

Statement on Anti-Bribery and Corruption

RBS plc. (RBS) has zero tolerance to bribery and corruption, breaches of regulations or laws and is firmly committed to acting with integrity, due skill, care, diligence and fairness in all its business dealings and commercial relationships. Bribery is a serious criminal offence.

RBS conducts its business fairly and lawfully and will not tolerate:

- The giving or receiving of improper monetary or other inducements in commercial relations; and
- Any other inappropriate practice which might be perceived to influence improperly a person's conduct in their professional or public duty.

In adopting this approach, RBS aims to protect the interests of its customers, shareholders and employees and minimise the associated risk to the reputation of the Bank. In doing so, RBS works within all relevant laws and regulations in all the jurisdictions in which it operates globally.

RBS is committed to ensuring that it acts responsibly and ethically, 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.

RBS's exposure to bribery and corruption is limited by:

- Senior management endorsing that RBS operates a policy of zero tolerance to bribery and corruption;
- Conducting risk assessments on all RBS businesses to identify, control and mitigate potential bribery and corruption risks;
- Delivering Anti-Bribery and Corruption (ABC) training for all employees, appropriate to their role and jurisdiction;
- An embedded Gifts, Entertainment and Hospitality Policy that describes the minimum requirements, a bank-wide threshold and pre-approval process that must be followed by all employees in relation to the offering, giving, receiving and accepting of gifts and hospitality;
- A Speak Up Policy and processes to encourage and ensure that individuals can confidentially report any suspicions of bribery or corruption;
- Ensuring that appropriate procedures are in place to process sensitive information, investigate accordingly and implement any control enhancements necessary;
- Conduct monitoring and assurance activity to ensure that our procedures, systems and controls are adequately designed and operating effectively;
- ABC is considered in the processes where there could be a risk of offering an improper advantage or being perceived to do so, including, but not limited to corporate donations, charitable sponsorships, political donations, commercial sponsorships and employee opportunities;
- Prohibiting the provision of facilitation payments. Facilitation payments are unofficial sums made to expedite or facilitate a "routine official action". It induces or rewards a person, usually a Public Official, to give preferential treatment, to perform a task improperly or to refrain from performing a

task properly;

- Supporting the regulatory and law enforcement agencies, globally, in any prosecutions and ensuring that allegations of bribery or corruption are thoroughly investigated; and
- Conducting Anti-Bribery and Corruption (ABC) Due Diligence on Associated Parties, with enhanced ABC Due Diligence conducted on those deemed to be high risk.

Associated Parties

Associated Parties are defined by RBS as persons and entities that perform services for or act on behalf of the Bank. These can be individuals, incorporated or unincorporated bodies, including but not limited to employees; joint ventures; agents; introducers; distributors of our products and subsidiaries.

Associated Parties may represent an elevated bribery and corruption risk due to the nature of the service that they provide and as such, require an enhanced level of analysis and potentially enhanced procedures prior to and during their engagement with the Bank. Associated Parties may expose RBS to prosecution, regulatory censure and reputational risk if they bribe, or seek to bribe, another person or entity with the intention of obtaining or retaining business, or securing any form of advantage for RBS, regardless of whether RBS is aware of such conduct or not.

To protect itself against bribery and corruption risks, RBS' ABC Policy and supporting mandatory procedures require employees to assess the bribery and corruption risk, and conduct the appropriate level of ABC Due Diligence on Associated Parties. These documents further mandate the requirement for ABC contract clauses in written agreements, the on-going management of Associated Party relationships and detail how escalations should be handled in relation to red flag warning signs and breaches.

RBS conducts its business fairly and lawfully and will not tolerate the offering, giving, promising or receiving of improper monetary or other inducements, or any other inappropriate practice which might be perceived to improperly influence a person's conduct in their professional or public duty.

By outlining our controls and processes, we aim to promote transparency with our stakeholders, including our customers, vendors and other third parties with whom we conduct business.

We take this opportunity to communicate our expectation that our stakeholders conduct business in a fair and ethical manner and have controls in place to comply with ABC legal and regulatory requirements

If you have any questions or require further information regarding The Royal Bank of Scotland's approach to Anti-Bribery and Corruption, please contact:

Financial Crime Anti-Bribery & Corruption

Financial Crime, Conduct & Regulatory Affairs

The Royal Bank of Scotland, Floor 8, 135 Bishopsgate, London, EC2M 3UR

RBS includes The Royal Bank of Scotland plc. (RBS plc.), The Royal Bank of Scotland N.V. (RBS NV), any of their direct or indirect subsidiaries and/or any entities in which it has a stake of more than 50% and/ or management control

RBS and RBS plc. have their headquarters at 36 St Andrew Square, Edinburgh, EH2 2YB. RBS Plc. is regulated and supervised by the Financial Services Authority (FSA). RBS NV is headquartered at Gustav Mahlerlaan 10, 1082 PP Amsterdam, Netherlands and is regulated and supervised by De Nederlandsche Bank N.V. ('Dutch Central Bank').