



NatWest
Group



Racial Equality Taskforce interim report.

How we are meeting our commitments, six months on.

April 2021





Racial Equality Taskforce – six months on.



[View report](#)

In June 2020, Alison Rose, CEO, established our Racial Equality Taskforce. Led by the then global co-chairs of our Multicultural Network, the taskforce helped us to better understand the issues faced by our Black, Asian and Minority Ethnic customers, colleagues and communities, and to consider how we could build on our positive action approach to further tackle these issues. The Taskforce brought together leaders from across the Group, challenging them to find ways to expand on existing projects and initiatives to accelerate our ongoing progress to improve racial equality.

“At our best, we are an open, inclusive, progressive organisation, but until that is everyone’s experience, every time, we have more to do.”

Alison Rose, NatWest Group CEO





The Racial Equality Taskforce.



Shamraz Begum
Taskforce Co-lead



Samuel Okafor
Affluent Customer Lifecycle
Origination Lead
Taskforce Co-lead



Yinka Fadina
Head of Audit for Retail Banking
Taskforce Co-lead



Simon McNamara
Chief Administrative Officer
Taskforce Co-sponsor



Nigel Prideaux
Chief Communications Officer
Taskforce Co-sponsor

In October 2020, the Taskforce published a report setting out ten commitments, and the actions required to meet those commitments, to make a meaningful difference in tackling inequalities. The report was the culmination of months of extensive listening and engagement.





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

Existing target:
To have at least 14% Black, Asian and Minority Ethnic leaders in our UK senior roles by 2025.

New target:
As Black colleagues are under-represented in senior roles across the UK – relative to the UK working population (ONS) – we introduced a new goal in 2020 to have 3% Black colleagues in our UK senior roles by 2025.



Our progress for colleagues.

Our diversity and inclusion agenda continues to focus on ways to make the workplace inclusive to everyone.

Learning

- Inclusion with purpose learning module launched in Q4 2020 received a 4.5-star rating and saw the fastest ever take-up: 41% of colleagues completed the module within two weeks of its launch.
Feedback: “A very thought-provoking module. I particularly liked the point about privilege: knowledge that privilege exists, then it doesn’t necessarily mean you should give up your advantages, but it does suggest you have the opportunity to help those who are disadvantaged.”
- Q2’s Diversity & Inclusion Group Policy Learning (GPL) refreshed to add colleagues’ lived experiences – immediate feedback has been very positive.
- Recently completed testing of Leading Inclusively training, a module for leaders with a focus on Diversity and Inclusion.

- Plans underway to make active bystander training available Group-wide in Q2.

Ethnicity Ally programme

- Launched in November 2020, 1,900 colleagues have signed up to champion racial equality, and advocate and educate in their day-to-day working lives.
- Toolkit provided for allies and training delivered in partnership with [Investing in Ethnicity](#) attended by 600 colleagues, 94% of whom strongly recommend.



Reciprocal mentoring

- Reciprocal mentoring programme, teaming Black, Asian and Minority Ethnic colleagues with senior White colleagues, expanded to 220 pairings – twice as many as the last cohort.

Commitment

1

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



Our progress for colleagues.

While there is currently no regulation governing ethnicity pay gap reporting, we have 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 have moved to a graphic format to mirror what we do for gender, a format which increases far greater clarity on the pay gap, as well as clarifying the difference vis-à-vis equal pay.
- We have made sure that 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 that 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](#).

Commitment

2

We will enhance existing group ethnicity pay gap reporting.



Our progress for colleagues.

The existing range of initiatives has been reviewed to expand or retarget resources as appropriate.

- 19 Black, Asian or Minority Ethnic colleagues participated in the [Ivy House Life Leaders](#) programme
 - post-programme survey shows improvement in 13 of 14 areas examined.
- [Career Masterclass](#) online learning portal now live for participants at the Stretch conference.
- We have 20 mentees and 20 mentors on the [Mission INCLUDE](#) mentoring programme to help to develop diverse leadership pipelines: at the first evaluation, 91% would recommend the programme.
- 20 colleagues from across the Group completed the pilot of the “Thrive” development programme with positive feedback, particularly around the mentoring element. Using feedback to refine objectives, outcomes and undertake a thorough review of potential future partners.

- Talent Academy launched Group-wide in January, a new approach to talent identification and development for colleagues with the highest potential, offering challenging and purposeful development opportunities. Promoted by employee-led networks to help build a diverse talent pool
 - of the 85% of nominees who disclosed their ethnicity, 22.7% are Black, Asian Minority Ethnic colleagues, of which 3.4% are Black.
- Launched the next cohort of [Business in the Community](#) cross-organisational mentoring circles (12 mentees and a lead mentor).



