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FORWARD-LOOKING STATEMENTS

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PRESENTATION

Ross McEwan - ***The Royal Bank of Scotland Group Plc - Group Chief Executive***

Thanks, Michael. Good morning, everybody.

Tomorrow is one year in the job, so it is nice to be able to stand here today and reflect on some of the things we have done. But there's plenty more to do and as there's little saying, today is another turn of the page but not the end of the chapter.

We still have got lots to do in this business. So it is nice to be here.

First, I thought I would just start by calling out what we call our blueprint for the business, particularly for the 2014 year. It sets out in one place the key principles behind what we are doing at RBS as well as our immediate priorities, as you see on the bottom line, for 2014.

Capital, GBP1 billion of cost removed, resilient systems, implementation and organizational redesign and build a really strong plan for 2015 to 2017. Those are the things we set ourselves, really important.

As you can see, our ambition is clearly centered around the customer. The customer sits above everything else. Underneath that we have our purpose, our values, our brands and as I said our 2014 focus.

I'm going to be touching on each of these today with a deeper look at our current focus areas in particular because I'm sure that's what you are interested in. Throughout the presentation you will also start to see the impact of the strategy we announced in February of this year.

Our strategy is a very simple one, to do more business with the customers that we have rather than relentlessly pursuing new customer groups. Placing new customers ahead of rewarding existing ones was the approach RBS took for many many years that led us to acquire new customers in new markets at a very very fast rate. This ultimately left us with a complex, costly and confused business about who our core customers really were.

We now have a clear path to make RBS a bank that is easy to do business with and we can serve our customers better and do more things with them. Much of what I go through today will describe how we will get better for our customers, earning their loyalty, winning more of their business and in the end getting a better return for shareholders. We have made a strong start to our strategy first off by reducing the complexity of our systems and structure, reducing the cost this incurs, making sure our technology is much more resilient and focusing our efforts and resources where we are best placed to get sustainable returns.

Alongside this we will deliver what we said we would on our capital plan. Let me take you through our efforts and progress in more detail.

First off, let's just have a look at our ambition. Our stated ambition is to be number one for customer service, trust and advocacy at each of our chosen markets by 2020. When we announced that back in February I also set out the key measures that we will need to focus on to get there to prove that we are just in that position.

For customers, those are being number one on service and trust scores measured by external parties. For our employees the goal is to at least match the global sector norm on engagement and for investors we set out clear return on tangible equity cost, capital, leverage ratio and our loan to deposit ratio. Safety and security is vitally important to me.

We acknowledge and I certainly acknowledge that there is a long way to travel before we can be number one for service, trust and advocacy. But our analysis is clear on what we need to do. For personal customers it is about being easy, fair and acting in the customers' interest rather than just looking after our own. And for business customers again it is about being transparent as well as supportive and fixing problems when they do arise.

You can see some solid progress here in the numbers and also where we have more to do as we draw out and resolve past issues for our customers. And I'm quite happy to show you the negative along with the positive as we plot our path over the next three to five years to getting to that number one position.

On our purpose, it's pretty clear, to serve our customers well. Underneath our ambition sits that purpose that behind the improving scores I just showed you there are a series of commitments we have made to customers and there will be more to come, rewarding loyalty by stopping teaser rates and making sure we offer existing customers the same deals as the new ones.

As I have said, and will continue to say, I find it abhorrent that an industry would look after brand new customers better than customers that have been with us for 30 years. It is no wonder we are in the state we are in.

Looking at fairer pricing across all channels, simpler products and fewer of them. Let's stop confusing our staff and confusing our customers with a plethora of products that they don't understand. And faster processes, particularly in the basic banking areas of account opening and loan decisioning times, all the basics of a good bank.

Just focusing on the moment of the one point around having fewer products. Across current and savings accounts you can see large reductions in the numbers of products, for SMEs with half their product range and account opening times are also being sped up.

We are simplifying our offer and making ourselves much easier for customers to deal with. When you translate that through, you just have a look what happens with Instant Saver product range, massively simplified 11 products down to 1. The sales have been healthy and the balances have grown and we've also picked up a 5 Star Fairbanking Mark Accreditation, the first to be awarded for such a product, evidence that if you get it right for customers we will do more business.

We are also a business that really has a number of strengths in how we serve customers through the digital channel. They are one of the first banks to get a mobile app up for our personal customers.

