

United Nations Global Compact

Communication on progress

September 2019



“RBS is proud to have been be a signatory of the United Nations Global Compact since 2003. We are committed to running the bank as a more sustainable business, serving today’s customers in a way that also helps future generations. It is only by supporting our customers and communities to succeed that we will be become a more sustainable bank.”

RBS CEO, Ross McEwan

How we meet our commitment to the UNGC ten principles

For RBS, sustainable banking means serving today’s customers in a way that also helps future generations. It requires us to put our customers first, make RBS a great place to work, support our communities and be mindful of our environmental and social impacts.

We consider the long-term impacts of our decisions and actions. Our enterprise and financial education programmes are making a difference to our customers and communities. We have also enhanced our energy lending policies and are playing our part to address the risks and opportunities climate change presents to our business and our customers.

Sustainability is also helping us shape our culture for the better. Our ‘Yes Check’ was introduced six years ago, and continues to be used to guide decision making across the businesses. Our employee volunteering and fundraising partnerships continue to make a difference for the communities we serve, help to increase colleague pride in RBS and build trust in the organisation.

RBS is committed to supporting the objectives and requirements of the Modern Slavery Act 2015. In our third statement we set out our approach to the MSA, the steps we are taking to protect victims and potential victims of modern slavery, and our aim to prevent and eradicate modern slavery in our business and supply chain.

In the table below we set out how we apply the ten principles of the United Nations Global Compact across our business against the 21 advanced criteria.

This report covers the period from January to December 2018.

Implementing the Ten Principles into Strategies & Operations		
Criteria	Comment	Reference
1. The COP describes mainstreaming into corporate functions and business units	<p>We are making steady progress in our mission to build a more sustainable and responsible bank.</p> <p>We continue to embed sustainable management practices and policies across our business, including the areas of human rights, labour, environment and anti-corruption. For example, in March 2018, we announced our 2020 Sustainable Energy ambition: <i>To empower our customers and colleagues with finance solutions and energy intelligence to accelerate the transition to a low carbon economy.</i></p> <p>We have committed to funding £10bn to the Sustainable Energy sector by 2020. This will include continued financing of low carbon generation and energy efficiency projects, as well as an increased focus on energy efficiency in real estate and alternatively-fuelled vehicles.</p> <p>We measure and report on this in our combined Strategic Report, and on our Sustainable Banking webpages on rbs.com. In 2019, we published our third combined Strategic Report bringing together financial and non-financial information, describing how we create value and the key influences in our operating environment.</p>	<p>https://investors.rbs.com/annual-report-2018.aspx</p> <p>https://www.rbs.com/rbs/sustainability.html</p>
2: The COP describes value chain implementation	<p>RBS creates value through enabling people to run their daily lives and businesses through the operation of the millions of transactions carried out each day. Another key role we play is to support and enable economic growth.</p> <p>The successful running of RBS provides wider benefits through employment, tax contributions and the provision of liquidity in the economy through our lending to business. Being a sustainable business is also about how we choose to operate, and how we can go further to shape the world in a positive way. Smart products, innovative lending models, progressive employment practices, supporting low carbon solutions – these are all big opportunities for us, but also for our customers and the communities we live in.</p> <p>Our Strategic Report includes information on how we are building a more sustainable bank. The 'How we create value' section (p22 and p23) provides a selection of highlights and examples.</p> <p>We also provide more information on the Sustainable Banking pages on rbs.com. e.g. within the Responsible Business section, the 'Our tax responsibilities' webpage explains our approach, as well as what taxes we pay by country by country.</p>	<p>https://investors.rbs.com/annual-report-2018.aspx</p> <p>https://www.rbs.com/rbs/sustainability/responsible-business/our-tax-responsibilities.html</p> <p>https://www.rbs.com/content/dam/rbs_com/rbs/PDFs/Sustainability/how-we-create-value.pdf</p>
Robust Human Rights Management Policies & Procedures		
Criteria	Comment	Reference

