



NatWest  
Group

# Serving our customers every day

# Introduction

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As we strive to make NatWest an inclusive workplace for everyone – through the focused delivery of our diversity, equity and inclusion (DE&I) plan – we are once again providing a comprehensive view of our pay gap reporting.

This is our seventh year reporting gender pay gaps and our sixth year reporting ethnicity pay gaps. Pay gap reporting is a critical part of our fair pay charter. In addition to the regulated gender pay gap reporting for NWB, RBSI and NWM, last year we added the gender pay gap for NatWest Group in the UK, which encompasses the regulated entities and more. Ethnicity pay gap reporting continues to be voluntary and, to provide further transparency, we also break down the calculations by ethnic group.

As a purpose-led organisation we need to reflect the communities we serve. That's why we have targets for gender and ethnicity representation: full gender balance in our CEO-3 and above global roles by 2030 and 14% of colleagues from ethnic minority backgrounds in our CEO-4 and above UK positions by 2025. Since setting these targets, we've made good progress: our gender representation progress has increased by 12% to 41% and our ethnicity representation progress has increased 2% to 13%. We added a leadership target for Black colleagues, in UK roles at CEO-5 and above, following the 2020 publication of Banking on Racial Equality and we currently have 1.9% of colleagues who identify as Black against a 2025 target of 3%.

We are committed to building equity throughout our organisation and continually review how we can make things better. For example, to make our recruitment processes as inclusive as possible, we have improved and mandated our interview skills training – to ensure inclusion is front of mind at every stage of the recruitment process for all hiring managers. This complements the Recruitment Yes Check that colleagues are encouraged to use in every hiring situation.

We have also trained a new cohort of Inclusive Interview Ambassadors in technical aspects of interviewing, as well as inclusion and bias, to help bring an objective lens to the recruitment decision-making process. In 2023, we also provided several development and sponsorship initiatives to support our gender and ethnicity goals and accelerate the advancement of under-represented groups into more senior leadership roles.

We want to give everyone who works here, and every customer who comes into contact with us, the chance to succeed and the support to thrive. And until that's everyone's lived experience, we'll work to make it a reality.

### Jen Tippin

Chief People and Transformation Officer  
16th February 2024



# NatWest Group pay gap report

## What are we seeing? Why?

### Gender

On this page, we show the figures for NatWest Group UK for the second year. For our biggest statutory reporting entity, NatWest Bank (see page 4), we've seen an improvement in gender pay gaps, with bonus pay gaps remaining largely similar to 2023.

### Ethnicity

We show the figures for NatWest Group UK, at an aggregated level, on this page. We've seen an improvement in ethnicity pay gaps and the mean bonus gap. Reporting at a disaggregated level can be found on pages eight and nine.

## What are we doing about our pay gaps?

We regularly benchmark our progress and our approach to diversity, equity and inclusion with external partners, and monitor our inclusion index internally through our engagement survey<sup>1</sup>. We review external guidance to help inform our plans and guide our future focus, adjusting our approach to ensure we're focused on the interventions that will make the most difference. These include a focus on recruitment, retention and advancement; building an inclusive culture, behaviour and leadership capability, and continuing to develop inclusive and accessible practices and policies.

### Other UK entities

FreeAgent, a subsidiary of NatWest Group in the UK, also reports its gender pay gap. To read more, head to:

[Our commitment to inclusion – FreeAgent.](#)

### Other jurisdictions

In December 2023, we reported our gender pay gap for Ulster Bank colleagues based in the Republic of Ireland on our [Ulster Bank website](#) (see "Gender balance"). The calculation methodology is significantly different from UK regulation – so comparisons aren't possible.

<sup>1</sup>Latest score as at September 2023: 93.

