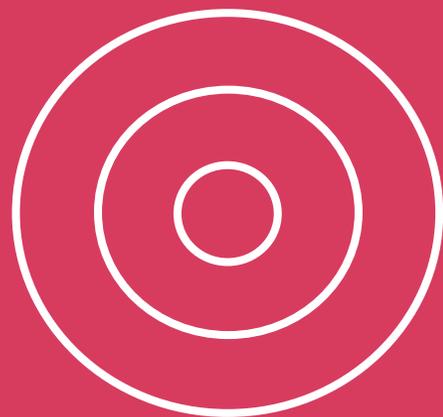




NatWest
Group



First anniversary report 2021. **Banking on Racial Equality.**

October 2021

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Taking stock, one year on.



In October 2020, we published **Banking on Racial Equality**, a report setting out **ten commitments we made to achieve racial equality for our colleagues, customers and communities. We also outlined the actions needed to achieve them, as well as a new target for black colleagues in UK senior roles.**

In this first anniversary report, we highlight the progress made against each commitment – accomplished by teams across the bank working together to create change. Progress on our targets and the accompanying breakdown can be found in the [2020 Annual Report and Accounts](#). We'll publish the next update in the 2021 Annual Report and Accounts in February 2022.

Banking on Racial Equality was informed by an extensive listening exercise, a key part of which was a survey completed by 21,780 colleagues on race, diversity and inclusion. The results of that survey highlighted the disparity in colleagues' experiences: we've shared an update on colleague sentiment in this report that shows a step in the right direction.

This year, we re-established our Ethnicity Advisory Council. Chaired by our Chief Administrative Officer (CAO), Simon McNamara, the council is made up of diversity and inclusion leaders and specialists from different industries including journalism, business and education, who provide critical challenge, guidance and direction on our ethnicity and inclusion strategy.

It's an honour to lead this work and it's with pride that we see our optimism of one year ago wasn't misplaced – we believe in this work more than ever. We are delighted with the progress made and grateful to those helping make it happen. Together we can achieve racial equality for colleagues, customers and communities: we want to have a positive impact in society, to benefit generations to come.

Such ambitious goals do not come easily. Changing culture and embedding new ways of doing things takes time. Our colleagues' support spurs us on in our pursuit of racial equality, and in doing so, we are finding solutions that benefit all of us, no matter our gender, sexuality, ability or disability. We are passionate about this work and providing the circumstances for us all to thrive.

The Racial Equality Taskforce.



Shamraz Begum

Coaching and Capability Partner, Services Taskforce Co-lead



Samuel Okafor

Executive Director, Affluent Lifecycle Origination Lead
Taskforce Co-lead



Yinka Fadina

Head of Audit for Retail Banking
Taskforce Co-lead

The taskforce is sponsored by **Simon McNamara, Chief Administrative Officer**, and **Nigel Prideaux, Chief Communications Officer**.

NatWest Group launches Ethnicity Advisory Council.



Diversity & Inclusion leaders appointed to guide us on our ethnicity and inclusion strategy.



Oliver Franklin, OBE

Senior adviser to next generation financial services companies.
Co-founder of The City Fellows scheme.



Sandra Kerr, CBE

National Campaign Director for Business in the Community's Race Equality campaign.



Angela Chan

Documentary director, commissioning editor. Lecturer and doctoral researcher at Royal Holloway University.



Zara Janjua

Presenter, journalist, writer, producer, actor.



Sarah Garrett, MBE

Writer and CEO of SPM Ltd. Runs the British LGBT Awards, Investing in Ethnicity and Race, and Opportunities 4 women.



Minaxi Mistry

Founder and CEO of Equality Leaders. Board member, Historic Royal Palaces and the Lyric Theatre Hammersmith.



Dennis Owusu-Sen

Founder of Success Talks, a platform which showcases BME leaders across the UK and beyond.

2020 UK Ethnicity Profile

	#Black, Asian and Minority Ethnic	#White	%Black, Asian and Minority Ethnic
CEO-3 and above	43	609	7%
CEO-4	255	2,108	11%
CEO-5	778	4,765	14%
Target Population (CEO-4 and above)	298	2,716	10%

Note: We report to reflect our organisational (CEO) levels. This method more accurately describes ethnicity at leadership/pipeline levels. As well as being more reflective of our organisational structure, this enables comparison to be made externally. This report only includes colleagues who have disclosed their ethnicity. We report CEO to CEO-3 as a total to comply with GDPR restrictions.