<p>3: The COP describes robust commitments, strategies or policies in the area of human rights</p>	<p>At RBS we recognise and we are committed to our corporate responsibility to respect and uphold human rights across our business and sphere of influence - our position is endorsed by our Board-level Sustainable Banking Committee. The Modern Slavery Act 2015 (the "MSA") forms part of our approach to human rights. Our approach covers our customers, our people and our suppliers.</p>	<p>https://investors.rbs.com/annual-report-2018.aspx (p17)</p> <p>https://www.rbs.com/rbs/sustainability/responsible-business/business-human-rights-modern-slavery.html</p>
<p>4: The COP describes effective management systems to integrate the human rights principles</p>	<p>Our commitment to human rights is in alignment with the following standards and principles - The Equator Principles; International Labour Organisation's Declaration of Fundamental Principles and Rights at Work; OECD Guidelines for Multinational Enterprises; United Nations Global Compact; Universal Declaration of Human Rights; United Nations Guiding Principles on Business and Human Rights; and the Living Wage Foundation. Our Statement on Human Rights sets out the scope of our work in this area.</p>	<p>https://www.rbs.com/content/dam/rbs_com/rbs/PDFs/Sustainability/MSA_annual_statement_2018.pdf</p>
<p>5: The COP describes effective monitoring and evaluation mechanisms of human rights integration</p>	<p>We regularly review our policies and procedures to ensure that we avoid infringing on the human rights of others in our own operations, and support and respect the protection of internationally proclaimed human rights throughout our broader sphere of influence.</p> <p>The purpose of our policies is to prevent, identify and address incidents as and when they arise.</p> <p>Our Customers Our relationship with our customers is governed by a wide range of risk considerations, including our Anti-Money Laundering (AML) and Environmental, Social, and Ethical (ESE) risk assessments on current and new customers, to consider whether any of their activities carry human rights infringements.</p> <p>Our People All of our people are legally recruited subject to local jurisdiction and in the UK must meet 1998 Immigration Act requirements. The bank also has policies and processes such as 'Our Code', the 'Yes Check' and 'Speak Up' and is an early adopter of the Living Wage to support the banks position on Modern Slavery.</p> <p>Our Suppliers In 2018 we updated and enhanced our Sustainable Procurement Code, now referred to as the Supplier Code of Conduct (SCoC) The SCoC continues to be a contractual requirement - we expect our suppliers to uphold the same values and commitments we have made on social and environmental impacts.</p> <p>In June 2019, we published our new (full year 2018) statement on Modern Slavery and Human Trafficking. Our third Modern Slavery and Human Trafficking Statement were made in accordance with section 54 of the UK's Modern Slavery Act 2015 and in line with the Annual Report cycle covering a period from January to December each calendar year. The statement on Modern</p>	<p>https://www.rbs.com/rbs/sustainability/responsible-business/reputational-and-environmental-social---ethical-ese--risks-/managing-ese-risk.html</p> <p>https://www.rbs.com/content/dam/rbs_com/rbs/PDFs/Sustainability/RBS_Supplier_Code_of_Conduct.pdf</p> <p>https://www.rbs.com/content/dam/rbs_com/rbs/PDFs/Sustainability/Downloads/Human-Rights-Statement.pdf</p>