Commitment

3

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



Our progress for colleagues.

- The “Recruitment Yes Check” was launched in December 2020 to ensure hiring managers take every possible step to have a diverse shortlist and interview panel, to challenge unconscious bias, and give the broadest range of talent access to opportunities:
 - advocacy and embedding activity ongoing – six sessions run for Line Managers in India so far
 - refreshed Line Manager interview training launched in January with a sharper focus on inclusion, unconscious bias and candidate experience
 - currently working on mechanism to help colleagues with diverse interview panels, targeted launch Q3.
- Monitoring recruitment trends regarding ethnicity of hires throughout year to check progress.
- Early Careers:
 - 2020 graduate intake was 32% Black, Asian or Minority Ethnic; internship figure was 46%. A breakdown of ethnicity will be available from 2021
 - participating in [100 Black Interns](#) in Wealth in 2021 and we’ll be supporting the [10,000 Black Interns](#) initiative in 2022
 - introduced 3% Black target for 2023
 - in 2020 we recruited our first 60 social mobility apprentices through our charity partner, [Leadership through Sport and Business](#). 55% were from Black, Asian or Minority Ethnic backgrounds. This is part of a 3 year plan to recruit 400 new apprentices from socially disadvantaged backgrounds across the UK.
- Trialling diversity-specific partners in executive recruitment and pipeline roles.

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.



Our progress for colleagues.

We're taking steps to ensure our colleagues do not experience racism in the workplace.

- We continue to build an inclusive workplace – see [commitment 1](#) – with more allyship and advocacy and support for people to raise concerns, resulting in increased reports to our colleague concern reporting service, as well as existing, clear HR policies in handling any cases of discrimination.
- From May, we are 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.
- We are also replacing the current branch posters which make clear our position concerning all forms of discrimination.

- On social media, we've developed a new approach to responding to racist comments:
 - reinforce a positive conversation
 - report hate speech
- Our suppliers now have to commit to our new [Supplier Charter](#) – see commitment 9 – setting out our aims and expectations in the areas of diversity and inclusion.



Commitment

5

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



Our progress for communities.

Enterprise education is a key focus area for the Group, underscored by the work of the Rose Review.

- Minimum 20% of our enterprise programmes to be with Black, Asian or Minority Ethnic-owned businesses.
- Partnering with social enterprise [Dechomai](#) in Glasgow to launch the ARISE and DEW business mentoring programme.
- Powering Our Communities webinar series featuring monthly webinars aimed at supporting Black, Asian and Minority Ethnic led businesses hosted and available on [NatWest YouTube](#) and LinkedIn channels.
- Mentoring programme supporting Black, Asian and Minority Ethnic business leaders will be delivered via Be The Business and piloted in Q2.
- Research project delivered via [Centre for Research in Ethnic Minority Entrepreneurship](#) (CREME) ongoing and will be launched in Q4 – see commitment 7.
- Supported 107 female / ethnically diverse individuals through

Bristol’s [Black South West Network](#) and [Hatch Enterprise](#) through the Back Her Business grants programme.

- We supported Hatch Enterprise’s Rapid Response and Recovery Programme (207 people supported to date).
- 2021 partnership activities with these organisations are currently in scoping.

Career education with CareerSense

- Phase 1 (13-20 year olds) of our employability education programme launches June 2021 with a focus on social mobility.
- In the past 12 months we’ve run Insight Weeks for over 80 pupils via [The Sutton Trust](#) and [Social Mobility Foundation](#) where 23% of pupils were of Black heritage with further weeks planned for later this year.
- We’re launching a new programme later this year to support young people who are not in education, employment or training.

Commitment

6

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

“We are delighted to be working with NatWest Group, a banking group that has shown a commitment to making a positive impact in the female Black, Asian and Minority Ethnic community by curbing racial inequality through breaking down barriers that limit the potential of BME-led SMEs.”

Bayile Adeoti, Managing Director Dechomai



Our progress for customers.

Natwest Group economists, Customer Insight and Retail Analytics and Decisioning are working together to understand the role ethnicity plays in our financial lives.

The first phase of the research project is underway, and is highlighting some significant differences in access to some retail products. For example:

- customers living in areas with a high ethnic minority population are less likely to hold savings accounts, and those who do tend to have lower savings balances
- they are also less likely to have access to credit products, such as overdrafts
- credit limits, particularly on cards, appear to be lower

These are early findings, before fully controlling for all demographic, income and wider socio-economic factors.

