

Madrid Run Women from Global Banking & Market's Madrid office joined in one of Madrid's best supported charity fun runs. Asociación Española Contra el Cancer's annual run has become one of the most popular fund raising events in the city.



Financial Crime

■ The Group's global fraud losses fell by 24% in 2006. In the UK, total industry fraud attacks grew by 8%, while attacks against RBS increased by just 2%. Plastic fraud losses for RBS declined by 5% while industry losses declined by 2%. Internet fraud losses declined by 14% compared with an industry-wide increase of 46%. As a leader in 'Phishing' prevention, RBS experienced only 1% of industry losses.

■ In 2006 we installed a system called 3D Secure, which provides greater security for internet purchases. We also introduced our industry-leading real-time profiling capability, which is an early fraud detection process, providing greater protection for our customers.

Employee Practices

■ The 2006 ISR Employee Opinion Survey was completed by 87% of our 135,000-plus workforce, a new record. We outperformed our global peers in all 15 categories measured, for the second successive year.

■ Over the course of the year, more than 800 senior managers were trained at our Business School.

■ The Group received the Gold Award from Opportunity Now, recognising the excellence of our practices and performance in ensuring inclusion for women in the workplace. Online diversity training was launched across the UK.

■ RBS received the Remploy 'Leading the Way' award for excellence in disability management.

The revised Equator Principles (EP)

■ In 2006, RBS adopted the revised Equator Principles which lowered the threshold for EP projects from US\$50 million to US\$10 million. Technical training for all relevant teams in implementing the revised Equator Principles will be complete by early 2007.

Environment

■ In 2006, we reduced our carbon footprint in the UK and Ireland by 216,000 tonnes of CO₂, by purchasing green electricity. We switched to recycled paper for office use in the UK and Ireland. A number of RBS facilities, including the Group's headquarters at RBS Gogarburn, achieved ISO14001 certification for environmental excellence.

Key Achievements

■ 300 free-to-use ATMs offered to rural and deprived areas and a further 200 planned for 2007.

■ 930,800 basic bank accounts opened since the launch in 1999, with over 200,400 in 2006 alone.

■ £677 million loaned to small businesses in the 5% most deprived wards in the UK.

■ £58.6 million invested across the UK in our Community Investment programme.

■ One million schoolchildren have attended a Face2Face with Finance (F2F) lesson since the programme's re-launch in 2004.

■ 500,000 pupils will participate in F2F in 2007.

■ Citizens Financial Group gained 'outstanding' Community Re-investment Act (CRA) rating in six states and contributed \$27 million to non-profit organisations.

■ 87% of employees completed the Employee Opinion Survey in which RBS outperformed global peers in all 15 categories.

■ 24% reduction in global fraud losses in 2006.

■ Over £150 million of attempted fraud attacks thwarted as a result of new customer profiling capability.

■ £2,470 million paid to our ordinary shareholders in dividends.

Further information about Corporate Responsibility at RBS is available on our website at www.rbs.com/cr