

Committee Terms of Reference

Chair	An independent Non-Executive Director.
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Members	At least three independent Non-Executive Directors.
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Core Attendees	Chief Marketing Officer Chief Economist Director, Sustainability Core attendees will attend all SBC meetings including the stakeholder engagement sessions.
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Additional Invitees	<p>The following have right of attendance to all meetings: Group Chairman; Chief Executive Officer; Chief Risk Officer; and Chief Governance Officer and Board Counsel.</p> <p>The Chair of the Group Performance and Remuneration Committee will be invited to attend relevant sessions on the Employee Value Proposition and other People issues.</p> <p>The Chief Executive Officer, Customer Franchise CEOs, the Chief HR Officer and other executives will be invited to attend relevant sessions.</p> <p>Internal and external stakeholders will be invited to participate in the stakeholder engagement sessions.</p>
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Quorum	Two members.
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Meeting Frequency	Six committee meetings per annum, plus regular stakeholder engagement sessions (around four sessions per annum).
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Secretary	Corporate Governance and Regulatory Affairs.
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This Committee receives its authority from	The Sustainable Banking Committee operates under delegated authority from the Board of The Royal Bank of Scotland Group plc (the “Group Board”) and from the Boards of The Royal Bank of Scotland plc, National Westminster Bank Plc and Ulster Bank Limited (together the “Banks Boards”).
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Purpose of this Committee To support the Group and Bank Boards in overseeing, supporting and challenging actions being taken by management to run the bank as a sustainable business, capable of generating long term value for its stakeholders. The SBC will have specific focus on culture, customer, people, brand and ethical, social and environmental (ESE) issues.

Scope of this Committee's oversight and responsibility To oversee, support and challenge actions being taken by management to reach RBS' ambition to be number 1 for customer service, trust and advocacy by 2020.

The key areas SBC will focus on are:

Culture

Receive updates on actions to drive the Group Board approved culture, and monitor/challenge the progress on embedding plans.

Oversee progress on standards, competence and professionalisation, leading on the interaction with the Banking Standards Board.

People

Oversee the Employee Value Proposition and initiatives to ensure our diverse workforce feels equipped, valued and encouraged.

Oversee progress being made to achieve the long term target of having an engagement score at or above the global financial services norm.

Customer

Oversee customer centricity priorities including receiving reports on key customer metrics.

Consider how RBS is supporting and engaging with key customer segments, and actions being taken by management to ensure the bank is listening to customers and meeting their needs.

Oversee progress being made against competition to achieve the long term targets of being number 1 for customer service, trust and advocacy, and having leading market positions in every franchise.

Brand and Communications

Oversee the action taken by management to implement the brand strategy aligning to our purpose and values and reflecting our cultural and strategic priorities.

Oversee actions being taken by management to manage RBS' reputation.

ESE Issues

Receive reports on managing ESE risk.

Consider sustainability reporting and disclosure.

Engage with key internal and external stakeholder groups on topics and themes aligned with the sustainable banking agenda.

Consider how RBS is operating in its communities aligned with the themes of enterprise and education.

Consider RBS' environmental footprint and impacts on long term sustainability.
Consider activities being undertaken to support the environmental/societal agenda.

Escalation

SBC will report to the Group and Bank Boards, identifying matters within its remit in respect of which it considers that action or improvement is needed, and making recommendations on the steps to be taken.

SBC will report to/or receive reports from the Board Risk Committee on risks related to the customer agenda and reputational issues.

SBC will provide advice to the Group Performance and Remuneration Committee on customer, people and sustainability performance and progress on culture initiatives.

The minutes of SBC will be made available to the Group and Bank Boards.

ToR last approved on 3 August 2017 (Group and Bank Boards)