The expectations of customers are changing and they are changing fast. They want to do business with us on their terms while the channels that suits them at a time that suits them rather than the ones that are convenient to us as a bank. This is why we are working hard to integrate our channels so our customers get a seamless service online, on mobile and in branch.

In the future this goes beyond seamless support for products and services and instead gives us a chance to connect other services for our customers as we use our high-quality customer analytics that we've been developing and will continue to do so. To give you an example, if a customer wants to buy a house we want to help connect everything they need for this important event, the estate agent, the lawyer, the valuer, the removal firm and so on, this connected all for a customer using the analysis and the context we have.

This is an important part of our future thinking about how banking will be and how we can become a more integral part of our customers' lives by making financial services much easier for them. This is a major focus for us going forward.

On our values. Values are something that I am incredibly passionate about.

They are very basic. There are four of them. The first is to serve customers; the second is as an organization working well together; the third is doing the right thing; and the fourth is thinking long term.

These apply to every team and every office in every country and every business that we operate in. They've been in place now for well over a year and they have already had a big impact on the way the bank thinks.

Our people know that we exist to serve customers. They know that working together is essential and that doing the right thing is always expected and encouraged. The pace of our restructuring has clouded the view that we are thinking enough about the long term and you can see that reflected in the fourth score.

This is something we will be spending a lot of time and energy on next year. A strong culture where everyone is clear on the values is essential to avoiding any repeat of the past mistakes. This isn't a two-year program, it is a permanent push to build RBS on a strong value set for the future.

Our brands. As you know, we have market-leading brands in all the sectors in the UK. In Personal and Business Banking we are number two through Great Britain current accounts and number one for business banking.

We are also among the leading banks in Ireland, number one in Northern Ireland and number three in the Republic. And in Commercial and Private Banking we are UK's number one commercial bank with around 80,000 customers and market-leading share of relationships.

In our Coutts brand in the UK we are number one in private banking. And in Corporate and Institutional Banking, we have a leading position in the UK with large corporates and in cash management and trade finance plus good positions in Europe and strong capability in FX rates plus sterling and euro issuance. These are great franchises.

The strategic plan set out earlier this year was very much focused on leveraging these clear strengths and, as I highlighted earlier, to start doing more business with existing customers. So in PBB for example, you can see our current account market share and we've got a lot of work to get our mortgage share anywhere near that level. There's much more that we can do also to serve our personal banking needs of our business customers.

In CPB there is room to broaden what we do with the SMEs. We also want to connect our wealth managers with the wealth creators who own and run the businesses we work with all day, every day.

And in CIB we want to extend our leading position in large UK corporates with the the ability to connect into our network. These are significant opportunities we see to grow our business and if we can make the improvements on our service that we are aiming for I think that we can do that much more successfully than we have in the past.

Let's move on to our 2014 focus and see how we are going. Earlier this morning you will have seen the release of our Q3 trading update statement. I will leave you to read it in detail and at your leisure but there are two key reasons behind the statement.

Firstly, we are seeing a decisive turn in the economic cycle washing through the balance sheet of RBS. And secondly, we are seeing the benefits of the decision to redeploy the huge expertise built up under our previous non-core division to oversee RCR, or the so called bad bank within RBS.

In this supportive environment the team are well placed to execute the reduction of RCR assets. This condition, the potential exists for RCR to incur only limited future impairments and disposal losses on an accelerated timetable. However, this remained subject to significant potential volatility.

Touching on Ireland. The improving economic situation and increasing real estate prices have supported lower arrears in our Ulster business. If you look at Dublin on its own where we have about 45% of our business, house prices are up 23% in the last year alone.

We expect to record net provision releases in the third quarter and the potential for further releases remains if conditions continue to improve. We will update you with our third-quarter performance on October 31.

At the base of our blueprint with the areas we have focused on in 2014, capital strength is an absolute fundamental for long-term success and something I will spend a lot of time on in my first 12 months as CEO. There are three key aspects to how we are building our capital.

The first is the RCR run down. The second is a realignment of RWAs across the businesses. And the third is the divestment of Citizens.

In terms of our capital ratio we have been making some encouraging progress with 150 basis point build over the first half of the year. We anticipate that the measures I have outlined should also allow us to exceed the 2016 targets of Core Tier 1 capital above 12%.

We've also put 30 basis points on our leverage ratio over the first half of this year. So we are well positioned for the potential need for higher levels on that as we change the construct of our balance sheet over the next two years.