	<p>Slavery and Human Trafficking was reviewed by the Group Reputational Risk Forum and was approved by the Board of The Royal Bank of Scotland Group plc. The statement on Modern Slavery and Human Trafficking outlines the measures we've taken to protect victims and potential victims of modern slavery and eradicate modern slavery in our business and supply chain. The annual statement on Modern Slavery and Human Trafficking builds upon our existing policy framework, which includes: reviewing our policy framework to ensure it meets MSA requirements, identifying and addressing high risks within the business and supply chain and providing bespoke training and raising general awareness around modern slavery and human trafficking.</p> <p>Our statement on Modern Slavery and Human Trafficking alongside our Human Rights Position Statement are available on rbs.com.</p>	
Robust Labour Management Policies & Procedures		
Criteria	Comment	Reference
6: The COP describes robust commitments, strategies or policies in the area of labour	Developing and nurturing a healthy and inclusive culture throughout the bank is crucial. We are determined to make the bank a great place to work, to encourage people to bring the best of themselves to work and help each other to realise our full potential.	https://investors.rbs.com/annual-report-2018.aspx
7: The COP describes effective management systems to integrate the labour principles	To really live Our Values (Our Values are recognised by all colleagues and help to make RBS a great place to work) we continue to reinforce them in our systems, our policies and processes, our communications, training and leadership role modelling.	https://www.rbs.com/content/dam/rbs_com/rbs/PDFs/OurCode_External.pdf
8: The COP describes effective monitoring and evaluation mechanisms of labour principles integration	<p>Our Code, and the values within it, connects us all. Our Code outlines the behaviours we expect of each other and what our customers and communities can expect from us. Our Code includes a clear commitment to respect human rights. We also have a simple decision-making guide (called the "YES check") which is contained within Our Code. Its purpose is to help us to ask the right questions and make the right decisions every day.</p> <p>We monitor our progress against our goals. We gather feedback from our colleagues, and through metrics and key performance indicators to assess our progress and respond accordingly. We do this in tandem with feedback from regulators and industry bodies.</p> <p>In 2018, almost 60,000 colleagues completed our most recent colleague survey - the highest participation in the last five years. The results were the most positive we have seen since we started to measure engagement and show we are changing the culture of the bank for the better. Key measures of engagement, leadership and our culture have improved significantly, and we are now above the global financial services norm in all of our comparable survey categories. The continued strengthening of our culture was also echoed in this year's improved BSB assessment, which provides further proof of progress</p>	<p>https://www.rbs.com/rbs/sustainability/working-at-rbs.html</p> <p>https://www.rbs.com/rbs/sustainability/working-at-rbs/employment-practices.html</p> <p>https://www.rbs.com/rbs/sustainability/working-at-rbs/creating-a-healthy-culture.html</p> <p>https://www.rbs.com/rbs/news/2014/11/rbs-becomes-an-accredited-living-wage-employer.html</p> <p>https://www.rbs.com/rbs/sustainability/working-at-rbs/inclusion.html</p>

across a range of measures. The results are encouraging and show that our hard work is paying off. However, we recognise that we have more to do to make this a stronger bank and a great place to work.

We also offer a broad range of learning which can be mandatory, role specific or related to personal development.

We continue to embed '*Determined to lead*' (Dtl), our core leadership programme across the bank. Dtl provides consistent tools to lead and engage our colleagues and is transforming the way we operate. By the end of 2018, more than 10,700 leaders had completed their Dtl journey

Keeping our employees physically and mentally healthy is a big part of making RBS a great place to work. In 2018 our wellbeing engagement scores increased again and we continue to build our wellbeing programme by offering support, resources, personal stories and engaging tools.

When colleagues wish to report concerns relating to wrong doing or misconduct and breaches in human rights, they can raise concerns via Speak Up, the bank's whistleblowing service. In 2018, 480 cases were raised compared to 290 in 2017. Our colleague opinion survey has shown the highest ever score when asking colleagues if they feel safe to speak up, as well as understanding the process of how they do that.

To help our colleagues develop a work life balance, to create an inclusive, flexible working culture and to help us focus on our customers' needs, we offer choice in working locations and patterns. Support and guidance is offered to all colleagues through a web portal. We set up a number of 'spoke sites' across the country making it easier for colleagues to work closer to home and closer to customers.

We became an accredited Living Wage employer in November 2014, which applies to our operations and suppliers in the UK. The Living Wage is an hourly rate set independently and according to the basic cost of living (as calculated using the Minimum Income Standard for the UK). Employers can choose to pay the living wage on a voluntary basis.

New ways of working

In 2018 we continued to embrace new ways of working to allow us to deliver better products more quickly to our customers. We have seen colleagues adopting agile working in a number of areas across the bank – and have put in place a core and common language and methods where they matter to our people, to work in a consistent way across teams.

We are proud to be building an inclusive bank which is a great place for all colleagues to work. Our inclusion guidelines apply to all our colleagues globally to make sure everyone feels included and valued, regardless

of their background. As at 31 December 2018 our permanent headcount was 67,400. 49% were male and 51% female.

We continue to work towards our goal of having at least 30% senior women in our top three leadership layers across each business by 2020 (40% on aggregate) and achieve a full gender balance across the bank by 2030.

As at 31 December 2018 our top three leadership layers was 37% female on aggregate, an 8% increase since we introduced our target and we are on track to meet 40%.