The next phase of analysis will delve deeper into the data, looking at specific ethnicities where data allows, controlling

more for external factors (e.g. location or age) and attempting to highlight potential behavioural differences.

The research will help us identify areas where we may be able to do more to support our Black, Asian and Minority Ethnic customers. It's also helping us to articulate more detailed questions for future research to tackle, enabling us to dig deeper into the underlying causes of these disparities and find options for addressing them.

The differences may also extend to support for businesses. We're aiming to replicate the data-research using business and commercial data. We are also supporting the Communities workstream by partnering with the [Centre for Research in Ethnic Minority Entrepreneurship](#) at Aston University. The research aims to highlight the barriers faced by ethnic minority-led firms and propose interventions that can be adopted industry-wide.

Commitment

7

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

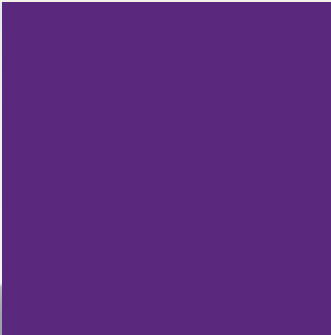


Our progress for customers.

Diversifying Marketing and Communications

- During Black History Month 2020, the Business Banking Marketing team ran a campaign featuring Black British Business Founders and Entrepreneurs. The multichannel campaign featured articles and social video edits.
- Launched partnership with Getty Images to reflect diversity and variety of female entrepreneurs, developing a more inclusive and diverse image library for use by all media:
 - [images available on Getty](#).
 - further partnership to challenge the way Black, Asian, Minority Ethnic people are depicted in imagery.
- Launched ‘Unstereotype Guide’: an inclusion guide and checklist to mitigate unconscious bias and ensure we’re representative of our customers and colleagues and that we reflect the world we live in.

- Overhauled the brief writing and creative process to ensure inclusion is a key part of the creation and evaluation of marketing and colleague communications, and established training for the studio and brief writers.
- Launched a Spotlight page on the NatWest Business Hub, shining a light on the UK’s diverse business community. [More information](#) and [interviews](#).



Commitment

8

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



Our progress for communities.

- In September 2020, we introduced a [Supplier Charter](#) to set out our aims and expectations regarding our suppliers' ethical business conduct, human rights, environmental sustainability and diversity and inclusion. It also outlines our own commitments in these key areas and the outcomes we can achieve by working together.
- We're working with [EcoVadis](#), an external partner who is assessing the sustainability of each of the Group's key suppliers:
 - EcoVadis platform is mid-roll out of Phase 2 with 470 assessment requests now issued and further 903 due as part of the final Phase 3 in Q2 (targeting full completion in Q3)
 - 114 suppliers have been fully assessed to date
 - initial analysis indicates 85% of our suppliers are over the EcoVadis global average on the area of Labour and Human Rights

- while still early in the assessment and improvement process, 69% of our suppliers already demonstrate actions to prevent discrimination and / or harassment
- Supply Chain Services are actively engaging the 28 suppliers that have declined to participate to date to firstly, understand their reasoning and rationale, and secondly, increase our coverage and reach through conversion back into the programme.

Our commitment to diverse suppliers

“NatWest Group is committed to equal opportunities for suppliers, and we recognise that diversity strengthens our supply chain. We believe this contributes to a stronger, better organisation, able to draw on various resources for the benefit of customers and investors. To us it's an important factor in maintaining long-term growth and competitiveness.”

Commitment 9

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





Our progress for customers.

We have reviewed our existing financial capability offering to identify barriers to access and understanding of our products and services. We have done this through insight from external research, as well as from our own customers and colleagues.

- Our analysis has been enhanced by input from frontline colleagues who have first-hand experience of the barriers our Black, Asian and Minority Ethnic customers experience in making the most of our products and services. Early insights are that we have opportunities to improve in several areas:
 - not being able to interact with colleagues or access information and services in preferred languages
 - overcoming anxieties and nervousness due to cultural differences
 - low bank engagement with local communities where trust could be built up.

One of the areas we believe we can make progress quickly is in the area of language and translation. This is key to not only meeting functional needs but also building trust and rapport with customers. As a relationship bank for a digital world, we are looking to prioritise the use of digital to overcome these barriers and ensure that everyone is able to have meaningful financial-capability interactions with us, whatever their language or culture. In the short term, we are implementing effective colleague focused responses, and Marketing have led an initiative to translate NatWest and Royal Bank mobile app guides into 8 languages, which are now live. In parallel, work continues to bring more long term digital-first solutions.



Commitment

10

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