Tracking colleague opinion.



NatWest Group’s colleague opinion survey, **Our View**, provides all colleagues with the opportunity to have their say on how it feels to work here. In addition to twice-yearly surveys covering a wide range of issues, in June to July 2020 we ran a survey specifically on race, diversity and inclusion to inform the work of the Racial Equality taskforce. The questions used in the Taskforce survey have been integrated into **Our View**, and surveys in September 2020 and April 2021 allow us to track changes in sentiment of colleagues by ethnicity over time.

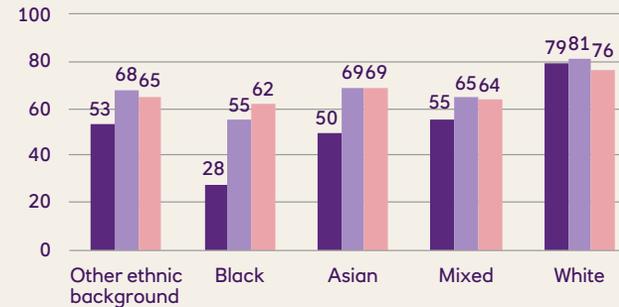
The results of the taskforce survey, completed by 21,780 colleagues, were published in full in July 2020, with four questions highlighted in October 2020’s Banking on Racial Equality. Progress on those four questions is shown in the graphs opposite.

The results show that while we’ve started to move the dial, there’s still work to do through our commitments to ensure all colleagues feel as if they’re included and can advance in the organisation.

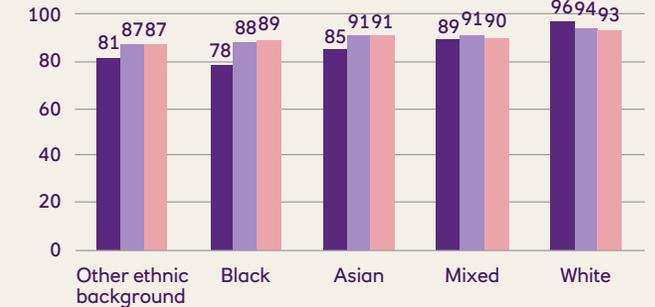
Progress since June 2020: colleague favourability in response to statements of inclusion.

■ Taskforce survey, June 2020
 ■ Our View, Sept 2020
 ■ Our View, Sept 2021

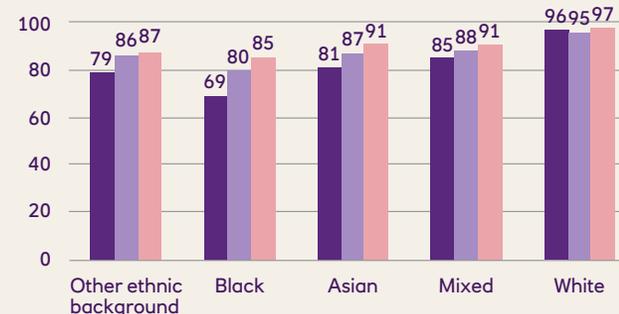
“All employees have the same opportunity to advance in this organisation.”



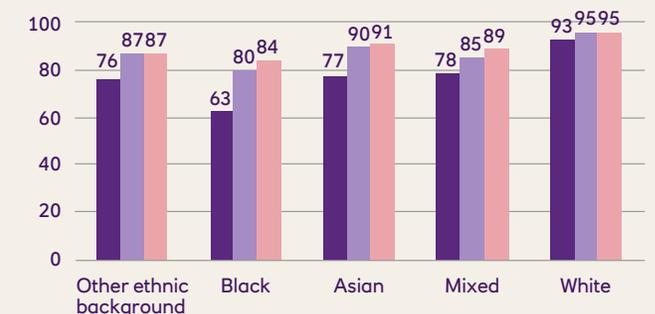
“I am supported to bring myself to work.”



“The business supports diversity and inclusion in the workplace.”



“I can be myself at work without worrying how I will be accepted.”



Our 10 commitments and update on progress.



1

We will build a more inclusive culture with mandatory training for all colleagues and an ethnicity ally programme.

2

We will enhance existing group ethnicity pay gap reporting.

3

We will champion colleagues' potential with multiple accelerated and focused development programmes.

4

We will ensure our recruitment processes remain free from bias and ensure, where minimum criteria have been met, we continue to have Black representation on our UK Early Career programmes.