	Median	Mean
Gender pay gap	<b>30.0%</b>	<b>30.4%</b>
Change versus previous year	<b>-2.3%</b>	<b>-1.4%</b>
Gender bonus gap, excluding recognition vouchers	<b>18.4%</b>	<b>36.6%</b>
Change versus previous year	<b>-0.5%</b>	<b>-6.9%</b>
Ethnicity pay gap	<b>9.2%</b>	<b>6.2%</b>
Change versus previous year	<b>-1.1%</b>	<b>-1.0%</b>
Ethnicity bonus gap, excluding recognition vouchers	<b>22.4%</b>	<b>19.9%</b>
Change versus previous year	<b>+5.5%</b>	<b>-1.9%</b>

The pay gap isn't the same as equal pay. We're committed to paying the same for the same job and we're confident that our colleagues are paid fairly. Our policies and processes are kept under review to make sure this continues to be the case.

More information can be found on pages 38-39 of our 2023 Annual Report and Accounts.

### Declaration, February 2024.

We confirm that NatWest Group's gender pay calculations are accurate and meet the requirements of the regulations. We've followed advice from our professional advisers on our methodology and data, in line with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017. While signatures aren't shown in this version of the document, it was signed in accordance with relevant regulations.

Paul Thwaite, Chief Executive Officer,  
National Westminster Bank Plc

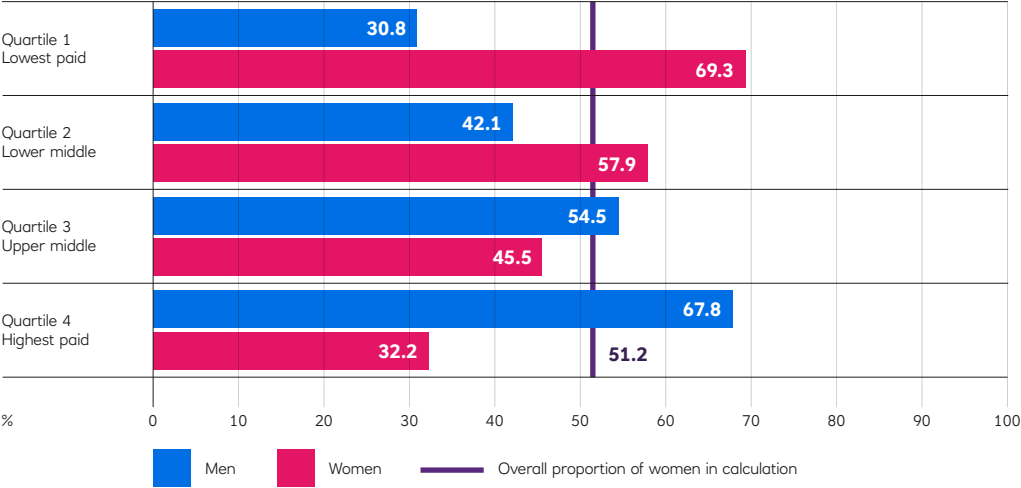
Robert Begbie, Chief Executive Officer,  
NatWest Markets Plc

Oliver Holbourn, Chief Executive Officer,  
RBS International Ltd

# NatWest Group gender pay gap

## Men and women at each pay quartile, NatWest Group.

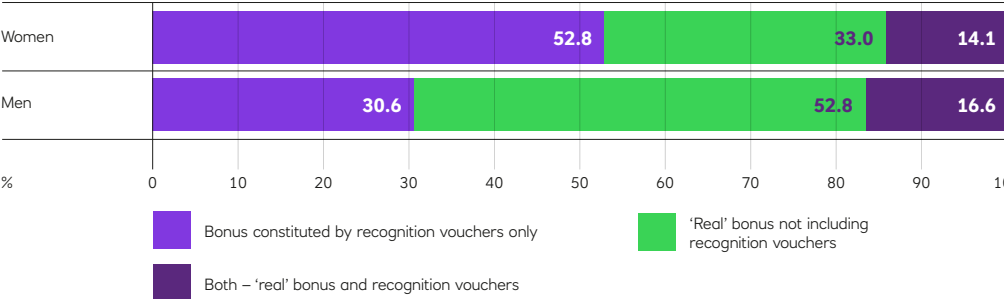
The pay gap is caused by proportionately more men in the higher paid roles and/or more women in the lower paid roles. By showing the proportion of men and women in each pay quartile, we can see that both are the case in NatWest Group.



