandatory question in Q4 2023. As the charter is not a contractual requirement, the 12% that did not answer whether they aligned will be picked up during the term of the contract. Contractually, we require suppliers to comply with applicable laws and regulations (which include the Modern Slavery Act 2015) and our supplier tender process includes specific questions in relation to both the MSA and ILO conventions. These questions are asked through the onboarding process and then again on contract renewal or every three years, whichever occurs first.

Supplier review meetings, conducted as part of ongoing contract management, have a standing agenda point to discuss the Supplier Charter, which includes modern slavery and human rights issues. If a supplier is unable to comply with any element of the Supplier Charter, this is raised through NatWest Group’s operational risk process and dealt with on a case-by-case basis. This includes engaging with the supplier to identify potential remediation measures.

In 2023, there were no known instances of suppliers failing to meet their commitments in relation to the MSA. Our whistle-blowing service, Speak Up, is also available to suppliers, enabling them to report unethical conduct with regard to their relationship with NatWest Group. Speak

Up is brought to suppliers’ attention through their contract with us and the Supplier Charter. Of the 419 reports received in 2023, 10 cases were raised by a contractor or supplier; none related to modern slavery.

### EcoVadis suppliers by country/geography





Risk assessment and due diligence continued

## 5.2 Strengthening our approach to modern slavery as a financial crime

Our Financial Crime teams have a range of tools to support the identification of potential victims and perpetrators of modern slavery. One method is the development of a threat dashboard covering relevant personal and non-personal customer populations with indicators based on known modern slavery typologies. There is a primary focus on sexual exploitation and other typologies are under development. Accounts identified by these tools are reviewed and managed accordingly.

We understand that tackling financial crime is of fundamental importance to society. Our proactive approach to detecting and preventing financial crime seeks to tackle the harm generated, to protect people, families and businesses, and to support compliance with relevant financial crime legislation and regulation in the jurisdictions in which we operate. In the context of modern slavery specifically, our Financial Crime Threat Intelligence Team which sits within the Threat Mitigation Unit (TMU) disseminates financial crime intelligence to key areas of NatWest Group to enable better detection and disruption of threats. In 2023, TMU Threat Intelligence has continued to share intelligence regarding modern slavery, enabling employees to raise suspicious activity reports and, where appropriate, exit relationships. We recognise that we cannot tackle modern slavery in isolation and we actively collaborate across the private sector, as well as with government, NGOs and law enforcement. We are active members of the Joint Money Laundering Intelligence Taskforce (JMLIT) and other groups to tackle economic crime. JMLIT includes specific groups which focus on laundering illicit funds linked to Modern Slavery, Human Trafficking and Organised Immigration Crime.

### Our proactive approach

As a bank we have a role to play in spotting instances of modern slavery and human trafficking. Our Financial Crime teams use various tools to take a proactive approach to identifying potential victims and perpetrators of sexual exploitation.

An example relates to a business registered as a “marketing agency”, which displayed several red flag indicators of modern slavery and human trafficking. Transactional indicators included payments to websites used for the advertising of adult services, payments for international travel, overseas spending, purchase of high value goods, beauty supplies, and cash deposits.

An investigation established that several parties connected to the account were potential victims of sexual exploitation, and we disclosed our suspicions to the National Crime Agency.



#### In 2023, we:

- Continued to build intelligence through the work of our TMU FC Threat Intelligence Team and with industry bodies representing sectors that are vulnerable to modern slavery.
- Developed and ran bespoke awareness raising training (covering new and emerging trends) to help colleagues identify and report any concerns around modern slavery, improving our detection capability.



#### Our aim for 2024 is to:

- Create content for bank-wide activities aligned to Anti-Slavery Day to provide information to all colleagues on modern slavery and how colleagues can report any concerns.
- Explore how we can manage and help our customers and raise awareness of child sexual exploitation.
- Understand how we manage modern slavery risks related to the care sector.



