

RBS UN Global Compact Communication on Progress

2011



Statement of Continuing Support



“ We continue to support and promote important responsible initiatives such as the UN Global Compact, recently taking over the Chairmanship of the UK Network of the UN Global Compact ”

Sir Philip Hampton
Group Chairman

The RBS Group has been a signatory of the UN Global Compact (UNGC) since 2003, and in 2010 became Chair of the UK Network of the UNGC. We currently work to support the promotion of the Global Compact's ten principles among various industries with the UK and among the wider UN Global Compact community.



UN Global Compact Principles

Human Rights

Principle 1 Business should support and respect the protection of internationally proclaimed human rights.

Principle 2 Business must ensure that they are not complicit in human rights abuses.

Commitment

> [Human Rights Policy](#) > [Group Ethical Code for Suppliers](#)

Implementation

- The Group has a published Statement on Human Rights which is aligned with the Universal Declaration of Human Rights, and has been a member of the United Nations Global Compact since 2003. The Group has systems applied both internally and externally to manage our approach to human rights, which is applied on a Group wide basis. Further more, our Group Ethical Code for Suppliers highlights the ten principles of the UN Global Compact which our suppliers are expected to adhere to through out their operations.
- To ensure the Group operates in a sustainable manner we have established a new Group Board Sustainability Committee to assess sustainability issues. All key business areas are represented at the committee which reports into the Group Board and sets sustainable practises throughout the Group.
- To help us evaluate and mitigate risk that may impact upon human rights the Group is currently updating its Ethical, Social and Environmental standards. These updated policies will be implemented throughout 2011 and external statements will also be issued following implementation.



UN Global Compact Principles

Labour

Principle 3 Business should uphold the freedom of association and the effective recognition of the right to collective bargaining

Principle 4 Business should uphold the elimination of all forms of forced and compulsory labour

Principle 5 Business should uphold the effective abolition of child labour

Principle 6 Business should uphold the elimination of discrimination in respect of employment and occupation

Commitment

- > [Managing Diversity Policy](#) > [Group Code of Conduct](#)
- > [Group Ethical Code for Suppliers](#)

Implementation

- The Group works with over 40 social partners globally including trade unions, works councils and two cross-jurisdiction European Works Councils.
- We were one of the first financial services organisations to publish a set of minimum expected ethical standards for suppliers back in 2004. Based on the 10 principles of the UN Global Compact, the RBS Ethical Code for Suppliers covers the area of human rights, labour rights, environmental protection and bribery and corruption and sets out the standards for suppliers we work with.
- To promote gender equality, the Executive recruitment process has been reviewed to ensure that a female is included on all shortlists. A new Diversity training module will be implemented in 2010, which highlights the issue and impact of unconscious biases in decision making.
- To promote gender equality, the Executive recruitment process has been reviewed to ensure that a female is included on all shortlists. A new diversity training module was also implemented, which highlights the issue and impact of unconscious biases in decision making.
- Our progress on labour issues was recognised in 2011 with our movement from 95th to 47th place in the Stonewall Top 100 Employers Workplace Equality Index.



UN Global Compact Principles

Environment

Principle 7 Business should support a precautionary approach to environmental challenges

Principle 8 Business should undertake initiatives to promote greater environmental responsibility