5

We will not tolerate racial discrimination towards our colleagues by anyone.

6

We will deliver enterprise and career education programmes to our UK Black, Asian and Minority Ethnic communities.

7

We will understand socio economic barriers facing Black, Asian and Minority Ethnic customers through research and strategic partnerships.

8

We will amplify Black, Asian and Minority Ethnic voices through our marketing and communication platforms.

9

We will ensure our suppliers are as diverse as our customers and communities.

10

We will build financial capability with our UK Black, Asian and Minority Ethnic colleagues, customers and communities.





Commitment

1

We will build a more inclusive culture with mandatory training for all colleagues and an ethnicity ally programme.

Goals

A progressive and inclusive organisation.

Supporting actions agreed in October 2020

- New Ethnicity Ally programme, led by the Group's Multicultural Network.
- New digital Inclusion learning module.
- Trial new training 'Leading Inclusively' with a view to roll out during 2021.

Our diversity and inclusion (D&I) agenda continues to focus on ways to make the workplace inclusive to everyone.

Our **Ethnicity Ally programme** launched in November 2020. More than 2,000 colleagues have signed up to champion racial equality, and advocate and educate in their day-to-day working lives. A toolkit is provided for allies, and training delivered in partnership with Investing in Ethnicity was attended by 600 colleagues, 94% of whom strongly recommend it.

Reciprocal Mentoring programme, teaming Black, Asian and Minority Ethnic colleagues with senior White colleagues, doubled to 220 pairings.

20 Aug 2021 | Supporting communities

Celebrating our colleagues at the South Asian Heritage Awards

Our inaugural awards ceremony concluded a month of celebrations for South Asian Heritage Month.



We celebrate the rich diversity of our ethnically diverse colleagues.



Commitment

1

Continued

Learning.

The 2020 Inclusion With Purpose learning module received a 4.5-star rating and had the fastest-ever take-up: 41% of colleagues completed the module within two weeks of its launch.

Our 2021 mandatory D&I learning module featuring colleague video stories to deliver truly thought-provoking and inspiring content has now been completed by all colleagues.

This summer we launched Choose to Challenge. This team-led learning helps colleagues to take action when faced with non-inclusive behaviours and become active bystanders. More than 2,000 colleagues have completed the learning so far and 91% of participants who completed our survey say they are ready and confident to challenge non-inclusive behaviour.

Leading Inclusively learning launched recently as part of our Inclusion Week, alongside a new line manager inclusion self-assessment. Every leader who has a participant on our targeted development programme will also receive training on how best to support their team member.

The 2021 D&I learning module received strong feedback.

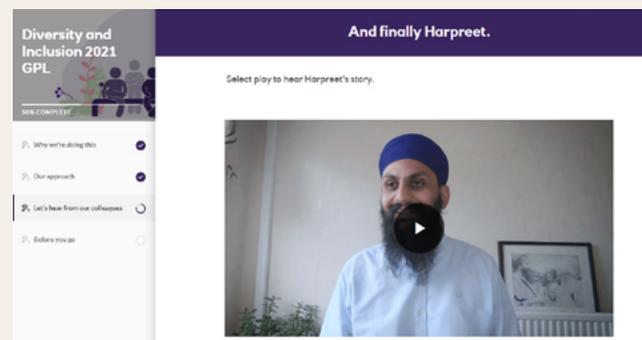
“I don’t think a module has ever made me think so much than our revised content this quarter. Inclusion isn’t a tick box – it’s about the small gestures and actions every day that will lead us to being a truly inclusive organisation, and this has made me think about what more I can do to play my part.”

“I was SO impressed with not only the content of this but more importantly our inspirational featured colleagues who were prepared to share their own experiences to help us on our learning journey.”

“Can’t remember coming out of mandatory training with goosebumps before! Such personal stories that are hard to hear – but so important.”

“I love the NatWest Group policy of everyone bringing ‘themselves’ to work.”

“I really enjoyed it. It made me reflect how lucky we are to be working in such a diverse organisation...to be able to learn from each other, listen, understand and grow as people!”



2021’s D&I learning module, featuring colleagues’ lived experiences.



Commitment

2

We will enhance existing group ethnicity pay gap reporting.

Goals

Enhanced transparency, to support identification of actions that assist in reducing the gap over time.

Supporting actions agreed in October 2020

- Introduce more graphs and narrative to NatWest Group's Ethnicity Pay Gap Reporting, similar in approach to that for gender pay gap.

