
LaunchPAD Programme

Supplementary Prospectus dated 22 March 2013

SIXTH SUPPLEMENT TO THE BASE PROSPECTUS IN RESPECT OF THE LAUNCHPAD PROGRAMME FOR THE ISSUANCE OF NOTES



The Royal Bank of Scotland Group plc

*(incorporated in Scotland with limited liability under the Companies Acts 1948 to 1980,
registered number SC045551)
(the “Issuer” and “RBSG”)*

The Royal Bank of Scotland Group plc

LaunchPAD Programme

(the “Programme”)

- 1** This supplement dated 22 March 2013 (this “**Supplement**”) constitutes the sixth supplement to the base prospectus dated 27 June 2012 in relation to the Issuer’s LaunchPAD Programme for the issuance of Notes approved by the Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*, the “**AFM**”) on 27 June 2012 (the “**Base Prospectus**”).
- 2** The Base Prospectus was approved as a base prospectus pursuant to Directive 2003/71/EC (the “**Prospectus Directive**”) by the AFM. This Supplement constitutes a supplemental prospectus to the Base Prospectus for the purposes of Article 5:23 of the Financial Supervision Act (*Wet op het financieel toezicht*).
- 3** This Supplement is supplemental to, and should be read in conjunction with, the Base Prospectus and any other supplements thereto issued by the Issuer. Terms defined in the Base Prospectus have the same meaning when used in this Supplement.
- 4** In accordance with Article 5:23(6) of the Financial Supervision Act (*Wet op het financieel toezicht*), investors who have agreed to purchase or subscribe for securities issued under the Base Prospectus before this Supplement is published have the right, exercisable before the end of the period of two working days beginning with the working day after the date on which this Supplement was published, to withdraw their acceptances.

- 5 The Issuer accepts responsibility for the information contained in this Supplement. To the best of the knowledge of the Issuer (which has taken all reasonable care to ensure that such is the case), the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 6 On 28 February 2013, RBSG published via the Regulatory News Service of the London Stock Exchange plc (“RNS”) its preliminary unaudited Annual Results for the year ended 31 December 2012 (the “**2012 Preliminary Annual Results of RBSG**”).
- 7 On 13 March 2013, RBSG published via RNS, its Registration Document dated 12 March 2013 (the “**Registration Document**”).
- 8 By virtue of this Supplement, the following documents shall be deemed to be incorporated in, and form part, of the Base Prospectus:
 - 8.1 the 2012 Preliminary Annual Results of RBSG; and
 - 8.2 the Registration Document (excluding the words “Ordinary Shares of £0.25” in the first line item in the table on page 57, which shall be replaced with the words “Ordinary Shares of £1.00”).
- 9 The following amendments are made to the Base Prospectus as a result of the publication (and incorporation by reference into the Base Prospectus, by virtue of this Supplement) of the 2012 Preliminary Annual Results of RBSG and the Registration Document:
 - 9.1 the sub-section headed “Issuer” under the section headed “Summary” shall be deleted in its entirety and replaced by the paragraphs set out in Schedule 1;
 - 9.2 the bullet risk factors under the heading “Risk Factors – Risks relating to the Issuer” in the section entitled “Summary” shall be deleted in their entirety and replaced with the paragraphs set out in Schedule 2;
 - 9.3 the following documents (or sections of documents, as the case may be) shall no longer be incorporated by reference:
 - 9.3.1 the registration document of the Issuer dated 24 February 2012, which was published via RNS on 24 February 2012;
 - 9.3.2 the unaudited Interim Results 2012 of RBSG for the six months ended 30 June 2012, which were published via RNS on 3 August 2012;
 - 9.3.3 the press release entitled “Statement on disposal of UK Branch-based Business” which was published by RBSG via RNS on 15 October 2012;
 - 9.3.4 the press release entitled “RBS exits UK Government’s Asset Protection Scheme” which was published by RBSG via RNS on 17 October 2012;
 - 9.3.5 the unaudited “Interim Management Statement Q3 2012” of RBSG for the third quarter ended 30 September 2012, which was published via RNS on 2 November 2012;
 - 9.3.1 the press release entitled “Update on past sales of Interest Rate Hedging Products” which was published by RBSG via RNS on 31 January 2013;
 - 9.3.2 the press release entitled “RBS reaches LIBOR settlements” which was published by RBSG via RNS on 6 February 2013; and