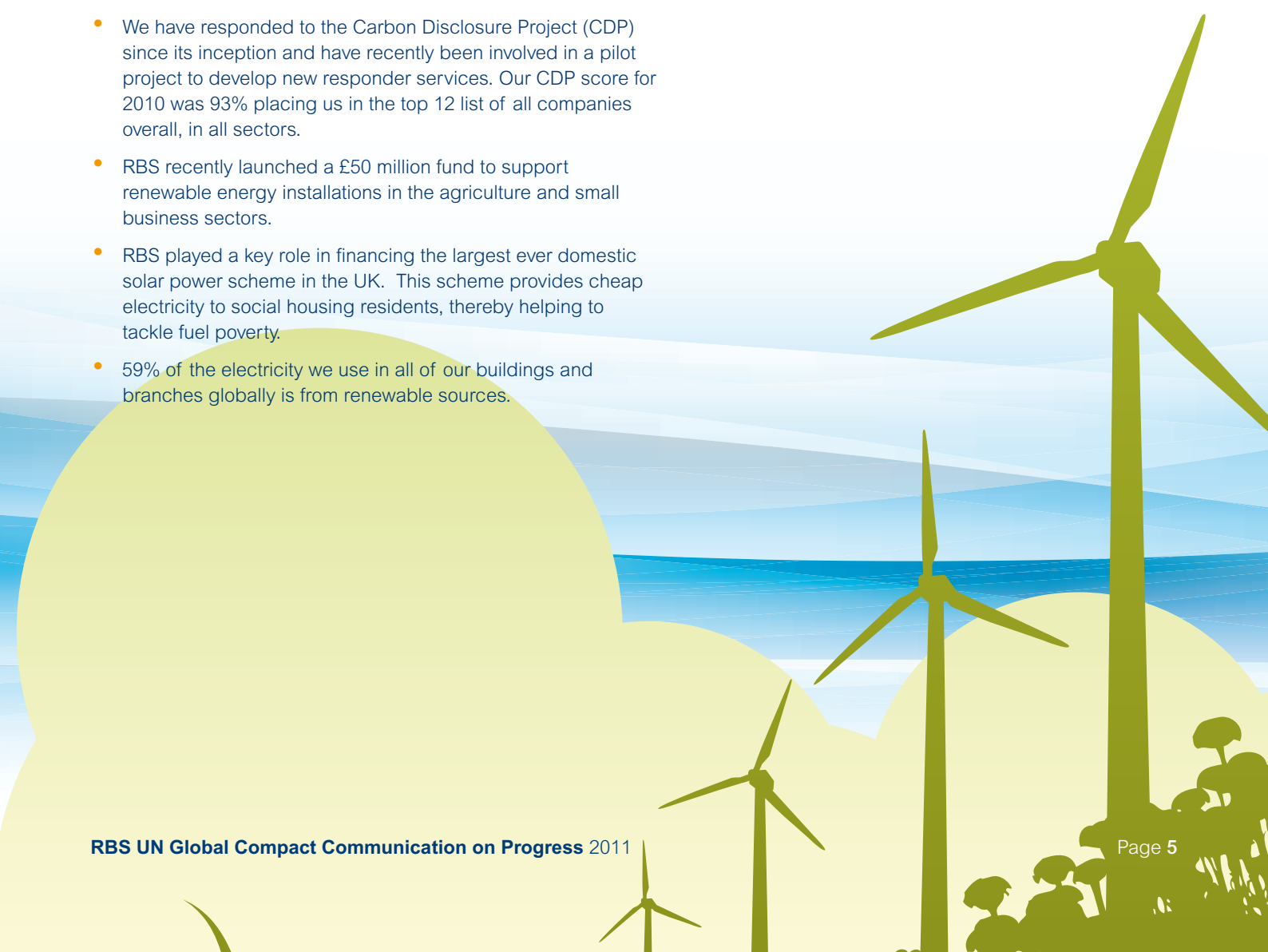
Principle 9 Business should encourage the development and diffusion of environmentally friendly technologies

Commitment

> [Group Environment Policy](#)

Implementation

- We have had a Group Environmental Policy in place since 1997 and have been a signatory of the Equator Principles (EPs) since its inception in 2003 and apply the EP guidelines to all transactions that require project finance.
- Since 2006, RBS has lent more finance to wind power projects than any other type of energy project.
- We have responded to the Carbon Disclosure Project (CDP) since its inception and have recently been involved in a pilot project to develop new responder services. Our CDP score for 2010 was 93% placing us in the top 12 list of all companies overall, in all sectors.
- RBS recently launched a £50 million fund to support renewable energy installations in the agriculture and small business sectors.
- RBS played a key role in financing the largest ever domestic solar power scheme in the UK. This scheme provides cheap electricity to social housing residents, thereby helping to tackle fuel poverty.
- 59% of the electricity we use in all of our buildings and branches globally is from renewable sources.



UN Global Compact Principles

Anti Corruption

Principle 10 Business should work against corruption in all its forms, including extortion and bribery

Commitment

> [Group Code of Conduct](#)

Implementation

- The Group Code of Conduct specifically addresses the issue of bribery and corruption and we have developed a new Group Policy Standard on bribery and corruption that was integrated into the Group Policy Framework during 2010.
- 'Speak Up' is a free, confidential, 24 hours a day, seven days a week telephone helpline which is available to all RBS group employees who wish to report a whistleblowing issue or event.
- During 2010 we have continued to work on a major strategic investment programme to enhance our controls across the globe to detect and prevent money laundering, the financing of terrorism and the breaching of economic sanctions. We have also ensured that we are in full compliance with the new UK Bribery and Corruption Act. ▶



Measurement

The above content has been taken from the 2010 Group Sustainability Report which has been assured in accordance with AA1000AS and ISAE3000.

> [Click here for more information](#)