Due to rounding some figures may add up to more than 100%.

## Our bonus gap population explained

62.9% of men in NatWest Group received a bonus, compared with 54.2% of women. Of those receiving some form of bonus award, a greater proportion of women received only recognition vouchers compared with men.



UK gender pay gap regulation requires bonus gap calculations to include any additional financial award – including recognition vouchers, which reward colleagues for championing each other, our customers and our communities.

This means every colleague who received a small recognition award – for example £10 – is included in the calculations, whether or not they received a bonus. Most colleagues in our more junior jobs only receive fixed pay – a change made to provide more certainty over earnings.

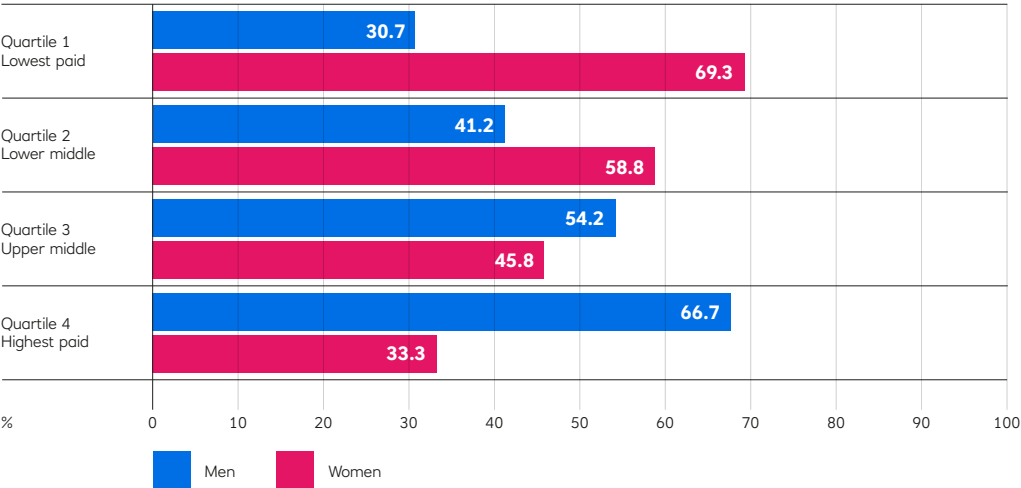


# NatWest Bank gender pay gap

NatWest Bank	Median	Mean
Pay gap	29.7%	27.6%
Change versus previous year	-2.0%	-1.2%
Bonus gap, excluding recognition vouchers	17.7%	26.0%
Change versus previous year	+0.2%	-4.5%
Bonus gap, including recognition vouchers	91.8%	49.7%
Change versus previous year	+1.5%	-2.9%

## Men and women at each pay quartile, NatWest Bank.

The pay gap is caused by proportionately more men in the higher paid roles and/or more women in the lower paid roles. By showing the proportion of men and women in each pay quartile, we can see that both are the case in NatWest Group.