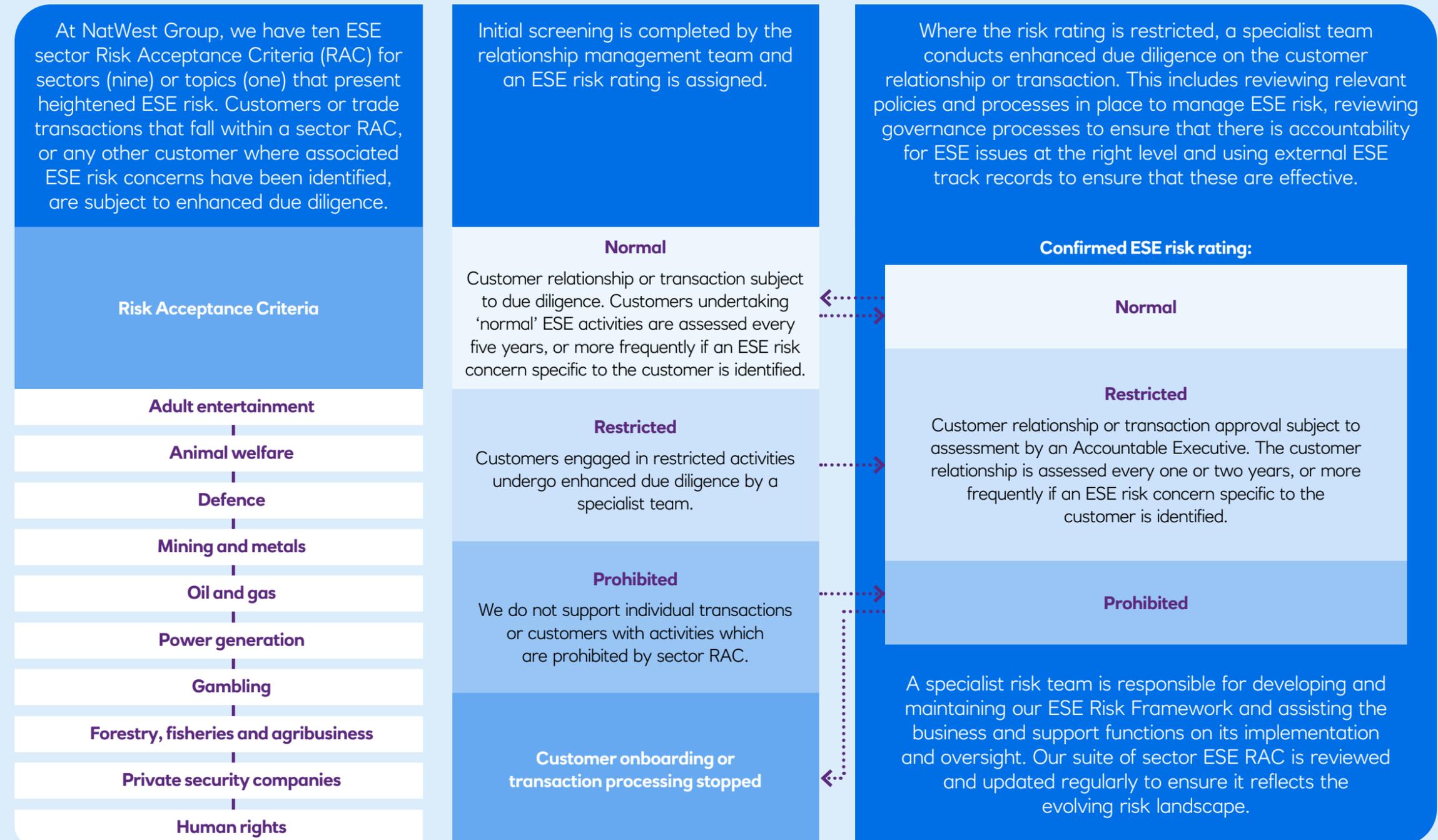
Risk assessment and due diligence continued

### 5.3 Assessing and managing risk through our Environmental, Social and Ethical (ESE) risk framework

We recognise that the activities of our customers can have ESE impacts – including polluting activities and the potential for human rights infringements.

The ESE Risk Framework forms part of NatWest Group’s overall Reputational Risk policy and requires enhanced due diligence to be performed for heightened-risk relationships, transactions, activities and projects. To manage these risks, we apply Risk Acceptance Criteria (RAC) for nine sectors and one topic (human rights) which present heightened ESE risk and define the level of ESE risk the bank is prepared to accept. The ESE RAC applies to all legal entities within the Group for the onboarding of non-personal customers (including, but not limited to, for the purposes of providing lending or loan underwriting services). Some of the activities which we do not lend to include the manufacture, sale, trade, servicing or stockpiling of Highly Controversial Weapons and customers using child labour, forced labour, modern slavery or human trafficking. We also have an ESE risk concerns process which seeks to ensure that ESE risk is identified and managed for customers and transactions in sectors which are not covered by RAC. Examples might include human rights, modern slavery or social issues-related campaigns against a company in sectors such as agriculture/food, chemicals, tobacco, pharmaceuticals and waste management, or companies associated with controversial projects.