We've voluntarily disclosed our ethnicity pay gap for the last three years and are preparing for our fourth year of disclosure. While there's currently no regulation governing ethnicity pay gap reporting, we've enhanced our disclosure to match what we disclose for gender.

- The reporting now shows the percentage of White and Black, Asian and Minority Ethnic colleagues receiving a bonus, and representation in each pay quartile.

- We've moved to a graphic format to mirror what we do for gender, a format that increases clarity on the pay gap, as well as clarifying the difference regarding equal pay.

- In our internal communications, we've also shared a worked example to demonstrate the difference between pay gap reporting and equal pay.

- We've made sure the progress and positive action approach disclosures for gender and ethnicity are given equal prominence.

- Our [Positive Action Approach](#), which we benchmark externally, is helping to ensure our people policies and processes are inclusive and accessible – from how we attract and recruit, to how we reward and engage colleagues.

Read our [2020 ethnicity pay gap report](#) and comment from Chief Executive Alison Rose.





Commitment

3

We will champion colleagues' potential with multiple accelerated and focused development programmes.

Goals

More Black, Asian and Minority Ethnic colleagues achieving their potential and reaching senior roles, contributing to our overall target.

Supporting actions agreed in October 2020

- Pilot Ivy House Life Leaders Programme with Black, Asian and Minority Ethnic colleagues in October 2020.
- Continue to take part in Mission INCLUDE mentoring programme for underrepresented talent.
- Trial a development programme, delivered by Edit.

Our existing range of development initiatives has been reviewed, expanded and retargeted.

- Talent Academy, launched in January, is our new approach to talent identification and development for colleagues with the highest potential, offering challenging and purposeful development opportunities.
 - Colleague and self-nomination, coupled with promotion by the employee-led networks resulted in an open, transparent and diverse talent pool.
 - Some 66% of the final cohort disclosed their identity and of them, 21.4% were from Black, Asian and Minority Ethnic backgrounds, with 3.7% specifically from Black backgrounds (based on UK colleagues).
- Targeted development opportunities have been provided through the Ivy House Life Leaders programme, Stretch conference and Career Masterclass online learning portal, Mission INCLUDE mentoring programme, Thrive programme and Business in the Community cross-organisational mentoring circles.

- We have partnered with [Talking Talent](#) and [Career Masterclass](#) to create accelerated development opportunities for Black, Asian and Minority Ethnic colleagues. We are working with these suppliers to define the proposition; we plan to launch a multi-level approach to provide tailored support to colleagues to accelerate their careers.



Commitment

4

We will ensure our recruitment processes remain free from bias and ensure, where minimum criteria have been met, we continue to have Black representation on our UK Early Career programmes.

Goals

Ensure ethnicity lens is applied to drive internal and external hiring processes that are free from bias. Ensuring Black representation where minimum criteria have been met on UK Graduate, Intern and Apprentice programmes as part of a wider Black, Asian and Minority Ethnic target.

Supporting actions agreed in October 2020

- Launch updated 'Recruitment Yes Check' group-wide to ensure diversity is front of mind when hiring.
- Ensure diverse interview panels, especially for jobs in senior leadership.
- Develop new interview training with an increased focus on diversity.
- Track Black representation on Early Career programmes in addition to Black, Asian and Minority Ethnic.

Our renewed focus on recruitment is proving successful at junior levels and supporting greater diversity through all hires.

- The Recruitment Yes Check was extended to all levels, pan-bank, to ensure hiring managers take every possible step to have a diverse shortlist and interview panel, to challenge unconscious bias and to give the broadest range of talent access to opportunities.
- Refreshed line manager interview training launched shortly after with better focus on inclusion, unconscious bias and candidate experience.
- Inclusive Interview Ambassadors launching in October 2021, creating a pool of colleagues trained in interviewing to support hiring managers: bringing diversity of thought and challenge to interview panels.

- Ethnicity of recruitment monitored throughout the year – in Early Careers, these figures are:
 - 2021 interns – 27% Asian, 3% Black, 4% Minority Ethnic
 - 2021 graduates – 30% Asian, 4% Black, 6% Minority Ethnic.

- Diverse apprentices and interns recruited through partnerships with Leadership through Sport and Business, a three-year plan to recruit 250 new apprentices from socially disadvantaged backgrounds, and with the Black Interns initiatives.

- We're trialling diversity-specific partners in executive recruitment and pipeline roles.