We have a positive action approach in place, tailored by business, according to the specific challenges they face.

RBS is also committed to equal opportunities for suppliers, and we recognise that diversity strengthens our supply chain.

As part of building an inclusive bank the selected highlights include:

- The Inclusion category in our annual colleague survey in 2018 is the highest category at 90% and is the category where we are the furthest ahead of our peers (16 points above the global financial services norm).
- During 2018, we supplemented our unconscious bias learning (c.80% of colleagues trained) with wider inclusion and diversity learning for all our colleagues to create a solid platform for behavioural and cultural change.
- Named as a Stonewall Global Diversity champion.
- We have been awarded a Platinum rating in Business in the Community's (BiTC) Race Equality campaign, and we are a Top Ten Employer in the Investing in Ethnicity Maturity Matrix in recognition of our positive action approach and the progress we are making.
- We were rated Gold in the latest Business Disability Forum benchmark which puts us in the top 1% of UK organisations for disability performance. We were also ranked as a Leader/Exemplary level in the UK Government's Disability Confident Scheme.
- We have been named in Stonewall's UK Top 100 Workplace Equality Index for ten consecutive years and are the only financial services company to achieve this. We are also a Stonewall Global Founding Partner and Top Global Stonewall employer.
- We are a signatory of the United Nations LGBT Standards of Conduct.
- Recognised by the Bloomberg Global Gender Equality Index.
- Times Top 50 Employers for Women.
- Women in Finance 2018 Awards – Employer of the Year.
- We achieved Top Ten Employer status in the Working Families benchmark.
- Our employee led networks (ELNs) have grown to c.20,000 members globally.

Robust Environmental Management Policies & Procedures

Criteria	Comment	Reference
9: The COP describes robust commitments, strategies or policies in the area of environmental stewardship	RBS aims to be a leader among global financial institutions in terms of managing our own environmental impacts as well as seeking to influence other businesses on how they manage theirs. In 2017, we set new 2020 targets to reduce water use by 10% and paper use by 60%, whilst continuing to target zero waste to landfill. We used a science-based method to set our emissions reduction target of 45% by 2020. Our progress can be viewed within the Direct environmental footprint page on rbs.com (see reference link).	Strategic Report 2018 – page 33 https://investors.rbs.com/annual-report-2018.aspx
10: The COP describes effective management systems to integrate the environmental principles		https://www.rbs.com/rbs/sustainability/responsible-business/approach-to-climate-change/direct-environmental-impacts.html
11: The COP describes effective monitoring and evaluation mechanisms for environmental stewardship	<p>We make significant lending available to support the transition to a low carbon economy. In March 2018, we announced our 2020 sustainable energy ambition: to empower our customers and colleagues with finance solutions and energy intelligence to accelerate the transition to a low carbon economy.</p> <p>With this ambition, we committed to funding £10bn to the Sustainable Energy sector by 2020. This will include continued financing of low carbon generation and energy efficiency projects, as well as an increased focus on energy efficiency in real estate and alternatively-fuelled vehicles.</p> <p>We have been externally recognised as the largest lender to the UK Renewable energy sector by number of transactions (2010-2018) according to InfraDeals, a renewables and infrastructure market data provider.</p> <p>These actions demonstrate that as a provider of financial services, we also have a responsibility to understand and manage the wider environmental risks associated with the sectors we support, as well as our direct impacts. Our stakeholders are often interested in RBS’s clients, who operate in sensitive sectors with high social and environmental impacts.</p> <p>We report on our risk management policies, processes and operations in our Strategic Report.</p> <p>At our AGM in May 2018 we announced new energy lending policies, meaning RBS will not provide project-specific finance to:</p> <ul style="list-style-type: none"> • New coal fired power stations • New thermal coal mines • Oil sands projects • Arctic oil projects • Unsustainable vegetation or peatland clearance projects <p>RBS will also not provide finance to:</p> <ul style="list-style-type: none"> • Mining companies generating more than 40% of their revenues from thermal coal – a reduction from 65%. • Power companies generating more than 40% of their electricity from coal – a reduction from 65%. 	<p>https://www.rbs.com/rbs/sustainability/responsible-business/approach-to-climate-change/sustainable-energy.html</p> <p>https://www.rbs.com/content/dam/rbs_com/rbs/PDFs/Sustainability/Downloads/rbs-protecting-the-environment-policy.pdf</p> <p>https://www.rbs.com/rbs/sustainability/responsible-business/approach-to-climate-change.html</p>