As I said, a key aspect of our capital plan is to continue run off of the assets placed in RCR. The previous non-core division within the bank did a remarkable job reducing funded assets by GBP230 billion by the end of 2013.

That has been continued by RCR with a 45% reduction in funded assets within RCR and a further than 60% reduction in RWA equivalent. We have a tremendously experienced team working in this area with more than 150 deals completed in the first half of the year achieving over 100% price-to-book value, much better than we anticipated when we set this unit up at the end of last year.

The credit environment is also supporting our capital build. Nonperforming loans are down 20% from peak so our provision coverage is now higher indeed. And we have also made some provision releases this year.

And credit indicators continue to improve helped by ongoing recovery in the UK and in Ireland. If these conditions remain we will be out of these assets much quicker than we expected when we set the plan up last year.

All that said, we are mindful that we will have further litigation and conduct costs to bear, and I loved your third question. We have always been cautious about the impact this can have given that it is out of our control. You can see a list of the main issues here and where we have been able to plan and target our efforts we have made really good progress.

Our approach is to work through these issues as quickly and sensibly as we can. And I look forward to getting to a point over the next 18 months or so where the past conduct issues are substantially behind us.

Another focus area identified earlier this year was our heavy cost base built up when we were a much bigger bank and now needing to be cut back to suit the size of the organization we will become. As well as being expensive the legacy of complexity has gotten in the way of doing a good job for customers.

Simplification is an important part of achieving our ambition to be number one in service and in trust, so I don't see just tackling costs as a threat to our revenues; indeed, quite the opposite. I am quite happy to invest where I see better outcomes for customers driving much better revenues for the business.

Long term, our cost-to-income ratio is targeted at 50% at a cost base of around GBP8 billion. Disposals and runoffs will make a significant contribution over time.

This year the target is a GBP1 billion reduction and we are on track to deliver that. We will then need to find a further GBP2.3 billion over the 2015 to 2017 period of time so there will be no let up on our work in this topic.

Improving the resilience of our technology is a fundamental piece of work to improve our customer offer. And another area that I can say we are taking big strides this year to achieve. We are spending GBP750 million over a three-year period, upgrading our infrastructure, simplifying and strengthening our batch processes and building a better monitoring and rescue capability.

Over the decades our systems have become far too complex. We are now reducing the number of core systems that we have and expect to have half the number of platforms by the time we get to 2016.

Reduced complexity means reduced cost and less potential errors that impact our customers. It is a big piece of work in progress but I am also pleased where we have got to so far this year.

Beyond technology our wider systems work has again been focused on simplifying our infrastructure. And the number of change projects we have on the go is less than half of what we had last year.

Our property portfolio has been rationalized, particularly in London and we have dramatically reduced the number of suppliers that we operate with. Clearly these steps, which not only make our business simpler but also more efficient and over time reduce the operating risks of this bank.

Continuing the theme of simplification, our overall structure has been reorganized moving from seven divisions to three businesses that are much more closely aligned to our customers. Personal and Business Banking led by Les Matheson, Commercial and Private under Alison Rose, and Donald Workman in charge of Corporate and Institutional Banking.

Control and support functions work across all three businesses ending the siloed duplication we had in the past and managing costs much much more effectively. In 2018 you can see the expected profile of the bank in terms of how we see the RWAs and profit being divided across the three businesses, as well as a targeted return on equities on each. As we move towards 2015 beyond, the returns of our customer businesses are lifting, supported by first half by lower impairments, notably in Ireland, and lower leveraging costs -- losses, sorry.

That's brought our overall ROE up to 7% against our longer-term target of 12%. You can see positive progress in PBB and CPB as well as a bit of a pickup in the CIB where costs are down 20% year on year. I'm confident that the restructuring work I have already highlighted today will drive these numbers further up over the next couple of years.

But -- there is always a but. In the near term performance will be sensitive to the success of our deleveraging in RCR and CIB. And there will be the burden of restructuring costs and conduct and litigation charges that I pointed out.

A key question for me is finding a sustainable business model for our CIB business, particularly in the context of ICB. This is a complex issue and we are giving CIB longer to find its feet but it too will also have to earn its place within the bank. That said, I'm confident that we are further along the road than I suspect many others are.

As we restructure, improve our service and start doing much better job for our customers we are also better placed to take advantage of a strengthening economy, especially in the UK. Here you can see some of the key metrics and highlights, that upturn.

