

Introduction

This statement relates to Investment Recommendation publications produced and distributed by Sales and Trading within the NatWest Markets business of NatWest Markets Plc and National Westminster Bank Plc (each separately 'NWM') and each a member of the Royal Bank of Scotland Group ('RBS Group'). These publications are non-independent and are Marketing Communications. They have not been prepared in accordance with the legal and regulatory requirement to promote the independence of Investment Research.

Identification of Conflicts

There are a number of possible potential conflicts of interest which could arise from the production and distribution of Marketing Communications.

These potential conflicts could include conflicts between the interests of the recipients of our Marketing Communications and those of:

- the clients of our origination and securitisation businesses, who may also be issuers of investments which are covered in a Marketing Communication;
- NWM, in particular where NWM makes markets in financial instruments which are covered in a Marketing Communication; or
- NWM's employees.

Our internal policies and procedures are designed to ensure that conflicts are identified at the earliest opportunity, that they are recorded and managed appropriately.

Management of Conflicts

Remuneration of Authorised Investment Recommendation Providers

The remuneration of the Authorised Investment Recommendation Providers is not directly tied to any transactions performed, or trading fees received, by an entity of RBS Group [for example through the use of commission-based remuneration](#), or to the specific recommendation or views contained in a Marketing Communication.

Dissemination of Information – Market Abuse

Employees are expressly forbidden from disseminating information (by any means) which gives, or is likely to give, a false or misleading impression as to financial instruments. Employees are expressly forbidden from discussing market rumours that have not been published in widely available media.

Employees are forbidden from taking a long position in a financial instrument and then disseminating misleading positive information with a view to increasing its price or taking a short position in a financial instrument and then disseminating misleading negative information with a view to driving down its price.

Investment Recommendations may be made by persons who also make a market in the financial instruments they are recommending, if acting in good faith and in the ordinary course of market making or in the execution of unsolicited client orders as permitted under COBS 12.3.4.G(1).

NWM has in place controls to monitor for adherence to these prohibitions.

Interaction with other NWM employees

Authorised Investment Recommendation Providers are permitted to talk to their colleagues in Sales and Trading to obtain the market information which they need in order to produce their Investment Recommendations and to provide ideas in relation to sales and trading activities.

As our origination and securitisation businesses rely on information barriers to protect the integrity of the information they receive from clients, it is sometimes necessary for Authorised Investment Recommendation Providers to be taken across the information barriers in relation to a particular transaction. This has the effect of preventing the Authorised Investment Recommendation Providers from making a recommendation until after the transaction has become known in the public domain.

Inducements

All of our employees are expressly forbidden from accepting inducements or allowing a third party to dictate whether a favourable or unfavourable opinion should be expressed in a Marketing Communication, and from paying, or accepting payment from, a client, counterparty or any other party for the purpose of manipulating the market price of a financial instrument through the publication or circulation in any public media (electronic or otherwise) of any material that has, or is intended to have, an effect upon the market price of any financial instrument.

All our employees are expressly forbidden from coordinating with, directing or requesting a client, counterparty or any other party to alter a price, quote, trade or trade report, other than in the legitimate performance of duties towards a client.

Personal account dealing (PA Dealing)

All NWM Public Side Employees are restricted from PA Dealing in the asset class or financial instrument which they cover, deal in or advise on.

All NWM Private Side Designated Employees are restricted from PA Dealing in financial instruments, loans, or other instruments issued by, or referenced to, any entity, issuer or company in respect of which NWM has been conducting financing or capital markets transactions or advisory work.