	RBS also includes environmental principles and standards in its Supplier Code of Conduct, which requires suppliers to minimise environmental impacts from the production and distribution of products or services, which was updated in August 2018.	
Robust Anti-Corruption Management Policies & Procedures		
Criteria	Comment	Reference
12: The COP describes robust commitments, strategies or policies in the area of anti-corruption	<p>RBS has a zero tolerance approach to bribery, corruption, money laundering, sanctions and terrorism financing. In February 2019 we published a revised version of our Anti-Bribery and Corruption (ABC) Statement. We continue to enforce our Anti-Money Laundering and Sanctions Policies and Mandatory Procedures, and conducted a Financial Crime Assessment within all our franchises.</p> <p>Anti-bribery and corruption (ABC) training is mandatory for all staff on an annual basis, with targeted training appropriate for certain roles. RBS considers ABC risk in its business processes including, but not limited to, corporate donations, charitable sponsorships, political activities and commercial sponsorships. Where appropriate, there is a requirement for ABC contract clauses in written agreements.</p> <p>RBS is firmly committed to ensuring that it acts responsibly and ethically, with integrity, fairness, due skill, care and diligence both when pursuing its own business opportunities and when awarding business. Consequently it has embedded the required policies, mandatory procedures and controls to ensure its employees and any other party it does business with understand these obligations and abide by them, whenever they act for or on behalf of RBS.</p> <p>Our ABC and AML statements (which can be found on rbs.com) outline a range of steps and procedures to limit our exposure.</p> <p>We are committed to the responsible management of our tax affairs and are signatories to the Government's Code of Practice on Taxation for Banks.</p>	<p>Strategic Report: https://investors.rbs.com/annual-report-2018.aspx</p> <p>Transparency International: http://www.rbs.com/news/2014/11/rbs-leads-the-field-in-transparent-reporting.html</p> <p>ABC Statement: https://www.rbs.com/content/dam/rbs_com/rbs/PDFs/ABC%20External%20statement%20-%20Feb%202019.pdf</p> <p>AML Statement https://www.rbs.com/content/dam/rbs_com/rbs/PDFs/20190204%20%20AML%20External%20Statement.pdf</p> <p>Our tax responsibilities https://www.rbs.com/rbs/sustainability/responsible-business/our-tax-responsibilities.html</p>
13: The COP describes effective management systems to integrate the anti-corruption principle		
14: The COP describes effective monitoring and evaluation mechanisms for the integration of anti-corruption		

