

Adult Entertainment Sector

The RBS Environmental, Social and Ethical (ESE) risk management framework is one of a number of risk management systems we operate, comprising policies and processes to give us better insight into our customers' activities, help address issues of concern, minimise risks to the bank and manage stakeholder expectations. It gives clear guidance to staff on the procedures they must follow when dealing with customers and transactions in these sectors.

Our policies reflect adherence to national and international laws and regulations, wherever they apply. We have also incorporated a number of voluntary standards such as the Equator Principles and the UN Global Compact.

Scope

This policy covers RBS support provided to companies in the Adult Entertainment sector. This includes companies involved in producing and broadcasting pornographic material; sex shops/cinemas and Sexual Entertainment Venues (including lap dancing clubs and strip shows), sale or advertising of sexual services and dating websites..

Context

RBS acknowledges the risks associated around the Adult Entertainment sector, which include the promotion of gender inequality, ease of access to pornography, human trafficking, forced and child labour, and links to prostitution, drugs, crime and money laundering risk.

Our ESE policy requirements

We expect and encourage our customers to demonstrate commitment and compliance to mitigating ESE risk through:

- Having in place and embedding policies and plans which demonstrate a good understanding of ESE issues
- Demonstrating the capacity to manage these risks through good governance and controls
- A positive track record of managing ESE risks
- A commitment to transparency.

Within our policy we set out **Prohibited**, **Restricted** and **Normal** activities. We do not support customers and/or transactions involved in prohibited activities.

Customers engaged in restricted activities undergo enhanced due diligence including review by a reputational risk forum or approver and annual evaluation every two years. Customers undertaking 'normal' activities are assessed on a five-yearly basis.

This table highlights key activities that fall within the Adult Entertainment policy:

Prohibited
<ul style="list-style-type: none">• Companies using child labour, forced labour, modern slavery or human trafficking• Brothels / prostitution• Online pornography except 'on-demand programme services' regulated by Ofcom• Sale and/or advertising of sexual services (including sex clubs, escort agencies, 'mail-order marriages' and sex tourism)• 'Adult' dating sites• Sex chatlines / chatrooms (TV, internet or telephonic)• Unlicensed sexual entertainment venues, including lap dancing, pole dancing, table dancing, strip shows, peep shows, live sex shows• 'Adult' massage parlours• Unlicensed brick and mortar sex shops• Production of Pornography• Sex Cinemas
Restricted
<ul style="list-style-type: none">• Licensed sexual entertainment venues, including lap dancing, pole dancing, table dancing, strip shows, peep shows, live sex shows• Publishers of pornography• Broadcasters of pornography (TV, film, online demand programme services)• Licensed 'bricks and mortar' sex shops• Online sex shops, dependant on provision of a satisfactory company statement confirming no sale of pornography at R18 classification or with explicit content beyond R18 classification, and that effective age verification controls are in place• Payment Service Providers offering services to Adult Entertainment sector companies• Entertainment companies that offer the services of strippers (including nightclubs, pubs, strip-o-gram services)• Other entertainment–burlesque clubs, bunny clubs, event companies involved in erotica.
Normal
<ul style="list-style-type: none">• Publication and broadcasting of nude images• Sale of erotic content• Dating websites (not offering sexual encounters)