Commitment

5

We will not tolerate racial discrimination towards our colleagues by anyone.

Goals

Black, Asian and Minority Ethnic colleagues do not experience/endure racial discrimination.

Supporting actions agreed in October 2020

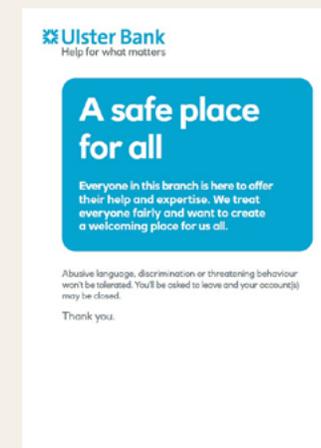
- Continue to ensure colleague awareness of the process for reporting racial discrimination of any kind.

We're taking steps to ensure our colleagues don't experience racism in the workplace.

- Building psychological safety for colleagues to raise concerns and awareness of how to do so – reflected in increased reports.
- Providing clear guidelines for customer support teams on social media.
- Strengthening our current account and savings terms and conditions to expressly include that any racist or other discriminatory conduct towards our colleagues is a reason to allow us to close an account.
- New branch posters, which make clear our position concerning all forms of discrimination.
- Committing suppliers to our Supplier Charter, and its obligations concerning diversity and inclusion.



New branch Posters.





Commitment

6

We will deliver enterprise and career education programmes to our UK Black, Asian and Minority Ethnic communities.

Goals

Greater engagement with diverse communities to ensure support of social mobility through enterprise and career education.

Supporting actions agreed in October 2020

- Deliver career education to Black, Asian and Minority Ethnic communities via the Group's existing school strategy.
- Centralise planning and data collection to target delivery and monitor progress.
- Leverage partnerships with the Sutton Trust and Social Mobility Foundation to help reach Black, Asian and Minority Ethnic communities.
- Research the barriers for Black, Asian and Minority Ethnic start-ups.

Enterprise is one of the group's three areas of focus, where we aim to make a substantial impact in addressing challenges that threaten to hold people, families and businesses back.

We're targeting support to entrepreneurs from under-represented backgrounds via Business Accelerators and other financing, advisory and growth support.

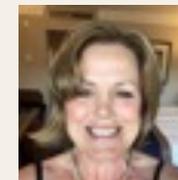
- We're championing enterprise by helping to create 50,000 new businesses across the UK by 2023; 32% of those businesses being Black, Asian, or Minority Ethnic-led against a 20% target.
- We launched the [SME Transformation Taskforce](#) last year with the Federation of Small Businesses, policymakers, business groups and others to help small and medium enterprises. The SME Transformation Taskforce has partnered with [Hatch Enterprise](#) to support under-represented entrepreneurs to develop the knowledge, confidence and skills needed to launch and grow a business.

- Partnering with [Digital Boost](#) with a target to support one million people in small businesses and charities by January 2022, 200,000 of which will come from ethnically diverse backgrounds.
- Working with the [Centre for Research in Ethnic Minority Entrepreneurship](#) at Aston University, researching the UK landscape of Ethnic Minority businesses and the barriers they may face accessing financial services and business support. The report will be published in late 2021 with recommendations, international best practise and proposed interventions based on the findings of the research.

Business Accelerators support early-stage and start-up businesses through investment, short-term mentoring and training.

Support in action

Sheena Hales, who leads the NatWest Skillbank, has been working closely with [Dechomai](#) and others to understand their needs and establish how to match them to SME support and to the right professional skills volunteered from colleagues across NatWest Group.



NatWest

Diversity matters: Girl Grind UK

Girl Grind UK was founded out of the desire to support ethnically diverse women, girls and non-binary people at crucial stages in their personal and professional development. Founder Namywa, a music artist and songwriter, shares her thoughts on tackling racial inequality.

Last updated: 24 May 2021
4 min read

Share This



Namywa, musician and founder of Girl Grind UK.

Featured articles on the NatWest Business Hub shine a light on the UK's diverse business community.



Commitment

6

Continued

- Working with regional organisations including [Dechomai](#), Radiant and Brighter, UK Girl Grind, African Heritage Alliance, Hatch Enterprise, Black South West Network and the Belfast Multicultural Association to deliver Business Builder content to diverse entrepreneurs. Several of these organisations have received regional board grant funding.
- Member of the [UK Finance Unlocking Opportunity Industry Working Group](#), in which five UK banks (NatWest, Lloyds, Barclays, HSBC and Santander) meet monthly to discuss what we're doing to support ethnically diverse entrepreneurs and ways we may be able to provide further support.