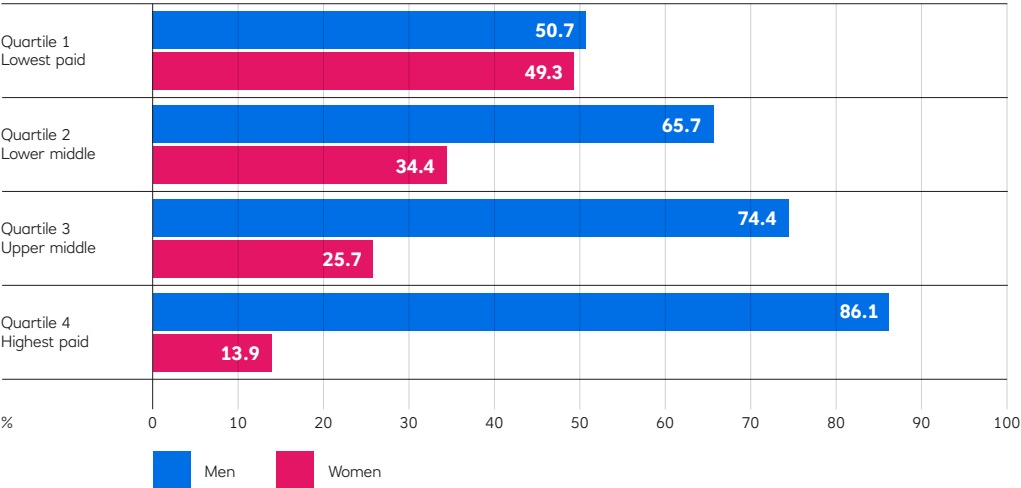
The proportion of those receiving a bonus was 62.0% (men) and 53.9% (women)

# NatWest Markets gender pay gap

NatWest Markets	Median	Mean
Gender pay gap	31.0%	38.6%
Change versus previous year	-0.9%	+0.2%
Gender bonus gap, excluding recognition vouchers	52.9%	59.4%
Change versus previous year	-12.8%	-3.8%
Gender bonus gap, including recognition vouchers	52.9%	59.4%
Change versus previous year	-17.7%	-4.1%

## Men and women at each pay quartile, NatWest Markets.

The pay gap is caused by proportionately more men in the higher paid roles and/or more women in the lower paid roles. By showing the proportion of men and women in each pay quartile, we can see that both are the case in NatWest Group.



Due to rounding some figures may add up to more than 100%.

The proportion of those receiving a bonus was 92.0% (men) and 87.0% (women)

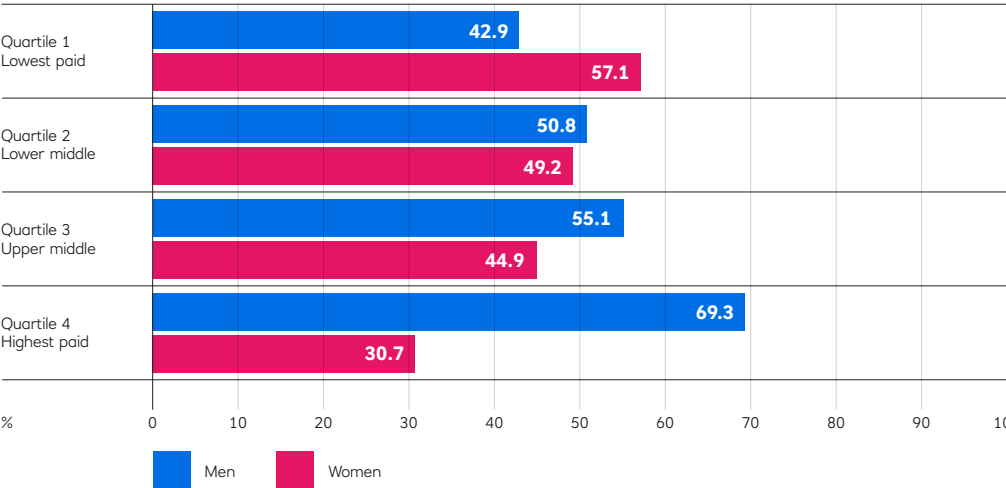
# RBS International gender pay gap

RBSI	Median	Mean
Gender pay gap	17.7%	20.2%
Change versus previous year	-5.8%	-5.9%
Gender bonus gap, excluding recognition vouchers	10.0%	45.5%
Change versus previous year	-10.0%	+3.2%
Gender bonus gap, including recognition vouchers	29.6%	46.8%
Change versus previous year	-5.9%	-8.1%

The data set for RBSI includes only those colleagues working in Great Britain and excludes colleagues working in other locations including the Channel Islands, and is therefore not representative of the RBSI population as a whole.