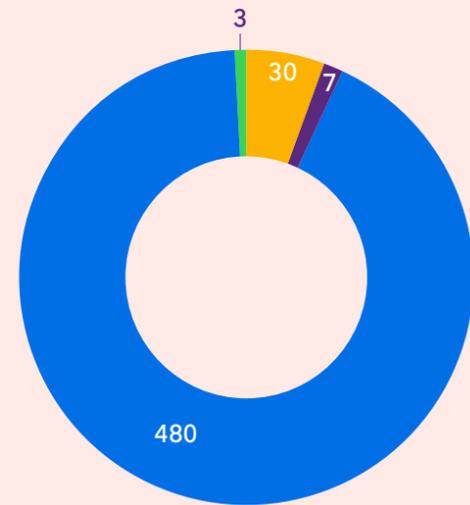
#### ESE risk framework



Risk assessment and due diligence continued

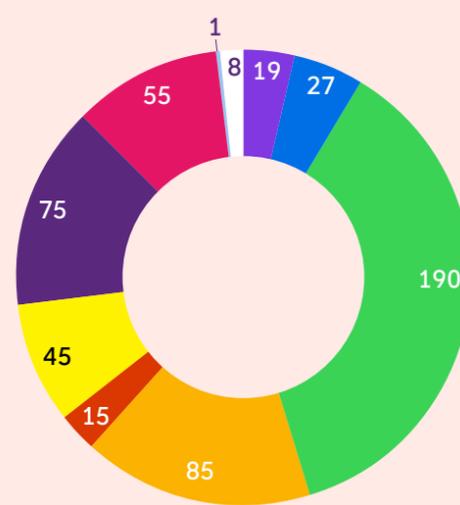
### 5.3 Assessing and managing risk through our Environmental, Social and Ethical (ESE) risk framework continued

Customers assessed in 2023 by category:



- High: 7
- Normal: 480
- Prohibited: 3
- Sensitive: 30

Customers assessed in 2023 by sector:



- Adult entertainment: 19
- Animal welfare: 27
- Defence: 190
- Forestry, fisheries and agribusiness: 85
- Generic: 15
- Mining and metals: 45
- Oil and gas: 75
- Power generation: 55
- Private security companies: 1
- Gambling: 8

### 5.4 Tackling modern slavery by investing responsibly on behalf of our clients

Coutts & Co (“Coutts”) is part of NatWest Group providing banking, lending and wealth management services to UK connected high net worth individuals and their business interests. Asset Management is the Investment Centre of Excellence for NatWest Group, servicing all client segments across Retail, Premier and Private Banking. It provides private banking and wealth management services through the Coutts brand, as well as investment products and services to help our customers achieve their financial goals.

Our Asset Management function invests across both developed and developing markets, with a focus to invest in equities and fixed income. We recognise that, as a global investor, we can have exposure through our investment portfolios to securities and/or debt in sectors or markets where there is risk of modern slavery. We have therefore put in place a Responsible Investing policy and an ESG policy and specifically seek to tackle modern slavery and human trafficking through our voting and engagement and third-party fund selection process.



In 2023, we:

- Developed a new standalone ESE Human Rights RAC that applies requirements around human rights due diligence to sectors not covered by an ESE RAC where there is heightened human rights (including modern slavery) risk.
- Undertook 520 customer ESE assessments (2022: 535), and 79 trade-related transactions involving defence equipment (2022: 126).
- Conducted an ESE sector review of the adult entertainment sector as part of the standard review cycle. This considered changes to risk profiles including heightened risk of modern slavery.



Our aim for 2024 is to:

- Test, evolve and adapt the scope of our ESE Human Rights RAC to continually improve its effectiveness.
- Consider how we implement the ESE Human Rights RAC for our suppliers.



