

## **Update on charges related to Payment Protection Insurance**

The Royal Bank of Scotland Group plc ("RBS") today provides an update in respect of charges related to Payment Protection Insurance ("PPI").

RBS has been implementing the FCA's policy statement for handling complaints about the mis-selling of PPI since 2011. Under the FCA's Policy Statement 10/12, the deadline for filing complaints related to the mis-selling of PPI expired on 29 August 2019.

To 30 June 2019, RBS made provisions totalling £5.3 billion for PPI claims of which £4.9 billion had been utilised.

The volume of claims received during August was significantly higher than expected, with a further spike in the final days leading up to the deadline of 29 August 2019. RBS therefore now expects to make an incremental charge for PPI claims, in addition to the provisions recorded to 30 June 2019, in the range of £600 million to £900 million in its Q3 2019 results, which takes into account claims by the Official Receiver. The processing of claims is ongoing and the ultimate provision recognised could be above or below this range.

The estimated range amounts are preliminary and unaudited.

For further information, please contact:

### **Investor Relations**

Alexander Holcroft  
Head of Investor Relations  
+44 (0) 207 672 1758

RBS Media Relations  
+44 (0) 131 523 4205

## **Forward-looking statements**

This document contains forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995, such as statements that include, without limitation, the words 'expect', 'estimate', 'project', 'anticipate', 'commit', 'believe', 'should', 'intend', 'plan', 'could', 'probability', 'risk', 'Value-at-Risk (VaR)', 'target', 'goal', 'objective', 'may', 'endeavour', 'outlook', 'optimistic', 'prospects' and similar expressions or variations on these expressions. These statements concern or may affect future matters, such as RBS's future economic results, business plans and current strategies. In particular, this document may include forward-looking statements relating to RBS in respect of, but not limited to: its regulatory capital position and related requirements, its financial position, profitability and financial performance (including financial, capital and operational targets), its access to adequate sources of liquidity and funding, increasing competition from new incumbents and disruptive technologies, its exposure to third party risks, its ongoing compliance with the UK ring-fencing regime and ensuring operational continuity in resolution, its impairment losses and credit exposures under certain specified scenarios, substantial regulation and oversight, ongoing legal, regulatory and governmental actions and investigations, LIBOR, EURIBOR and other benchmark reform and RBS's exposure to economic and political risks (including with respect to Brexit and climate change), operational risk, conduct risk, cyber and IT risk, key person risk and credit rating risk. Forward-looking statements are subject to a number of risks and uncertainties that might cause actual results and performance to differ materially from any expected future results or performance expressed or implied by the forward-looking statements. Factors that could cause or contribute to differences in current expectations include, but are not limited to, the final number of PPI claims and their amounts, legislative, political, fiscal and regulatory developments, accounting standards, competitive conditions, technological developments, interest and exchange rate fluctuations and general economic conditions. These and other factors, risks and uncertainties that may impact any forward-looking statement or RBS's actual results are discussed in RBS's UK 2018 Annual Report and Accounts (ARA), RBS's Interim Results for H1 2019 and materials filed with, or furnished to, the US Securities and Exchange Commission, including, but not limited to, RBS's most recent Annual Report on Form 20-F and Reports on Form 6-K. The forward-looking statements contained in this document speak only as of the date of this document and RBS does not assume or undertake any obligation or responsibility to update any of the forward-looking statements contained in this document, whether as a result of new information, future events or otherwise, except to the extent legally required.

## **MAR - Inside Information**

This announcement contains information that qualified or may have qualified as inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 (MAR). For the purposes of MAR and Article 2 of Commission Implementing Regulation (EU) 2016/1055, this announcement is made by Alexander Holcroft, Head of Investor Relations for The Royal Bank of Scotland Group.

### **Legal Entity Identifiers**

The Royal Bank of Scotland Group plc	2138005O9XJ1JN4JPN90
NatWest Holdings Limited	213800GDQMMREYFLQ454
The Royal Bank of Scotland plc	549300WHU4EIHRP28H10
National Westminster Bank Plc	213800IBT39XQ9C4CP71
Ulster Bank Limited	213800BZ9V4RRA2IRN26