Wider youth context

Recent research conducted in partnership with the Centre for Social Justice found young people feel there's a lack of support around jobs, work experience, skills and training, with 85% of 18 to 34-year-olds feeling they couldn't get advice on opportunities and business ideas in their local area.

Further research shows young people from lower socio economic backgrounds are twice as likely to be out of education and employment than their wealthier peers, and Black youth unemployment has hit a rate of 40%. Forecasts show the cost of youth unemployment could rise to £6.9 billion in 2022.

Barriers for young people have been exacerbated by Covid-19, as the ONS found those aged 18 to 24 were

most likely to have lost wages or work. Some 64% are worried about their ability to find jobs in the future.

Against that backdrop, we've launched CareerSense to improve youth employability prospects, with an aim to reach 10,000 young people by the end of 2021.

So far CareerSense has:

- hosted 84 pupils through Sutton Trust and Social Mobility Foundation for insights weeks – 54% were female and; of the 95% who volunteered their ethnicity, 60% were Black, Asian and Minority Ethnic, and 17% were Black
- run 127 CareerSense skills workshops reaching around 6,000 pupils – 33% of schools supported in England have had a Black, Asian and Minority Ethnic population of more than 30%*

We launched a new programme at the end of September for those who aren't in education, employment or training where we'll enroll around 100 young people over the course of a year. We're aiming for 30% of the cohort to be Black, Asian or Minority Ethnic.

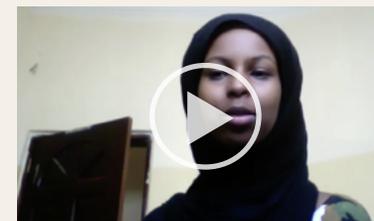
* Numbers represent school average as we can't report at class level. Ethnicity data not available in Scotland. Data as of end July 2021.



Bayile Adeoti, founder of Dechomai, talks about the difference our support has made to her and the communities she works with.



Momina and Samira, attendees of a recent CareerSense Insight Week, share their thoughts on how NatWest Group can drive cultural change.





Commitment

7

We will understand socio economic barriers facing Black, Asian and Minority Ethnic customers through research and strategic partnerships.

Goals

Ensure equal access and opportunity for Black, Asian and Minority Ethnic customers to our products and services.

Supporting actions agreed in October 2020

- Build Black, Asian and Minority Ethnic specific research through the Research Academy to better understand socio economic, cultural and attitudinal barriers.
- Explore the intersectionality of ethnicity and issues like financial inclusion, financial capability and debt to understand trends and impacts affecting Black, Asian and Minority Ethnic customers.
- Build on our partnership with the Runnymede Trust, the UK's leading race equality think tank, to further engage with existing and new partners to deepen perspectives.

NatWest Group economists, Customer Insight and Retail Analytics and Decisioning are working together to understand the relationship between ethnicity and banking.

The research builds on the recent [FCA survey-based report](#) by merging actual customer accounts with external data to analyse access and take-up of product and services, as well as credit limits, and savings, branch use and digital behaviours. It brings important new insights into the relationship between ethnicity and banking. We have found that:

- There is convincing evidence that ethnicity leads to differences in the access to and provision of some personal banking services and products.
- While many of these differences narrow when we control for factors like age, income, housing tenure etc., some differences remain.
- This suggests the interaction of socio economic factors with decisioning tools and processes may play an important role in shaping the experiences of retail banking and the wider financial lives (and opportunities) of Britain's Black, Asian and Minority Ethnic population.

We have grouped differences in banking access and services into five themes:

- **Financial inequality:** significant variation exists in both credit and savings take-up rates by ethnicity – differences remain even after adjusting for customer age and affluence.

- **Financial exclusion:** a small number of Black, Asian and Minority Ethnic customers struggle to access current accounts and are unable to participate in the financial system– representing more than 18,000 potential customers.
- **Socio economic discrimination:** there is robust evidence that banking inequalities reflect socio economic disadvantages.
- **Unintentional discrimination:** some credit limits and access to overdrafts are lower, while rejections rates are higher. Potentially, socio-economic differences lead to unequal outcomes in decisioning.
- **Financial capability:** While Black, Asian and Minority Ethnic respondents often felt less confident about their financial capability, they are more engaged with their financial health – for example, they are more likely to check their credit score.