Risk assessment and due diligence continued

## 5.4 Tackling modern slavery by investing responsibly on behalf of our clients continued

### Voting and engagement

- We place a strong emphasis on the importance of voting and engagement in the funds and companies which Coutts, the investment manager, invests in, focusing on environmental, social and governance issues.
- To strengthen the impact of these stewardship activities, we have been working with EOS at Federated Hermes since 2017. We use their size and resources to exert influence on the companies in which we invest.
- During 2023 we focused on engagement to ensure that human rights and labour rights remain in the spotlight.

Through EOS at Federated Hermes, we continue to engage on human and labour rights. We expect companies to acknowledge the likelihood that human rights impacts are present within some operations and supply chains and to demonstrate appropriate board and executive-level governance of human rights. Our engagement focuses on ensuring that companies do not infringe upon basic human rights and provide effective remedy in case of any harm, while taking steps to provide fair and equitable access to finance, healthcare and nutrition. We will continue to promote corporate application of the UNGPs. We will further focus on the protection of indigenous and community rights, and human rights in high-risk regions such as disputed territories or areas of conflict. We also continue our emphasis on supply chain rights with an elevated risk of forced labour, unsafe working conditions, and other adverse human rights impacts.

### Due diligence and third-party fund selection

As part of our due diligence process and our goal to tackle modern slavery, we regularly work to improve how we monitor and assess progress. Third-party fund managers within our discretionary managed portfolios complete a dedicated responsible investing questionnaire, covering topics such as their:

- Exposure to human rights violators based on the UNGPs;
- Position on human rights and modern slavery, in line with the MSA;
- Firm-wide responsible investing policy and ESG commitments.

Using this information, we analyse how engaged third-party fund managers are with these issues and their commitments to tackle modern slavery. We engage directly with fund managers that we decide could be more proactive.

In 2023 we continued to take decisive action to exclude companies from our Coutts funds<sup>(1)</sup> managed by BlackRock and Coutts direct securities<sup>(2)</sup> that were demonstrating a disregard for human rights, labour rights and environmental issues. We enhanced our investment [Exclusions Policy](#) to exclude companies that have violated the UNGC, UNGPs and International Labour Organization principles and conventions.<sup>(3)</sup>

### Overview of norms and conventions

Global Compact Compliance – UNGC	Labour Compliance – Board	Human Rights Compliance – UNGP	Labour Compliance – Core
Human rights	Child labour	Child Labour	Child labour
Labour	Discrimination	Forced Labour	Forced labour
Environment	Health & Safety	Discrimination	Discrimination
Corruption	Forced labour	Human rights abuses	Collective bargaining
	Collective bargaining	Serious union-management conflict	
	Working hours		

Our exclusions policy is applied across investments where we have direct control, as documented in the policy. However, as part of our investment approach we also have exposure to third-party funds. Where this is the case, we monitor the fund's compliance with global norms around human rights and modern slavery as part of our investment due diligence process and we actively engage with fund managers that we invest in, but we are not always able to ensure that third-party funds comply with our exclusions policy. Where issues are identified, we flag this with the fund manager and make clear our position on human rights and modern slavery.



### In 2023, we:

- Supported the HRAG to identify salient human rights issues in our role as an investor. The prioritisation of these Salient Human Rights Issues will allow us to focus our efforts on carrying out a more in-depth assessment, including evaluation of our processes and policies.



### Our aim for 2024 is to:

- Continue to incorporate human rights considerations into our voting policy in which we will consider voting against directors at companies deemed to lag behind peers on human rights performance.

(1) Coutts US ESG Insights Equity Fund, Coutts Europe Ex UK ESG Insights Equity Fund, Coutts UK ESG Insights Equity Fund & Coutts Actively Managed US Equity Fund.

(2) Direct Securities are managed by the Coutts Direct Equity team across various portfolios.

(3) Using both the core and broad ILO principles and conventions.



