

## Divisional review continued

RBS has one of the best track records for reducing fraud and introducing robust measures which better protect our customers. One of the biggest successes of last year was the introduction of real-time monitoring of spending by our customers on their debit cards. Any uncharacteristic spending behaviour is immediately checked with customers and 3,000 frauds have already been stopped.



# Manufacturing

- Manufacturing is the 'engine room' of the RBS group, supplying processing and telephone services, IT, property, purchasing and security expertise to the Group's customer-facing divisions.

Our support and services enable the Group to operate around the clock, and provide a strong, stable and scalable platform for future growth.

Manufacturing employs more than 25,000 people across the UK, Republic of Ireland and continental Europe and manages the UK's largest free-to-use ATM network. During 2006 our retail customer service centres received just under 70 million customer calls.

- We operate one of the world's largest and most advanced mainframe computer environments, delivering extremely high levels of service availability. This supports over 122,000 desktop PCs, and the servers, mainframe and storage for these all to run efficiently and securely, as well as more than 7,500 ATMs and 475,350 merchant terminals.
- In 2006 over 100 key technology systems supporting customer transactions and employee systems were available an average 99.9% of the time, even though we make many upgrades and changes to systems daily. We have been able to reduce the delivery time of new IT developments by creating a scalable production environment.
- We manage and maintain over 3,200 buildings around the world, covering 2.1 million square metres and providing workplaces for 135,000 people.
- Our e-sourcing programme continues to be one of the largest of any company in the world, with 2006 throughput of over £1 billion. We use a common purchasing approach across all divisions to make the most of our scale.
- We have applied a number of improved fraud detection tools, focusing on 'real-time' fraud detection. We reduced fraud throughout the Group by 24% in 2006 and 50% since 2004.
- We have streamlined the way we produce and handle statements, cheque books and debit cards, generating seven million fewer sheets of paper.
- Printed documents are stored as an image that can be called up and processed at any location. This eliminates the risk of 'lost paper' and improves the management of queries.
- Manufacturing's Lean programme – which uses techniques to remove waste, improve the flow of work and ultimately improve customer service – has created the capacity for Manufacturing to provide more support to all divisions.