We'll now design and implement how best to respond and effect positive change to the differences identified in the research.

This includes using the research to help inform financial capability initiatives and work with external partners, such as our partner [Fair4All Finance](#), to deepen our insight and shape effective responses.

We'll develop a holistic response with business leads and senior management across the bank, and by listening to the voices and responses of our colleagues, partners and communities.



Commitment

8

We will amplify Black, Asian and Minority Ethnic voices through our marketing and communication platforms.

Goals

Championing inclusion in marketing and communications through our culture, people, processes and what we deliver.

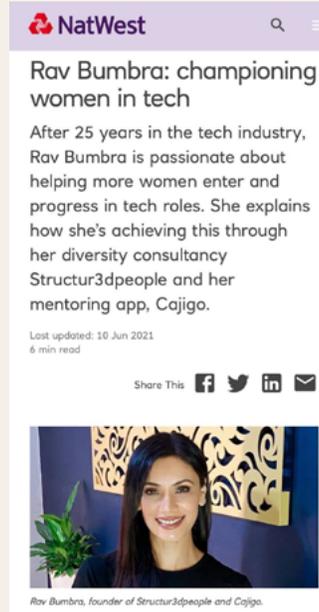
Supporting actions agreed in October 2020

- Develop an insight-driven communications guide to influence our approach on inclusion across all our brands.
- Redesign our briefing templates to ensure we are considering inclusion as a key part of the briefing process.
- Establish a partnership with Getty Images to fundamentally challenge stereotyping in business imagery.
- Audit and update our existing imagery library to be much more inclusive and authentic.
- Develop a robust plan to measure our impact and an operating rhythm to review against targets.

To ensure Black, Asian and Minority Ethnic voices are represented through our marketing and communication platforms, we've done the following:

- Reviewed the processes we use.
 - Improved the brief writing and creative process for marketing and colleague communications.
 - Launched Unstereotype Guide: a communications guide and checklist to counteract unconscious bias.
 - Launched a review with an inclusive media consultancy to review the inclusivity of our marketing processes.
 - Diversified media spokespeople, ensuring taskforce leads are media trained as spokespeople.
- Increased the visibility of Black, Asian and Minority Ethnic colleagues, customers and communities.
 - Ran a multi-channel campaign featuring Black British business founders and entrepreneurs to support Black History Month 2020.
 - Developed diverse image libraries reflecting the variety of female entrepreneurs and Black, Asian, Minority Ethnic people more broadly with Getty Images.
 - Better represented communities of all faiths, ethnicities and cultures in the group's social, digital and proactive media activity, video content and reports.

- Within the bank, the activities and campaigns of our employee-led Multicultural Network and its new strand, the Black Professionals Network, are supported and elevated.
- Showed support by using the bank's social channels to mark the one-year anniversary of the murder of George Floyd, back England's footballers after the Euro 2020 Championship finals and celebrate Black History Month, South Asian Heritage Month and Inclusion Week.
- We'll profile the findings of research with YouGov on 3,000 UK business owners to explore the impacts of the pandemic on female and Black, Asian and Minority Ethnic-led SMEs.



Featured articles on the NatWest Business Hub shine a light on the UK's diverse business community.



Commitment

8

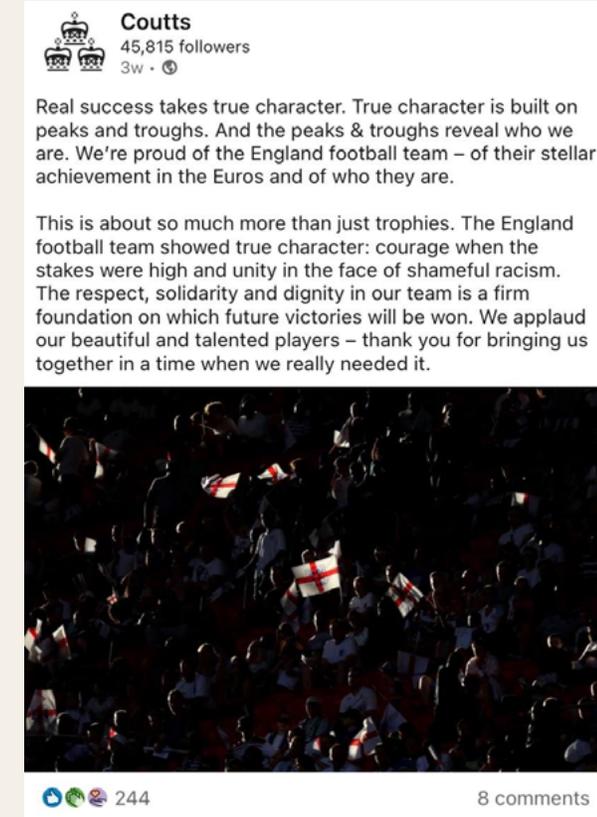
Continued

Examples of customer brand activity.