GDP growth in the UK and Ireland, falling unemployment, growth in the housing market, especially in UK, and the pickup in business investments. All of these are positive economic changes and they are making a better environment for banks to operate in the UK and in Ireland.

As I said, the key is that we are well positioned to support that increasing client activity. On deposits our funding profile is excellent. Demand deposits are up 10% in a year in the UK.

On lending we are seeing encouraging signs in terms of demand for our UK franchises. Our loan deposit ratio of 96% means we are geared to support balance sheet growth and our front book margins remain attractive while our low-margin legacy assets are being run off.

And on funding we have plenty of funds to lend. The expense of funding excess post-crisis is now maturing and our limited issuance requirements are being covered at the lowest spreads since the crisis.

Looking at some of that loan growth in more detail, you can see a continued positive trend in SME applications and lending. We saw first-half gross new lending to SMEs at GBP5 billion, ahead of target along with strong application flows and steady run off rates.

In mortgages, the growth in our book is running well ahead of the market. Our gross new business market share is now up beyond 10% with a 20% expansion in new business over the last quarter. This reflects the good progress made in our implementation of MMR.

We have already started the process of major change and many of these will complete over the next couple of years and some more quickly than that. You have seen the successful IPO of the Citizens franchise last week. For RCR we've discussed that strong progress has continued in Q3.

We are managing down our legacy security and asset pools. A review of our international wealth business is concluded and we will be assessing the best way of disposing of those assets.

The first payment of the DAS has been affected with final exit by 2016. And on Williams & Glyn again we are preparing a 2016 timeline for an IPO.

Throughout the next period, we will also be reallocating our capital to those areas best placed to deliver the returns. So we are shifting towards a heavier UK focus, shifting our asset distribution away from wholesale and towards retail and commercial.

Back in 2008 that stood at a ratio of 50/50 split, a steady-state for 2008 into 2020 is closer to 85/15. You can see how that translates across our three customer businesses carrying on with the work that we've been doing to reduce our nonrelated traditional markets business.

In conclusion, we have made substantial progress this year. Our capital build is well on track. We are in line to meet our initial GBP1 billion cost reduction target.

We have restructured the bank from seven operating businesses to three and we have built a much greater resilience in our systems. Individually and collectively these steps are helping us to earn trust and start building a much better business for our customers.

Let's take some questions. Thank you.

QUESTION AND ANSWER

Michael Helsby - ***BofA Merrill Lynch - Analyst***

Thank you. Thanks, Ross. There's no breakout session after this, so you've got one chance to ask some questions.

So while you're having a little think I will get the ball rolling. So Ross, today's announcement I guess really underscores both the position and the progress you are making from a safety and soundness perspective, which has been key certainly for you and your predecessor, for Royal Bank of Scotland. I guess it also highlights the conservatism when you first took over setting out the plan.

And certainly I know what is front of my mind is that similar types of conservatism built into your P&L guidance, that GBP8 billion of costs and 50% cost income ratio. So can you talk around that and see if there's any upside levers that we are just all missing that you can see that we can't? Thank you.

Ross McEwan - ***The Royal Bank of Scotland Group Plc - Chief Executive***

Well first off you can't shrink yourself to greatness at the end of the day. But the first thing as you saw in our 2014 plan was to get the fundamental things moving and get some momentum back into the business.

And setting up RCR was I think one of the best things we did. And people thinking back, the pressure that people thought was coming on as I was quite keen to get the assets off the book for two very clear reasons.

One, we got the capital back into the business a lot quicker than was anticipated. But more importantly we put aside the distractions of this business that poor Stephen had dealt with for probably five years. And to move them across into one side of the business which was around the RCR assets, the sale of Citizens and effectively starting to run off some of the assets that we no longer wanted to be in those parts of the business, was a good thing but would mean I would need to restructure up three businesses.

Already this year you are seeing Les's business in the Personal business banking up for the first time I think in five years. It's up about 3% to 4%, which is a good start from where it was going.

Alison's business in the Commercial and Private I think you will see a slowdown in the amount of business coming off the books as we run into next year, which will mean that the increase in the flow of new business starts to become positive at a net level rather than just at a gross level. And I think that is where the two big franchises of this business start to perform again.

We are putting our efforts in there. We've restructured them both this year. They have seen us work on the private banking part of it.