## Men and women at each pay quartile, RBS International.

The pay gap is caused by proportionately more men in the higher paid roles and/or more women in the lower paid roles. By showing the proportion of men and women in each pay quartile, we can see that both are the case in NatWest Group.



The proportion of those receiving a bonus was 55.0% (men) and 43.3% (women)

# NatWest Group ethnicity pay gap

## All colleagues from ethnic minority backgrounds v White colleagues

	Median	Mean
Pay gap	<b>9.2%</b>	<b>6.2%</b>
Change versus previous year	<b>-1.1%</b>	<b>-1.0%</b>
Bonus gap, excluding recognition vouchers	<b>22.4%</b>	<b>19.9%</b>
Change versus previous year	<b>+5.5%</b>	<b>-1.9%</b>
Bonus gap, including recognition vouchers	<b>1.5%</b>	<b>24.8%</b>
Change versus previous year	<b>+1.5%</b>	<b>-5.3%</b>

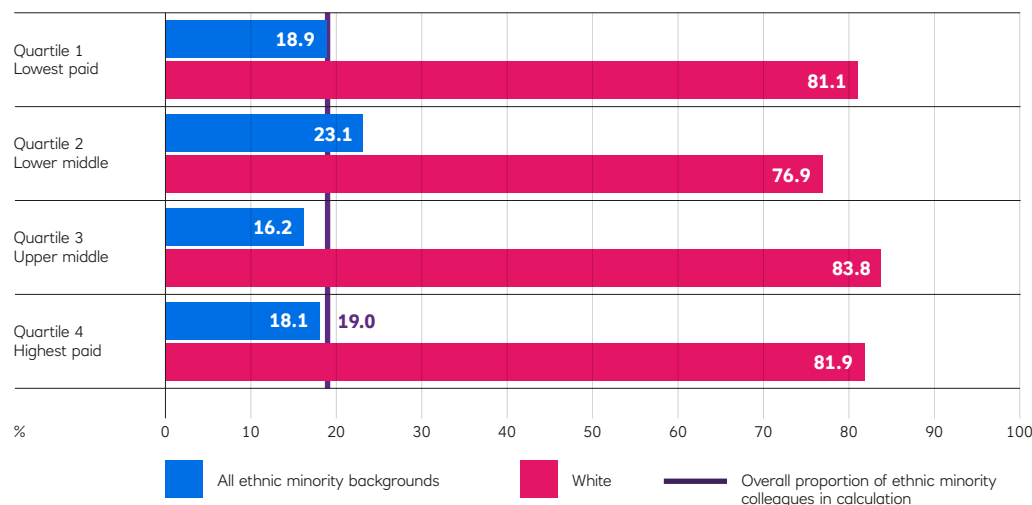
We're voluntarily publishing the details on ethnicity pay gaps for NatWest Group in the UK, and we have broken down the data to show comparisons from Asian, Black, mixed/multiple and other ethnic minority colleagues to White colleagues on the next two pages.

Negative numbers indicate that colleagues from some ethnic minority groups have higher average hourly earnings than their White counterparts.

We follow the same methodology for ethnicity pay gap calculations as for our gender pay gap reporting.