Examples of customer brand activity.





Images from our partnership with Getty.





Commitment

9

We will ensure our suppliers are as diverse as our customers and communities.

Goals

A supply chain as diverse as the communities in which we operate.

Supporting actions agreed in October 2020

- Building on the supplier charter, work with Ecovadis to independently assess our suppliers and their policies and practices around diversity and inclusion.

Supply Chain Services launched its Supplier Charter in 2020 to change the nature of engagement with suppliers on sustainability to that of a partnership-based approach. We're working with EcoVadis to assess our supply chain partners under the four pillars of sustainability: environment, ethics, labour and human rights, and sustainable procurement.

In July, the group issued a CEO to CEO letter from Alison Rose to those suppliers who declined to participate in the assessment.

Our standard terms and conditions are being updated to secure supplier sign-up at sourcing and onboarding stage, to cover agreement to i) undertake assessment within first three months of contract; ii) drive improvement activity during lifecycle of contract, and iii) undertake annual reassessment.

Of those suppliers who have been assessed, the average supply chain score is 54.9% against the EcoVadis average of 43.5%.

The review has been broken down into three phases.

Phase 1 is complete, covering 100% of 54 suppliers who had already undertaken an EcoVadis assessment, against a target of 90%.

Phase 2 has also achieved its target of 70% of 509 suppliers; we've reached 71% and continue to work through the remainder.

Phase 3 covers our remaining 598 contracted suppliers which will be complete by the end of October.

Note: Some suppliers were not in scope due to business reasons such as non-spend or contract expiring.



Commitment

10

We will build financial capability with our UK Black, Asian and Minority Ethnic colleagues, customers and communities.

Goals

Improve financial capability, building resilience, confidence and helping to meet more needs of our Black, Asian and Minority Ethnic communities.

Supporting actions agreed in October 2020

- Build on existing and new Research Academy insights.
- Review existing financial capability offering to identify opportunities for tailoring to the needs of Black, Asian and Minority Ethnic communities.
- Understand how we can better reach/penetrate Black, Asian and Minority Ethnic communities with our FinCap offering.
- Consider opportunities to deliver a new product/proposition which would be designed to suit the needs of Black, Asian and Minority Ethnic communities.

The Retail Banking Strategy and Innovation team reviewed our existing financial capability offering to identify any barriers to access and understanding of our products and services.

They looked at insight from external research and our customers, enhanced by input from frontline colleagues who have first-hand experience of the barriers our Black, Asian and Minority Ethnic customers experience. The following opportunities to improve have been identified:

- Where appropriate, promote the ability for colleagues to use an alternative language with customers.
- Overcome nervousness due to cultural or language differences through a suite of tools and services, in addition to colleague support.
- Build engagement with local communities through development of trusted relationships.

Language and translation is key to meeting functional needs as well as building trust and rapport. As a relationship bank for a digital world, we're looking to prioritise the use of digital to overcome these barriers and ensure everyone is able to have meaningful financial capability interactions with us, whatever their language or culture.

We've launched an initiative to translate our mobile app guides into eight languages and undertook a strategic review

of our offering, in conjunction with frontline colleague insight, to develop a longer-term plan.

That plan is now delivering improved digital-first and colleague-led solutions, including developing a translation hub for colleagues, signposting support and upskilling our people on our in-house translation tools to better support customers at the point of need. We're also piloting sessions designed to improve financial capability to communities from diverse ethnic backgrounds, and supporting colleagues to do so in their preferred language (where appropriate).

We'll continue to develop further, more far-reaching interventions in response to the research being undertaken with Fair4All Finance.



Mobile app translation guides – good for customers, good for business.

“I used one with a customer to set up the app so I could assist him technically with opening a savings account. When I called the customer back he had set the app up following the guides in no time at all and opened a savings account himself. He was impressed with the guide and appreciated the follow-up call. He had also shared with his friends how easy and helpful we are to bank with.”



First anniversary report 2021.

Banking on Racial Equality.