Still some more work to do and that's where we will put more of our efforts. But those are the two big franchises that actually I think have a lot more capacity and potential to them. But they do -- will be dictated by what happens in the marketplace and we are starting to see the UK and Ireland lift again, so we will be recipients of that.

More streamlined, better cost base, much more focused as we are I think you will see the benefits come out. So that is why we did it and I think what you are starting to see this business focus on now. And much more of our efforts will be on those businesses in 2015 to 2017 and our entire plans will be around those two plus what does CIB really look like and do over the next three years.

Michael Helsby - ***BofA Merrill Lynch - Analyst***

And do you think that those P&L metrics that you've got, as you look at the business and you have been there a year, do you think that that is something that you clearly are confident that you can achieve it which is -- how confident are you?

Ross McEwan - ***The Royal Bank of Scotland Group Plc - Chief Executive***

I am confident with the Personal and Business Banking. That is a great franchise. I am confident with the Commercial and Private; Alison I think was speaking yesterday to a number of investors. I am confident in that business.

The one I defy that if anybody knows the answer to, our Corporate and Institutional Banking business in the UK at the moment, I defy them to tell us what it is. Because with all the change in legislation that is a tough one to work through, particularly with ICB. So I am less confident around that.

That's why we have given it a lower return but also a longer timeframe, just as we work our way through this. And I'm sure that's what every business that has a traditional markets business in the UK.

Michael Helsby - ***BofA Merrill Lynch - Analyst***

Yes. Have we got any questions from the audience?

Ross McEwan - ***The Royal Bank of Scotland Group Plc - Group Chief Executive***

It'll be a short session.

Michael Helsby - ***BofA Merrill Lynch - Analyst***

Yes, we've got one at the front here. This gentleman. Thank you.

Unidentified Audience Member

My question has to do with the commercial and institutional business and the conservative positioning of the bank going forward. What do you see risks that vis-a-vis the competition that if you pull back too much from that area that you may cut some bone off the business and lose some business to competitions who have maybe more financial muscle to provide more corporate services and how do you think about that kind of question?

Ross McEwan *- The Royal Bank of Scotland Group Plc - Chief Executive*

That's a very good question. We are, as we are examining ICB, looking very clearly at what services we currently provide and what services we can provide going forward. Remember we are the largest provider to corporates in the UK, so we've got that in our thinking as we go forward.

But you cannot go into that thinking that the world is going to be the same in four years time, with ring-fencing and a non-ring-fenced bank. You've got to be considering what that non-ring-fenced bank looks like, the capital it requires. You've got to be thinking about the writing of that operation because it has to stand alone.

So I think those are the sort of issues we are thinking about. And then what is the price we can get for the services we provide and the products we provide.

So a lot of work being done in that area and there is no answer today to that but those are the things that we are considering and how do we serve well the corporates that we look after today. And that's the work that is going on. And we are having to think about that across our entire international network.

We are still in 36, 38 countries, so how do we provide those, but to give a return to shareholders. So for me it is not about the size, it is about service delivery to customers and how can we do that profitably. Those are the things we are having to answer for at the moment as we think about that business.

And that's why I put it out there as quite different to what the others. So I'm sure that every other bank CEO in the UK is thinking about that today.

Michael Helsby *- BofA Merrill Lynch - Analyst*

Got any more questions from the audience? Maybe while they are thinking I can ask another one.

Since last year, since you split off the RCR, capital generation has been a lot stronger certainly what (multiple speakers) back then. It is interesting, we asked the audience about dividends and the last conference call someone asked you about dividends and I think you joked at the time thinking it is way ahead.

But actually the way you are going it's not such a stupid thing to be thinking about how that capital base ended up and where you are getting to time in and we probably need to start thinking about that more seriously. What would you point us to in terms of milestones to think about capital return?

Ross McEwan *- The Royal Bank of Scotland Group Plc - Chief Executive*

I think about the things that would prohibit us paying a dividend, first off. In the presentation I talked about an 18-month period thereabouts of concluding the big conduct litigation issues. Those are the ones that are, as I said, are somewhat out of my control timing wise.

But the things that we do need to face into. And I have been quite clear about this and I think we need to get ourselves through those before we see a real path to paying a dividend, a sustainable dividend.

My objective is to get this business to begin pay a sustainable dividend. Because if you look back on my original plan at the beginning of this year, it was a business that returned a 12%-plus return on equity with a capital base of 12%-plus in sustainable businesses. And that's what I have stayed very firmly to of the building as we thought about this business.