- 9.4 all the paragraphs in the sub-section entitled “Recent Developments” under the section entitled “General Information” shall be deleted and replaced with the paragraph set out in Schedule 3.
- 10** By virtue of paragraphs 8 and 9.3 of this Supplement, the documents listed in the section of the Base Prospectus headed “Documents Incorporated by Reference” shall be deleted in their entirety and replaced with the documents set out in Schedule 4.
- 11** A copy of this Supplement, the Base Prospectus and all other supplements thereto and all documents incorporated by reference in the Base Prospectus are accessible on <http://markets.rbs.com/bparchive> or <http://markets.rbs.com/launchpad> and can be obtained from the registered office of the Issuer at 36 St. Andrew Square, Edinburgh EH2 2YB, United Kingdom, telephone +33 131 523 3636.
- 12** If the documents which are incorporated by reference in the Base Prospectus by virtue of this Supplement themselves incorporate any information or other documents therein, either expressly or implicitly, such information or other documents will not form part of the Base Prospectus for the purposes of the Prospectus Directive except where such information or other documents are specifically incorporated by reference in, or attached to, the Base Prospectus by virtue of this Supplement.
- 13** To the extent that there is any inconsistency between (a) any statement in this Supplement and (b) any other statement in the Base Prospectus, the statements referred to in (a) above will prevail.
- 14** Save as disclosed in any previous supplement to the Base Prospectus or this Supplement, no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus (as supplemented at the date hereof) has arisen or been noted since the publication of the Base Prospectus.

The Royal Bank of Scotland Group plc

Schedule 1

Issuer:

The Royal Bank of Scotland Group plc (the “**Issuer**” or “**RBSG**”)
RBSG is a public limited company incorporated in Scotland with registration number SC045551 and was incorporated under Scots law on 25 March 1968. RBSG is the holding company of a large global banking and financial services group. Headquartered in Edinburgh, RBSG and its subsidiaries consolidated in accordance with International Financial Reporting Standards (together, the “**Group**”) operate in the United Kingdom, the United States and internationally through the Group’s principal subsidiaries, The Royal Bank of Scotland plc (“**RBS**”) and National Westminster Bank Plc (“**NatWest**”). Both RBS and NatWest are major United Kingdom clearing banks. In the United States, the Group’s subsidiary RBS Citizens Financial Group, Inc. is a large commercial banking organisation. Globally, the Group has a diversified customer base and provides a wide range of products and services to personal, commercial and large corporate and institutional customers.

Her Majesty’s Treasury (“**HM Treasury**”) currently holds 65.3 per cent. of the issued ordinary share capital of RBSG. Following RBSG’s issue of £25.5 billion of B Shares to HM Treasury in December 2009, HM Treasury’s economic interest in RBSG is approximately 81.1 per cent.

The Group had total assets of £1,312 billion and owners’ equity of £68 billion as at 31 December 2012. The Group’s capital ratios as at 31 December 2012 were a total capital ratio of 14.5 per cent., a Core Tier 1 capital ratio of 10.3 per cent. and a Tier 1 capital ratio of 12.4 per cent.

Schedule 2

Risk Factors:

Risks Relating to the Issuer

Certain factors may affect the Issuer's ability to fulfil its obligations under the Securities, including:

- The Group's businesses and performance can be negatively affected by actual or perceived global economic and financial market conditions;
- The Group has significant exposure to the continuing economic crisis in Europe;
- The Group operates in markets that are highly competitive and its business and results of operations may be adversely affected;
- The Group is subject to political risks;
- The Group and its UK bank subsidiaries may face the risk of full nationalisation;
- HM Treasury (or UK Financial Investments Limited (UKFI) on its behalf) may be able to exercise a significant degree of influence over the Group and any proposed offer or sale of its interests may affect the price of securities issued by the Group;
- The Group is subject to other global risks;
- The Group's earning and financial condition have been, and its future earnings and financial condition may continue to be, materially affected by depressed asset valuations resulting from poor market conditions;
- The financial performance of the Group has been, and continues to be, materially affected by deteriorations in borrower and counterparty credit quality and further deteriorations could arise due to prevailing economic and market conditions and legal and regulatory developments;
- The value or effectiveness of any credit protection that the Group has purchased depends on the value of the underlying assets and the financial condition of the insurers and

counterparties;