6

# Training and awareness of modern slavery and human trafficking

At NatWest Group we endeavour to raise awareness of modern slavery and human trafficking with our colleagues. We do this in a number of different ways:

- We provide information about warning signs and red flags that may indicate human trafficking or modern slavery, and help them understand that victims may often be hidden in plain sight.
- We also ensure that our colleagues have access to educational materials about modern slavery via our intranet and we are developing a bespoke Modern Slavery and Human Rights intranet hub which will signpost colleagues to relevant resources and learning material to further upskill on knowledge and learning.
- All colleagues have access to a standalone modern slavery e-learning module which was created alongside Unseen and highlights red flag indicators that colleagues can use to recognise possible signs of modern slavery, and provides information on how to report any concerns.
- We also provide additional advanced learning content for colleagues who are more likely to encounter modern slavery in their day-to-day roles, which is mandatory for our Supply Chain Services teams.
- Using our internal social channel, Viva Engage, we share best practices, news and insight into modern slavery.

In addition to our bank-wide modules, colleagues working within our dedicated financial crime hub also receive additional technical training on the red flags pertaining to modern slavery and human trafficking. Financial crime specialists are made aware of updates in the financial crime landscape through TMU Threat Intelligence, which regularly provides intelligence relating to modern slavery. These are also available across the bank as ‘on demand’ content through our Financial Crime Academy. New joiners to our Transaction Monitoring teams complete introductory training which includes content on modern slavery and human trafficking as standard. This training covers the details of what modern slavery and human trafficking are, commonly affected industries, what influences criminal behaviour and includes a number of case studies.



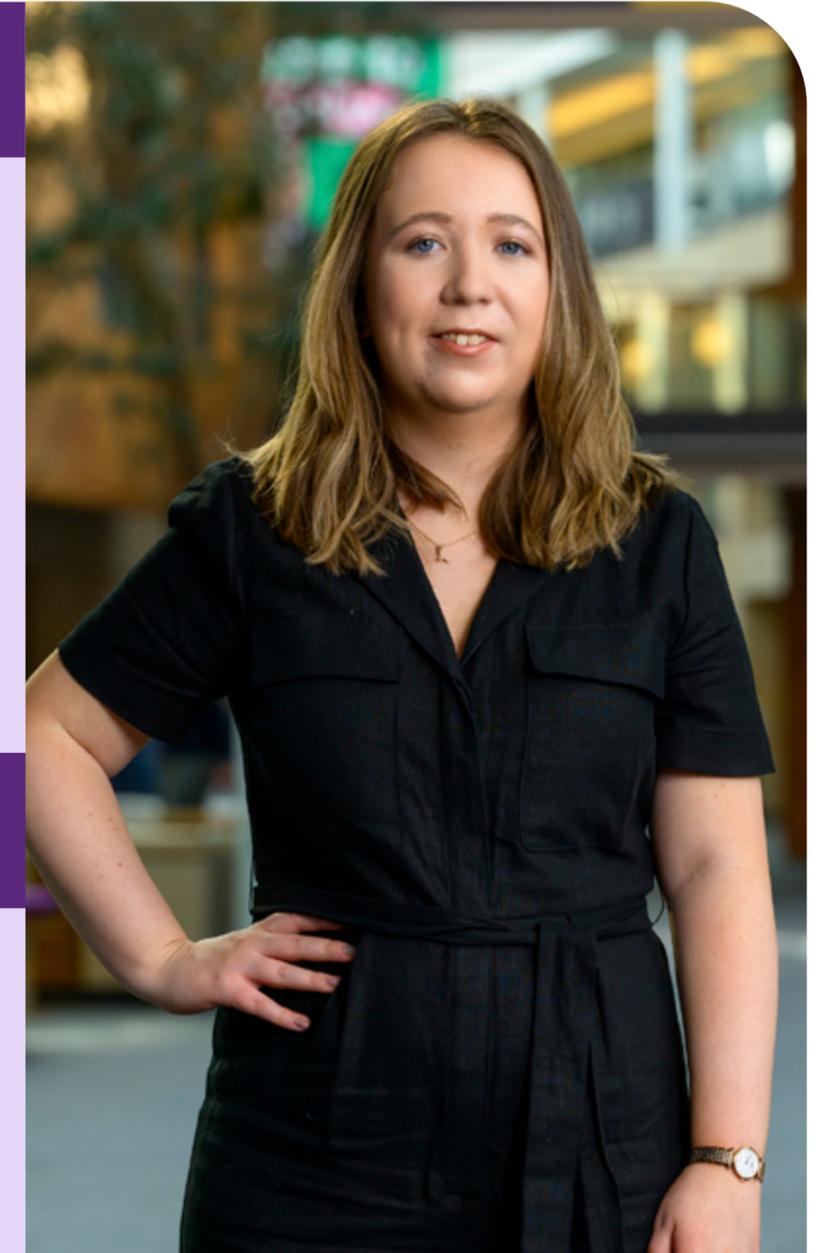
## In 2023, we:

- Marked Anti-Slavery Day in October with a week-long series of activities including four webinars exploring four different themes of modern slavery and a lunch and learn hosted by Unseen.
- We joined the Unseen Business Hub community, which provides us with expert webinars and updates, practical resources and access to helpline trends and analysis of high-risk sectors.
- For the fifth year, our NatWest Markets colleagues supported the TRIBE Freedom Foundation in 2023 and raised over £18,700 to assist in anti-slavery projects, which will contribute towards long-term support for survivors and the prevention of modern slavery.



## Our aim for 2024 is to:

- Create a dedicated intranet hub to act as a one-stop-shop to raise awareness of modern slavery and human rights and signpost colleagues to relevant content and training materials.
- Work with Unseen to refresh our e-learning module and create additional advanced content for those colleagues who are more likely to encounter modern slavery in their day-to-day roles.
- Further develop and refresh our standalone modern slavery training which will be made mandatory for all colleagues in Supply Chain Services.





# 7 Measuring effectiveness

We continue to evolve the way we identify and mitigate modern slavery risks and measure the effectiveness of our policies through this framework. We recognise that modern slavery is a hidden crime and therefore measuring the effectiveness of our response is difficult. As our approach continues to evolve so too will our year-on-year monitoring. We currently use the following selection of metrics to monitor our management of modern slavery risks in our operations and value chain.

Area	Key Performance Indicators	2021	2022	2023
Colleague: training	– Number of colleagues who completed the standalone modern slavery e-learning module.	324	825	379 <sup>(1)</sup>
	– Percentage of colleagues who completed the mandatory Speak Up e-learning module.	100%	99.2%	99%
Non-personal customers: ESE assessments	– Number of non-personal customers assessed by the Environmental, Social and Ethical Risk Framework.	305	535	520
Suppliers	– Number of suppliers who have completed an EcoVadis assessment and received a rating.	480	533	528 <sup>(2)</sup>
Investments	– Number of companies engaged with on human and labour rights.	N/A	108	141 <sup>(3)</sup>
	– Total number of human and labour rights-related engagements.	N/A	183	229
Reporting	– Number of incidents of modern slavery and human trafficking reported through Speak Up.	0	0	1 <sup>(4)</sup>

(1) Colleagues who completed the e-learning module in 2022 were not required to complete it again in 2023. An updated module will be available for all colleagues to complete in 2024.  
 (2) This figure covers customer relationships and transaction assessments for environmental, social and ethical (ESE) risks. It does not cover assessments made only in relation to modern slavery and human trafficking.  
 (3) This figure represents the total number of engagements that we have had on issues relating to human rights, which includes modern slavery and human trafficking.  
 (4) The Speak Up policy applies to anyone that acquires information about suspected wrong doing or misconduct through work related activities, during recruitment or as part of any pre-contractual negotiations.



Our aim for 2024 is to:

- Work to develop meaningful KPIs that can actively track progress and demonstrate effectiveness.





# 8 Engaging with stakeholders

We understand that tackling modern slavery requires collaboration across many stakeholders to establish a collective, coordinated and sustained effort. We engage with a variety of stakeholders including other businesses, the UK Government, law enforcement agencies, NGOs, charities and communities, which enables us to keep abreast of changes in policy and grow our understanding of issues.

To coincide with Anti-Slavery Day in October, we published editorial content including an interview with the CEO of anti-slavery charity Unseen. During the week-long campaign we presented a series of webinars exploring four different themes of modern slavery through real case studies. Unseen also hosted a lunch and learn event which highlighted the realities of modern slavery and the impact on victims and examined the role that the financial services sector can play in tackling the issue. Over 1,400 colleagues took part in the activities, with an NPS score<sup>(1)</sup> of +74 with commentary from some attendees stating they were more informed of the topics covered.

‘Everyone has a role; employees at the bank are also members of the public so awareness is key.’

‘My ask of anyone reading this is to be curious and be an advocate, tell others about what is going on and recognise that no one part of society can tackle this alone. We all need to collaborate and respond. Be the eyes and ears, the voice for those who have lost those abilities.’