Taking Action in Support of Broader UN Goals and Issues		
Criteria	Comment	Reference
15: The COP describes core business contributions to UN goals and issues	<p>Through our participation in industry initiatives we support broader UN goals and issues.</p> <p>We are members of UNEPFI and signatory to the UNEPFI statement of commitment by Financial Institutions on Sustainable Development.</p> <p>We have been members of the United Nations Global Compact since 2003 and we actively participate in the development of this initiative through representation on the Advisory Committee of the UK members network. We hosted one of their Sustainable Development Goals Working Group meetings in June 2017 to discuss defining priorities towards the SDGs.</p> <p>We welcome the growing prominence of the Sustainable Development Goals (SDGs). In 2018 we completed an assessment of our business activities against the SDGs and we are engaging with a range of stakeholders to help us further align our strategy.</p> <p>Sir Howard Davies, our Chairman commented: “We’re very conscious of our obligations under the UN Sustainable Development Goals. We recognise the importance of understanding the implications of climate change, and what that will do to our business and to the business of our customers. We have a strong track record in alternative energy projects. And overall we are working to build a more sustainable bank in a very broad societal, economic and environmental context.”</p> <p>We work with our peers in other banks to contribute to the sector response to the UN Guiding Principles for Business and Human Rights, through the Thun Group and UNEPFI.</p> <p>We also run programmes and initiatives aimed at supporting communities, such as improving financial capability through the development of good money management skills which are related with broader UN goals.</p> <p>MoneySense has been running for over 24 years, during which it has helped over 6.5 million young people learn about money. It is our flagship financial education programme for young people, delivering learning to 5-18 year olds, both in the classroom and at home.</p> <p>In India, we established a partnership between RBS Foundation India and the UN Climate Adaptation Fund.</p> <p>Highlights:</p> <ul style="list-style-type: none"> Alison Rose Review of Female Entrepreneurship sets out recommendations to improve female start-up and scale-up rates and contribute £250bn of new value to the UK economy In February, we announced that we were bringing our UK-wide network of Entrepreneur Accelerator hubs in-house. Together, these hubs make up the 	<p>Strategic Report p23: https://investors.rbs.com/annual-report-2018.aspx</p> <p>https://www.rbs.com/rbs/sustainability/sustainable-banking-at-rbs/external-commitments.html</p> <p>UNEPFI: https://www.unepfi.org/members/</p> <p>UN Global Compact UK Network: https://www.unglobalcompact.org/what-is-gc/participants/8080-Royal-Bank-of-Scotland-</p> <p>SDGs: https://www.rbs.com/rbs/sustainability/responsible-business/united-nations-sustainable-development-goals.html</p> <p>Supporting financial education: https://www.rbs.com/rbs/sustainability/customer-focused/financial-capability.html</p> <p>Alison Rose Review of Female Entrepreneurship https://cdn15.contentlive.co.uk/5317a56e21de4cdebbb8422b2114589d:static/pdf/7525_rose_review_financial.pdf?versionId=c4v1vkWuPorgt391J_zd2hafO4wvcQLV</p> <p>Sustainability Report 2015, pages 12, 21, 28, 37-39, 54. https://www.rbs.com/content/dam/rbs_com/rbs/PDFs/Sustainability/Downloads/Sustainability_Report_2015.pdf</p>

	<p>UK's largest fully-funded business accelerator network. In 2018, more than 1,800 businesses joined our core Accelerator programme</p> <ul style="list-style-type: none"> • More than 390 jobs created by businesses participating in NatWest's Entrepreneur Accelerator programme since April 2018. • Our Entrepreneurship team has supported more than 6,400 entrepreneurs this year through our core Accelerator programme, Pre-Accelerator and Taster sessions • Our Skills & Opportunities Fund distributed £1.35 million (from a total of £2.5 million) to support people to start or develop a business now or in the future • We have 511 independently accredited Women in Business Specialists, giving mentoring and financial guidance, as well as support to female entrepreneurs • Through our Boost programme, we delivered 4,090 events and seminars on topics including fraud prevention, cybersecurity and finance, amongst others, to more than 186,000 small businesses 	<p>https://www.rbs.com/rbs/sustainability/responsible-business/enterprise.html</p>
<p>16: The COP describes strategic social investments and philanthropy</p>	<p>Our recorded community investment for 2018 was £35.7 million, measured using the London Benchmarking Group standard.</p> <p>In 2018, our Social and Community Capital charity has provided £3.8 million social finance to personal community finance institutions (CDFIs). These organisations provide an affordable, community-led alternative to payday loans and work in some of the most under-served communities in the country.</p> <p>Many of our employees see helping the local community as part of their day job, and we encourage them to take part in giving and volunteering programmes. In 2018, we asked them to support us in reaching our bank-wide community targets:</p> <ul style="list-style-type: none"> • Through the generosity of our employees, charities received £4,402,764 • Our employees completed 100,368 hours of volunteering during business time • 77,602 young people received financial education through MoneySense workshops in schools 	<p>https://www.rbs.com/rbs/sustainability/responsible-business/giving-and-volunteering.html</p> <p>https://www.rbs.com/rbs/sustainability/responsible-business/enterprise.html</p> <p>Strategic Report 2018 – p22 and 23 https://investors.rbs.com/annual-report-2018.aspx</p>

- 31,637 employees were trained to be 'Friends Against Scams' as part of the fight against financial crime

We run a dedicated programme to support Women in Business. We have also set a target for each Executive Committee member to have at least 30% women in senior roles (the top three leadership layers) by 2020 and we continue to work to be fully gender balanced (50/50) by 2030.