- Changes in interest rates, foreign exchange rates, credit spreads, bond, equity and commodity prices, basis, volatility and correlation risks and other market factors have significantly affected and will continue to affect the Group's business and results of operations;
- In the United Kingdom and in other jurisdictions, the Group is responsible for contributing to compensation schemes in respect of banks and other authorised financial services firms that are unable to meet their obligations to customers;
- The Group may be required to make further contributions to its pension schemes if the value of pension fund assets is not sufficient to cover potential obligations;
- The Group's ability to meet its obligations including its funding commitments depends on the Group's ability to access sources of liquidity and funding;
- The Group's business performance could be adversely affected if its capital is not managed effectively or as a result of changes to capital adequacy and liquidity requirements;
- The Group's borrowing costs, its access to the debt capital markets and its liquidity depend significantly on its and the United Kingdom Government's credit ratings;
- If the Group is unable to issue the Contingent B Shares to HM Treasury, it may have a material adverse impact on the Group's capital position, liquidity, operating results and future prospects;
- The regulatory capital treatment of certain deferred tax assets recognised by the Group depends on there being no adverse changes to regulatory requirements;
- The Group's ability to implement its strategic plan depends on the success of the Group's refocus on its core strengths and its balance sheet reduction programme;
- The Group is subject to a variety of risks as a result of implementing the State Aid restructuring plan;

- Each of the Group's businesses is subject to substantial regulation and oversight. Significant regulatory developments and changes in the approach of the Group's key regulators could have an adverse effect on how the Group conducts its business and on its results of operations and financial condition;
- The Group is subject to resolution procedures under current and proposed resolution and recovery schemes which may result in various actions being taken in relation to any securities of the Group, including the write off, write-down or conversion of the Groups' securities;
- The Group is subject to a number of regulatory initiatives which may adversely affect its business. The Independent Commission on Banking's final report on competition and possible structural reforms in the UK banking industry has been adopted by the UK Government which intends to implement the recommendations substantially as proposed. In addition other proposals to ring fence certain business activities and the US Federal Reserve's proposal for applying US capital, liquidity and enhanced prudential standards to certain of the Group's US operations together with the UK reforms could require structural changes to the Group's business. Any of these changes could have a material adverse effect on the Group;
- The Group is subject to a number of legal and regulatory actions and investigations. Unfavourable outcomes in such actions and investigations could have a material adverse effect on the Group's operating results or reputation;
- The value of certain financial instruments recorded at fair value is determined using financial models incorporating assumptions, judgements and estimates that may change over time or may ultimately not turn out to be accurate;
- The Group's results could be adversely affected in the event of goodwill impairment;
- The recoverability of certain deferred tax assets recognised by the Group depends on the Group's ability to generate

sufficient future taxable profits;

- Operational risks are inherent in the Group's businesses;
- The Group's operations are highly dependent on its information technology systems;
- The Group may suffer losses due to employee misconduct;
- The Group's operations have inherent reputational risk;
- The Group could fail to attract or retain senior management, which may include members of the Board, or other key employees, and it may suffer if it does not maintain good employee relations; and
- The Group continues to be exposed to its insurance business which is subject to inherent risks involving claims.

Schedule 3

Independent auditors' confirmation in relation to the preliminary 2012 Preliminary Annual Results of RBSG (as defined below)

Deloitte LLP have agreed that the financial information included in the preliminary unaudited Annual Results of the Issuer for the year ended 31 December 2012 published via RNS on 28 February 2013 (the “**2012 Preliminary Annual Results of RBSG**”), is substantially consistent with the final figures to be published in the next annual audited financial statements of RBSG for the year ended 31 December 2012.