Andrew Wallis,  
Unseen CEO



 In 2023, we:

- Continued to engage with a range of charities and think tanks including Unseen, STOP THE TRAFFIK and the TRIBE Freedom Foundation.

 Our aim for 2024 is to:

- Continue our membership of the Thun Group, an informal group of banks that seek to support the integration of the UNGPs into the policies and practices of financial services organisations.
- Remain members of the UNGC Network UK Modern Slavery Working Group and the JMLIT.
- Join the UNGC’s newly established Climate and Human Rights working group.

**FinCrime Roadshows present**

**Fight against Modern Slavery Week 16-20 Oct**

<b>5 Sessions</b>	<b>10 Speakers</b>	
<b>NPS<sup>(1)</sup></b>	<b>Comment highlights</b>	<b>Overall stats</b>
Labour Exploitation	<b>+67</b>	Really good informative presentation. The stats were very interesting and good to know! Thank you!
Online Child Sexual Exploitation	<b>+74</b>	Genuinely useful session, especially around how to identify trafficked victims.
Sexual Exploitation	<b>+84</b>	Fantastic Webinar, delivered brilliantly.
Organised Immigration Crime	<b>+64</b>	Found to be a very informative session, dealing with a difficult subject in a very considered way and I learnt more about this topic.
Lunch & Learn with Unseen	<b>+82</b>	Excellent session and engaging speakers too which made it easy to stay focused.
		Great presentation, and an angle our team need to delve into further. Hopefully, we can collaborate more with Unseen in the future.
		Genuinely extremely interesting if upsetting session. This whole week has been eye opening.
		I deal with vulnerable customers everyday – this session has really helped with what to look out for to further support them, and some inspiration for future learning. Thank you all.

**1,436 attendees**

**+74 NPS**

**63% conversion**

A bank-wide news story was also published featuring an interview with Unseen CEO Andrew Wallis OBE who talked about the role of the banking sector in tackling modern slavery.

(1) Net Promoter Score (NPS) was calculated by asking attendees to answer how likely they are to recommend the Fight Against Modern Slavery Week activities on a scale of 0-10. To determine NPS, we then subtract the % of detractors (those who score 0-6) from the % of promoters (those who score 9 or 10).



# 9 Governance

This statement was drafted and developed by our Modern Slavery Working Group.

It was reviewed by the Human Rights Action Group and the ESG Disclosures Steering Group and noted at our Executive Committee. It was presented to our Sustainable Banking Committee on 10 June 2024, approved by the Board of NatWest Group plc on 12 June 2024 and signed by Paul Thwaite, Chief Executive, NatWest Group plc, and Rick Haythornthwaite, Chairman, NatWest Group plc on 12 June 2024.

**Paul Thwaite**  
Chief Executive,  
NatWest Group plc

12 June 2024

**Rick Haythornthwaite**  
Chairman,  
NatWest Group plc

12 June 2024

# Appendix

## **A. List of The NatWest Group plc subsidiaries (“NatWest Group”) required to have a Modern Slavery and Human Trafficking statement under the Modern Slavery Act 2015.**

Coutts & Company  
JCB Finance Limited  
Lombard Business Leasing Limited  
Lombard North Central PLC  
National Westminster Bank Plc  
NatWest Markets Plc  
RBS Invoice Finance Limited  
The Royal Bank of Scotland plc  
NatWest Digital Services India Private Limited  
NatWest Markets N.V.  
The Royal Bank of Scotland International Limited

## **B. List of NatWest Group plc subsidiaries that have previously been required to have a modern slavery and human trafficking statement under the Modern Slavery Act 2015 but no longer meet the criteria.**

Ulster Bank Ltd  
Ulster Bank Ireland DAC

## **C. Other information and useful links.**

More information about our approach to sustainable banking is available on our website.

[NWG approach to business, human rights, and modern slavery website](#)

[Annual Report and Accounts](#)

[Supplier Charter](#)

[Detecting and preventing financial crime](#)

[Managing Environmental, Social and Ethical \(ESE\) risk](#)

[Our Code](#)

[Working at NWG](#)

[ESG Disclosures](#)



**NatWest**  
Group

**NatWest Group plc**

2023 Statement on Modern Slavery and Human Trafficking

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