We are committed to supporting major appeals, including responding compassionately in times of emergency and crisis. In 2018, we supported the Disasters Emergency Committee (DEC) Indonesian Tsunami Appeal raising over £120,000 through our employees and customers.

<p>17: The COP describes advocacy and public policy engagement</p>	<p>We support various UK Government initiatives and engage in public policy on a range of issues including on our core themes of enterprise and financial capability.</p> <p>RBS is a founding partner of 'Friends Against Scams', the National Trading Standards Scam Team's fraud and scams awareness initiative. We work with the City of London Police to tackle complex financial crimes and with the Metropolitan Police to develop the 'Little Book of Big Scams' aimed at stopping fraud and identity theft.</p> <p>We continue to work closely with the independent debt advice partners and in 2018 we continued to directly refer our most vulnerable customers (referring 1,000 customers in 2018) through to our dedicated on-site Citizens Advice resource, who provide further help and support on topics like, welfare benefits, health and family matters in addition to the normal support on financial and debt advice. We continue to receive overwhelming support from customers and colleagues for this service.</p> <p>In partnership with the Money Advice Trust, we developed Industry leading Addictions Training for our colleagues and use across the sector.</p> <p>More than 69,000 of our colleagues completed the Supporting Customers in Vulnerable Situations training programme during 2018.</p> <p>As a business, we have also partnered with external organisations to enhance these services – including Alzheimer Scotland, the Royal National Institute of Blind People (RNIB), BackUp and Samaritans. More than 14,500 colleagues also became Dementia Friends during 2018.</p> <p>On 6 August 2019, Sir David Attenborough and Bank of England Governor Mark Carney were part of an expert panel assembled for the Climate to Change event at our Coutts headquarters in London. They were joined by Chris Stark, the Chair of the UK Committee on Climate Change; and Sue Garrard formerly of Unilever. The panellists discussed a range of issues from carbon tax to the ever-diminishing rain forests with Coutts and RBS customers.</p>	<p>https://www.rbs.com/rbs/sustainability/customer-focused/financial-capability.html</p> <p>Sustainability Report 2015 - pages 11, 21, 29. https://www.rbs.com/content/dam/rbs.com/rbs/PDFs/Sustainability/Downloads/Sustainability_Report_2015.pdf</p> <p>https://www.rbs.com/rbs/sustainability/responsible-business/enterprise.html</p> <p>https://www.rbs.com/rbs/sustainability/sustainable-banking-at-rbs/stakeholder-engagement.html</p> <p>https://www.rbs.com/rbs/sustainability/customer-focused/customers-in-vulnerable-situations.html</p> <p>Coutts Climate Event https://www.coutts.com/insight-articles/news/2019/climate-change-urgency.htm</p>
<p>18: The COP describes partnerships and collective action</p>	<p>We describe some of our key international External Commitments on our website such as Equator Principles, UNGC, Thun Group. We work in partnership with others to provide specific support to enterprise and financial capability (see criteria 15), which are two core focus areas for us, as well as partnerships for our community investment and philanthropic activities, and supporting customers in vulnerable situations.</p> <p>We have adopted the Equator Principles (EP) since its inception in 2003 and are members of the EP Association Steering Committee. The EPs are a voluntary set of standards adopted by banks for determining, assessing and managing social and environmental responsibilities in project financing. We will not provide project finance where the borrower will not, or cannot, comply with</p>	<p>https://www.rbs.com/rbs/sustainability/sustainable-banking-at-rbs/external-commitments.html</p> <p>https://www.cisl.cam.ac.uk/business-action/sustainable-finance/banking-environment-initiative/programme/sustainable-agri-supply-chains/soft-commodities</p>

	<p>these principles. We were heavily involved in the work on 'EP III.'</p> <p>We are members of the Soft Commodities Compact. Jointly launched by the Consumer Goods Forum and the Banking Environment Initiative in 2014, the Soft Commodities Compact focuses upon the four food and timber commodities that have the largest impact upon deforestation and biodiversity.</p> <p>In 2017 and 2018 RBS hosted the Global Ethical Finance Summit in Edinburgh, bringing together experts and leaders from across the world to join an active conversation on making the financial system more sustainable.</p> <p>Lombard's second Renewable Energy Conference brought together professionals from across the sector, alongside noted speakers, to discuss the UK's low-carbon ambitions.</p>	<p>Strategic Report https://investors.rbs.com/annual-report-2018.aspx</p> <p>Lombard renewable energy conference https://lombard.contentlive.co.uk/content/lombard-renewable-energy-conference-powering-change</p> <p>https://www.globalethicalfinance.org/ethical-finance-week-2019/</p>
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Corporate Sustainability Governance and Leadership