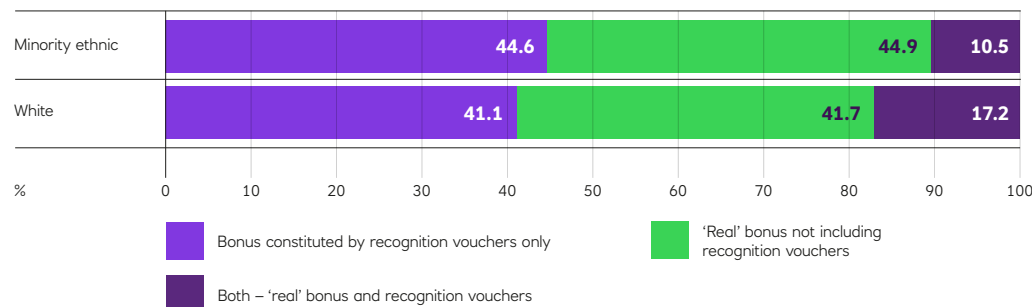
## Colleagues at each pay quartile, all ethnic minority backgrounds v White

The pay gap is caused by proportionately more White colleagues in the higher paid roles and/or more colleagues from ethnic minority backgrounds in the lower paid roles than higher paid roles of the pay gap calculation population. By showing the proportion of colleagues from ethnic minority backgrounds in each pay quartile, we can see that this is the case in the NatWest Group ethnicity pay gap.



## Our bonus gap population explained

60.4% of White colleagues in NatWest Group received a bonus compared with 46.6% of colleagues from ethnic minority backgrounds. Of those receiving some form of bonus award, a greater proportion of colleagues from ethnic minority backgrounds received recognition vouchers only compared with White colleagues.



Due to rounding some figures may add up to more than 100%.



# NatWest Group ethnicity pay gap – broken down by ethnic group

## Asian v White colleagues

	Median	Mean
Pay gap	<b>8.1%</b>	<b>5.6%</b>
Change versus previous year	<b>-1.6%</b>	<b>-1.5%</b>
Bonus gap, excluding recognition vouchers	<b>23.3%</b>	<b>23.2%</b>
Change versus previous year	<b>+10.8%</b>	<b>-1.9%</b>
Bonus gap, including recognition vouchers	<b>1.5%</b>	<b>27.7%</b>
Change versus previous year	<b>+1.5%</b>	<b>-5.5%</b>

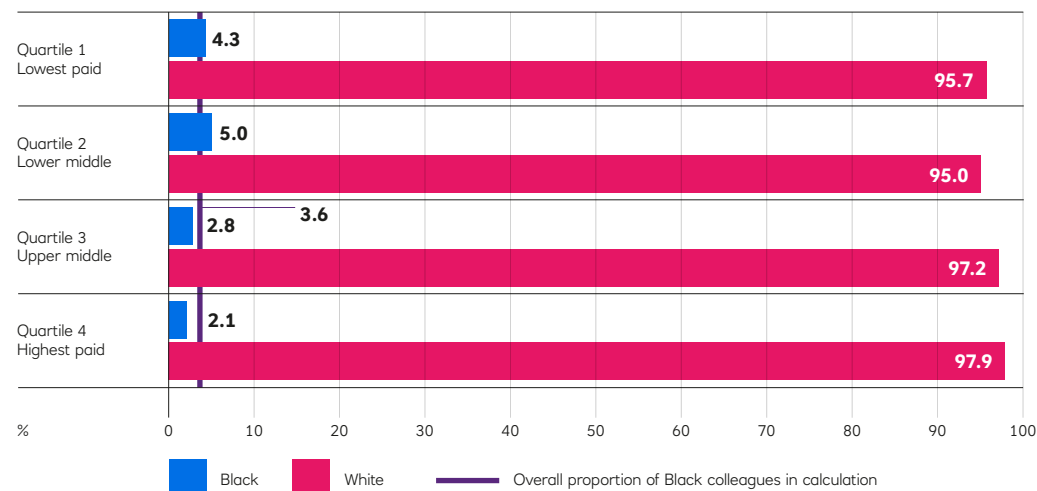
### Colleagues at each pay quartile, Asian v White



## Black v White colleagues

	Median	Mean
Pay gap	<b>18.4%</b>	<b>20.0%</b>
Change versus previous year	<b>-2.1%</b>	<b>-1.7%</b>
Bonus gap, excluding recognition vouchers	<b>44.0%</b>	<b>33.4%</b>
Change versus previous year	<b>-6.0%</b>	<b>-19.9%</b>
Bonus gap, including recognition vouchers	<b>87.7%</b>	<b>46.5%</b>
Change versus previous year	<b>-7.3%</b>	<b>-21.7%</b>