Schedule 4

1. The registration document of the Issuer dated 12 March 2013 (excluding the words “Ordinary Shares of £0.25” in the first line item in the table on page 57, which shall be replaced with the words “Ordinary Shares of £1.00”), which was published via the Regulatory News Service of the London Stock Exchange plc (“RNS”) on 13 March 2013.
2. The preliminary unaudited Annual Results of the Issuer for the year ended 31 December 2012 published via RNS on 28 February 2013.
3. The following sections of the annual report and accounts of the Issuer for the year ended 31 December 2011, which were published via RNS on 9 March 2012:
 - (i) Independent auditor’s report on page 306;
 - (ii) Consolidated income statement on page 307;
 - (iii) Consolidated statement of comprehensive income on page 308;
 - (iv) Consolidated balance sheet as at 31 December 2011 on page 309;
 - (v) Consolidated statement of changes in equity on pages 310 to 312;
 - (vi) Consolidated cash flow statement on page 313;
 - (vii) Accounting policies on pages 314 to 326;
 - (viii) Notes on the consolidated accounts on pages 327 to 419;
 - (ix) Parent company financial statements and notes on pages 420 to 431;
 - (x) Essential reading – Highlights on page 1;
 - (xi) Chairman’s statement on page 9;
 - (xii) Group Chief Executive’s review on pages 10 to 11;
 - (xiii) Our key targets on page 13;
 - (xiv) Our business and our strategy on pages 14 to 18;
 - (xv) Divisional review on pages 19 to 29;
 - (xvi) Business review on pages 32 to 249;
 - (xvii) Corporate governance on pages 258 to 262;
 - (xviii) Letter from the Chair of the Group Remuneration Committee on pages 272 to 273;
 - (xix) Directors’ remuneration report on pages 274 to 295;
 - (xx) Report of the Directors on pages 298 to 302;
 - (xxi) Directors’ interests in shares on page 303;

- (xxii) Financial Summary on pages 433 to 441;
 - (xxiii) Exchange rates on page 441;
 - (xxiv) Economic and monetary environment on page 442;
 - (xxv) Supervision on page 443;
 - (xxvi) Regulatory developments and reviews on page 444;
 - (xxvii) Description of property and equipment on page 445;
 - (xxviii) Major shareholders on page 445;
 - (xxix) Material contracts on pages 445 to 450; and
 - (xxx) Glossary of terms on pages 476 to 483.
4. The following sections of the annual report and accounts of the Issuer for the year ended 31 December 2010, which were published via RNS on 17 March 2011:
- (i) Independent auditor's report on page 267;
 - (ii) Consolidated income statement on page 268;
 - (iii) Consolidated statement of comprehensive income on page 269;
 - (iv) Balance sheets as at 31 December 2010 on page 270;
 - (v) Statements of changes in equity on pages 271 to 273;
 - (vi) Cash flow statements on page 274;
 - (vii) Accounting policies on pages 275 to 286;
 - (viii) Notes on the accounts on pages 287 to 385;
 - (ix) Essential reading – We have met, and in some cases exceeded, the targets for the second year of our Strategic Plan on page 1;
 - (x) Chairman's statement on pages 2 to 3;
 - (xi) Group Chief Executive's review on pages 4 to 5;
 - (xii) Our key targets on page 7;
 - (xiii) Our business and our strategy on pages 8 to 19;
 - (xiv) Divisional review on pages 20 to 41;
 - (xv) Business review on pages 49 to 224;
 - (xvi) Report of the Directors on pages 230 to 234;

- (xvii) Corporate governance on pages 235 to 245;
- (xviii) Letter from the Chair of the Remuneration Committee on pages 246 to 247;
- (xix) Directors' remuneration report on pages 248 to 263;
- (xx) Directors' interests in shares on page 264;
- (xxi) Financial summary on pages 387 to 395;
- (xxii) Exchange rates on page 395;
- (xxiii) Economic and monetary environment on page 396;
- (xxiv) Supervision on page 397;
- (xxv) Regulatory developments and reviews on pages 398 to 399;
- (xxvi) Description of property and equipment on page 399;
- (xxvii) Major shareholders on page 399;
- (xxviii) Material contracts on pages 399 to 404; and
- (xxix) Glossary of terms on pages 434 to 439.