Criteria	Comment	Reference
19: The COP describes CEO commitment and leadership	<p>"RBS is proud to have been be a signatory of the United Nations Global Compact since 2003. We are committed to running the bank as a more sustainable business, serving today's customers in a way that also helps future generations. It is only by supporting our customers and communities to succeed that we will be become a more sustainable bank."</p> <p>Ross McEwan, RBS Group CEO</p> <p>Public sustainability commitments include our support for the Task Force on Climate-related Financial Disclosures (TCFD). The Task Force, chaired by Michael Bloomberg and established by the Financial Stability Board (chaired by the Governor of the Bank of England Mark Carney) has developed recommendations on climate-related information that companies should disclose to help investors, lenders and others make sound financial decisions.</p> <p>At our AGM in May 2018 our Chairman announced new energy lending policies, meaning RBS will not provide project-specific finance to:</p> <ul style="list-style-type: none"> • New coal fired power stations • New thermal coal mines • Oil sands projects • Arctic oil projects • Unsustainable vegetation or peatland clearance projects <p>RBS will also not provide finance to:</p> <ul style="list-style-type: none"> • Mining companies generating more than 40% of their revenues from thermal coal – a reduction from 65%. • Power companies generating more than 40% of their electricity from coal – a reduction from 65%. 	<p>https://www.rbs.com/rbs/sustainability/sustainable-banking-at-rbs/external-commitments.html</p> <p>Strategic Report p23 and p33: https://investors.rbs.com/annual-report-2018.aspx</p> <p>https://www.coutts.com/insight-articles/news/2019/coutts-makes-the-grade-for-responsible-investing.html</p> <p>https://www.rbs.com/rbs/news/2018/10/rbs-signs-governments-new-race-at-work-charter.html</p>

	<p>The UK Government launched a Race at Work charter which sets out five commitments for businesses to achieve race equality in the workplace. RBS is a founder signatory and CEO Ross McEwan signed the Charter at 10 Downing Street. Ross McEwan said: "Our multicultural agenda at RBS is incredibly important. Whether it's about improving the ethnic balance of our organisation or valuing the different contributions people can make when they bring their various beliefs and experiences to the table, there is no doubt this agenda plays a key role in helping to change the culture at RBS.</p>	
20: The COP describes Board adoption and oversight	<p>The governance section of the Strategic Report 2018 describes our governance structure and oversight and outlines in further detail the role of the Board-level Sustainable Banking Committee, chaired by a non-executive Director.</p>	<p>Strategic Report 2018 - page 34. https://investors.rbs.com/annual-report-2018.aspx</p>
21: The COP describes stakeholder engagement	<p>RBS exists to serve customers well and we put our customers at the heart of everything we do. This means having an understanding of our impact across all stakeholders of the bank. Understanding who our stakeholders are and their views helps inform our overall strategy. Our Strategic Report 2018 has a chapter dedicated to our stakeholders with examples of how we engage. On rbs.com a table of our stakeholders details ways we engage, main issues raised in 2018, and example outcomes of engagement.</p> <p>Since 2011 our Sustainable Banking Committee has hosted regular engagement sessions to allow external stakeholders to talk openly and directly on key issues with our Non-Executive Directors and Management.</p> <p>The Sustainable Banking Committee continued its programme of engagement and in 2018 held four stakeholder engagement sessions. The topics focused on some of our core priorities as identified in our Key Influences. These were:</p> <ul style="list-style-type: none"> • Sustainable credit • Ethics of artificial intelligence • Purpose • Transparency 	<p>Strategic Report 2018 - page 12 & 14. https://investors.rbs.com/annual-report-2018.aspx</p> <p>https://www.rbs.com/rbs/sustainability/sustainable-banking-at-rbs/stakeholder-engagement.html</p>