### Colleagues at each pay quartile, Black v White

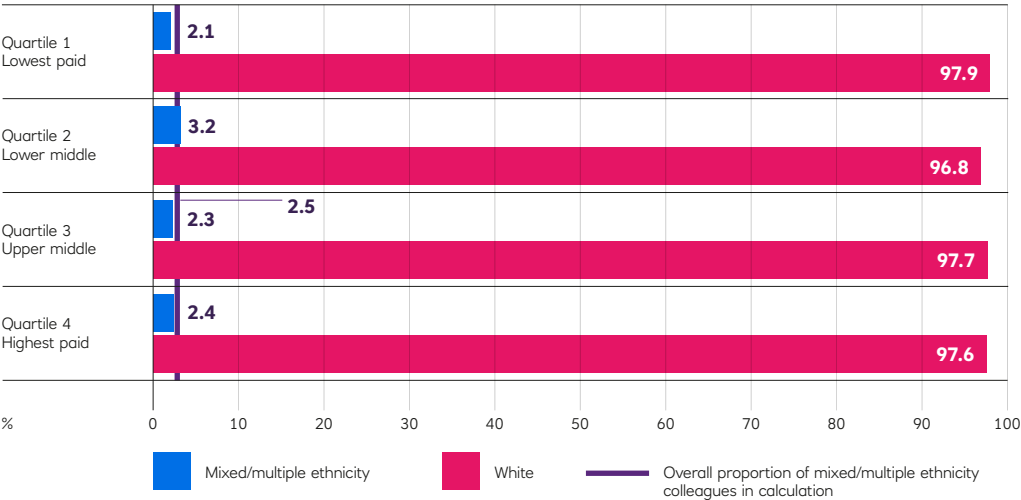


# NatWest Group ethnicity pay gap – broken down by ethnic group

## Mixed/multiple ethnicity v White colleagues

	Median	Mean
Pay gap	4.9%	-0.8%
Change versus previous year	-2.3%	-0.7%
Bonus gap, excluding recognition vouchers	6.7%	-4.3%
Change versus previous year	-0.8%	+5.4%
Bonus gap, including recognition vouchers	1.5%	-0.7%
Change versus previous year	+1.5%	+2.6%

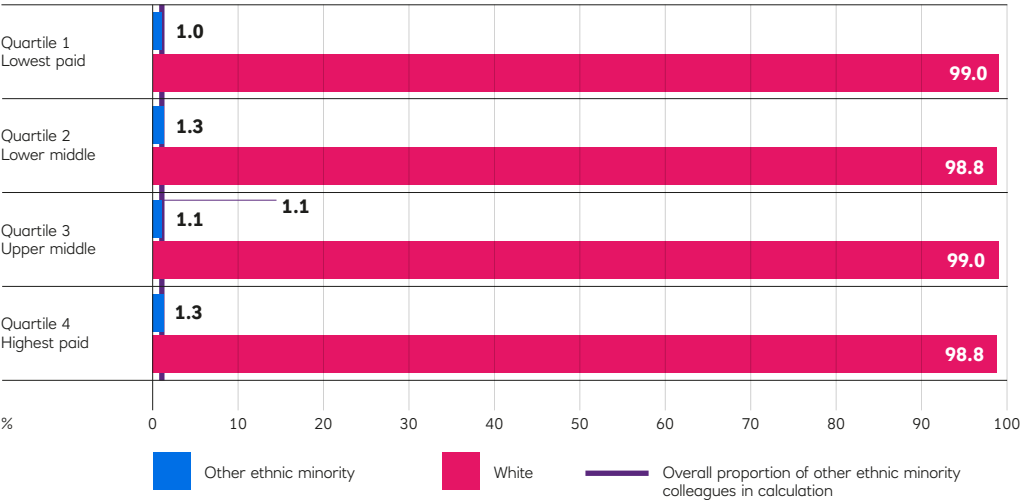
Colleagues at each pay quartile, Mixed/Multiple ethnicity v White