And when you've got that and you don't have the legacy issues that we are still facing into, particularly around the US and some of the other issues that we have here, when you've got rid of those you see a much cleaner business coming out. And we are restructuring the business quite heavily at the moment both with people, with our property strategies, with some of our technology, so those also have a timeline on them.

But the big one is around contract and litigation. And I have mentally in my mind a timeline of about 18 months and then I think you see a much cleaner business come out the back end of that and that was our objective with RCR.

That has been our objective with our restructuring. That has been our objective with getting the conduct and litigation out of our way.

Michael Helsby - ***BofA Merrill Lynch - Analyst***

That's clear. Thank you.

Unidentified Audience Member

(inaudible - microphone inaccessible).

Ross McEwan - ***The Royal Bank of Scotland Group Plc - Chief Executive***

Well, first off I think it is not just margin, I think we've got to think about the leverage ratio on some of these as well. So I think you are going to be having to think about the aspects that are outside the ring-fence are probably going to be the ones that will be under the most pressure. So the more sophisticated end of town.

And I think that's where because you are going to have a separate organization with its own capital and its own rating. I think those are the particular paths that we're going to have to make sure that that model works properly on behalf of large corporates.

From a conduct perspective we are seeing the regulators quite rightfully be over a lot of practices of these businesses. And I think that will force a lot more automation and a lot more connectivity between the Treasury operations that will be automated more so than it even is today.

So we have to think about that as we build our business going forward as well. But these are essential services for businesses. You are not seeing a lot of the services used at the moment other than in September when there was a bit of volatility put back into the marketplace.

There's been a lack of volatility. But as soon as you see more volatility these businesses require these services.

I think mainly that the activities outside the ring-fence will have to be examined the most from the perspective you are looking at. And you've got to find a good model to serve those customers that way and that's what we are -- that's the exam question we are answering for and I think every bank is answering at the moment.

Michael Helsby - ***BofA Merrill Lynch - Analyst***

Ross, we've had a question come in from the floor digitally. So please could you give us some color into the risks and complexities around making your systems more reliable.

Ross McEwan - ***The Royal Bank of Scotland Group Plc - Chief Executive***

That's a really good question because Simon McNamara, who runs our IT and ops, and I have this debate all the time. Are we making things more risky, or are we de-risking? And our Board quite rightly is having good conversations with us about and reviewing through the Board Risk Committee the issues of running a big program across an organization that we are and how much risk are we dealing in the business because of it.

But we actually manage that program both as an executive team and through the Board Risk Committee on behalf of the Board, to make sure that we are taking measured risk as we make massive changes to this business and a big part of that will be our system. Something I would draw your attention to, though, we last year ran 550 programs of work in this bank. These were structured out programs of work, we were investing capital, time, cross-business-type activities.

Today that is down to 220 I think it is and that is going down to 150. So we are going to change the business with less programs of work, better control, centralized from a service's perspective.

In my mind that actually de-risks a lot of the issues that people are worried about. Because I think we have had enormous risk running in the business with 550 programs of work. 150 is a hell of a lot simpler business, which is my mantra.

And that's not to say as we switch out technology platforms and reduce the numbers we are running risk of those things having difficulties. But in this year alone we have gone from a single overnight batch to now running four overnight separated batches on different parts of our business and nobody noticed.

That is one of the heaviest lifting I think any financial services organization could do in their lives. And we have done that in the last 12 months and nobody noticed it. And at the same time we have double batched, we have doubled security, we've got a little bit of work to do on the ATM and the point-of-sale technology, fronts that we connect into, to do by the end of this year.

All done, nobody noticed it. So I think we have the capability and we've got a lot of work in this area to actually bring down the number of systems. And every time we take one out we actually just make this a safer bank and a more secure bank from the risks that we run.

Apart from the systems and the operating procedures and then all of the auditing functions that goes on behind us and all the controls and ops that we run in the business. So each time we bring it down, so as you are seeing it come down, I think you are seeing a safer and more secure bank being delivered at the same time.

But we have to prove that to people and I think we have done a pretty good job this year on the resilience piece, which was one of the five things we said that we would do this year. I have proved we have the team that can do it.

Michael Helsby *- BofA Merrill Lynch - Analyst*

Good. Unfortunately, we have run out of time now for this session, so thank you very much, Ross.