
RBS Shareholder Event

Monday 31 July 2017

London

Penny Hughes

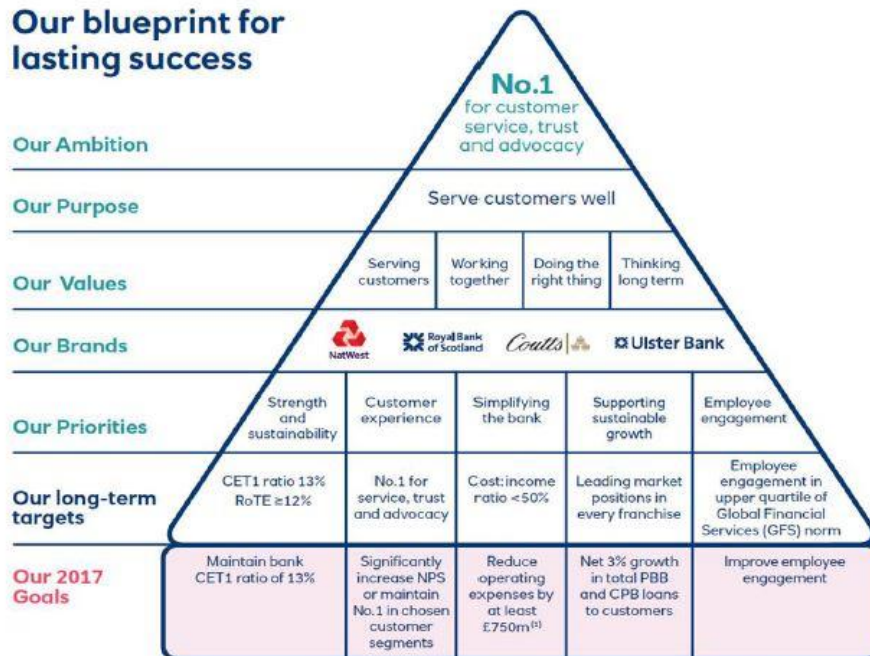
Chairman, Sustainable Banking Committee

Sustainable Banking Committee

Support the Board 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.

Priorities of **customer experience**, **supporting sustainable growth** and **employee engagement** are relevant for SBC.

Our blueprint for lasting success



Note:
(1) Excluding litigation and conduct costs, restructuring costs, write down of goodwill and the 2016 VAT release of £227m.

5 key areas of focus for SBC

Culture	Customer	People	Brand & Comms	ESE Issues
Embedding culture including Determined to lead Open environment for employees Interaction with the Banking Standards Board	Segmentation Open banking Free banking Meeting servicing needs Enterprise Complaints Impacts of ring fencing	Employee value proposition Employee engagement score Diversity	Brand strategy Vision 2025 Integrated reporting Financial education Reputational risk	Managing ESE risks Green economy Supporting our communities

External Stakeholder Engagement

Les Matheson

CEO Personal & Business Banking

Our customer-focused strategy continues to provide positive momentum



We have delivered strong results in 2016/17



#1 mobile app in the UK market



Improving NPS: 13¹



£30bn in gross new mortgage lending² to help more customers own their own home



+18% operating profit³
+11.5% loans & advances³
-£12m direct costs³



On track to deliver CEC 2 rating in H2 2017



Engagement index:
84 (+3 YoY⁴)
Leadership index:
76 (+1 YoY⁴)

Note: 1. Source: GfK FRS, April 2017 – NatWest. Base 6mth: NatWest (3371) Lloyds Bank (3739) HSBC (2233) Halifax (2873) Barclays (4231) Santander (2655). Based on the question "How likely is it that you would recommend (brand) to a relative, friend or colleague in the next 12 months for current account banking?". Base: Claimed main banked current account customers; 2. Full year 2016; 3. Q1 2017 4. April 2017 vs. April 2016.