## Other ethnic minority v White colleagues

	Median	Mean
Pay gap	-2.1%	0.9%
Change versus previous year	+4.8%	+2.0%
Bonus gap, excluding recognition vouchers	17.7%	25.4%
Change versus previous year	-4.8%	-5.2%
Bonus gap, including recognition vouchers	0.3%	21.7%
Change versus previous year	+0.3%	-5.1%

Colleagues at each pay quartile, Other ethnic minority v White



Due to rounding some figures may add up to more than 100%.

# Methodology and definitions

## Methodology

- The data period covered is 6th April 2022 to 5th April 2023.
- The calculations cover data from colleagues in Great Britain – England, Scotland and Wales.
- UK gender pay gap regulatory reporting requirements cover entities based in GB with more than 250 employees – for us, that's NatWest Bank, NatWest Markets, RBS International and FreeAgent.
- Gender calculations include all colleagues employed within those entities; ethnicity calculations only cover those colleagues who have disclosed their ethnicity (82% as at March 2023).
- The smaller the population included in calculation, the more volatile the numbers will be year to year, as can be seen with NatWest Markets, RBSI and FreeAgent.
- There's no regulation governing ethnicity pay gaps, so we use the same calculation methodology as for UK gender pay gap regulation.
- Negative numbers indicate that colleagues from some ethnic minority groups have higher average hourly earnings than their White counterparts.
- Bonus gap calculations: under UK gender pay gap regulation, bonuses include any additional financial award – including recognition vouchers, which reward colleagues for championing each other, our customers and our communities. This means that even those who received a small award – for example, £10 – are included, even though they may be on fixed pay. As a result, we also show the bonus pay gap after taking out colleagues who only receive recognition vouchers.
- Gender pay gap reporting in the Republic of Ireland follows a different calculation methodology and numbers cannot be compared to UK pay gaps. [Read Ulster Bank's pay gaps on its website.](#)

## Definitions

- **Pay gap:** the percentage difference in the average hourly pay across all employees from a particular group (eg men, White colleagues) and all employees from another group (eg women, colleagues from ethnic minority backgrounds).
- **Bonus gap:** the percentage difference between the bonus paid to all employees from a particular group (eg men, White colleagues) and all employees from another group (eg women, colleagues from ethnic minority backgrounds).
- **Pay quartiles:** these are found by listing all colleagues from highest hourly pay to lowest hourly pay and dividing them into four equal groups.
- **Mean:** the average, when all pay or bonuses for a particular group are added together and divided by the number of people in that group.
- **Median:** when all pay or bonuses for a particular group are listed in numerical order, the median number is the value in the middle of the list.
- **Gender:** while we recognise a spectrum of gender identities and expressions, our gender pay gap is calculated using the approach required by UK legislation, which compares the pay of females and males.
- **Ethnicity:** we've used the same definitions as the UK's Office for National Statistics.
  - a. 'Asian' colleagues refers to those who identify as Bangladeshi, Chinese, Indian, Pakistani and any other Asian background.
  - b. 'Black' colleagues refers to those who identify as Black African, Black Caribbean and any other Black background.
  - c. 'Mixed/multiple ethnicity' refers to those who identify as mixed White/Asian, mixed White/Black African, mixed White/Black Caribbean, and mixed other.
  - d. 'Other ethnic minority' refers to those who identify as Arab or other.
  - e. 'Ethnic Minority' refers to ALL colleagues who identify as being from an ethnic minority background, on aggregate, i.e. all of the above combined.
  - f. 'White' refers to those who identify as White British, White Irish, White Gypsy/Traveller, and White other.





**NatWest**  
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