



Black Inclusion
Report 2021

Creating a diverse
business and improving

Black inclusion

Personal, inclusive and a force for good

At Direct Line Group our vision is to be personal, inclusive and a force for good; a company that cares for our people, our customers, our society, and our planet.

We're committed to building a diverse and inclusive business, where our workforce is more representative of society, where our people feel free to be themselves and succeed in their careers and where we make a positive impact in our communities. We do this first and foremost as it's the right thing to do but it's also key to our success in a competitive market as it leads to more innovation, greater adaptability and better decision making. This update on Black inclusion is in addition to our annual sustainability report and annual report that both provide information on the Group's activity across the broader diversity and inclusion agenda that we are seeking to address.

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The progress we have made

“While it’s right we celebrate and learn about Black history it is also important we play our part in changing the future for the better.”



Like so many others I was filled with disbelief, upset and horror when footage of the murder of George Floyd was shared. It was an event that caused both personal and organisational reflection and served as a spur to action.

So this year to coincide with Black History Month I wanted to share with colleagues and stakeholders the progress we’ve made on Black inclusion. Because while it’s right we celebrate and learn about Black history it is also important we play our part in changing the future for the better.

What I hope this report shows is that whilst we’re not perfect, and still have a long way to go, we faced into this debate with honesty and a commitment to actions not words and continue to do so.

Amongst the steps we have taken are:

- Conducting our first ever diversity and inclusion survey
- Launching a refreshed diversity and inclusion strategy
- Setting targets for increasing Black representation in leadership

- Introducing new recruitment principles and training for those recruiting
- Launching a reverse mentoring scheme – with widespread participation across senior leadership including myself

We now hold ethnicity information on a sufficient percentage of colleagues to allow for meaningful analysis so I’m glad to announce that from 2022 we will be calculating and choosing to publish our ethnicity pay gap to hold ourselves publicly to account.

Driving change in relation to racism and Black inclusion depends on hearing uncomfortable truths. And I want to thank our Black colleagues for speaking up so clearly and so openly about the issues and on what needs to be different. We know more needs to be done and are committed to building on progress year on year. We therefore publish this report not as an end itself, but a statement of intent that remains firmly on DLG’s agenda for the future.

A handwritten signature in black ink, appearing to be 'Penny James'.

Penny James
Chief Executive Officer

Understanding our position

Inclusion survey

We knew that to build the diverse company we want to be, where differences are celebrated and regarded as a strength and where all colleagues feel equally valued, we needed a better understanding of different people's experiences of working at DLG. In order to gain insights and establish a baseline we conducted an extensive diversity and inclusion survey over the summer of 2020. We received a high level of engagement with nearly two-thirds of our colleagues taking the time to respond.

The survey showed us what we do well and where we need to improve – highlighting the variance in experience for different communities. It showed that if you were Black, mixed ethnicity, or from one of the smaller ethnic groups, it didn't feel as positive to work for DLG.

We were open about the results, the good and the bad, with our CEO Penny James personally communicating the findings to the whole business and committing on behalf of the leadership team that "...we will listen. We will learn. We will make sure people feel heard. And we will take actions to make sure our business feels truly inclusive – for everyone."

Listening sessions

To properly understand the lived experiences of our Black and ethnic minority colleagues, we ran a programme of listening sessions, with safe spaces to provide colleagues with the opportunity to share their perspectives both of working in our business and of society at large.

Data analysis

To understand representation, we completed an in-depth analysis of our ethnicity data looking at different levels, departments and locations.

At the headline level we found one in six or 17% of our colleagues are from an ethnic minority background with Black colleagues making up 3% of the total. Our data showed ethnic minority and Black representation is concentrated in our lower and middle grades and reduces with seniority.

When combined, this work provided us with valuable insight, helping us to understand our position and shape a refreshed diversity and inclusion strategy.

Committing to change

Business in the Community's Race at Work Charter

As part of holding ourselves publicly accountable in October 2020 DLG became a signatory to Business in the Community's Race at Work Charter committing ourselves to act in five areas to ensure that that ethnic minority employees are represented at all levels in an organisation.

1. Appoint an Executive Sponsor for race
2. Capture ethnicity data and publicise progress
3. Commit at board level to zero tolerance of harassment and bullying
4. Make clear that supporting equality in the workplace is the responsibility of all leaders and managers
5. Take action that supports ethnic minority career progression

If Not Now, When?

DLG are a signatory to the If Not Now, When? campaign for Black inclusion within business. The campaign started in June 2020 as an Open Letter in the Sunday Times to which DLG's CEO Penny James was a signatory. It called for organisations to commit to sustainable and long-term actions on Black inclusion in the workplace. In October 2020 Penny spoke at a Black History Month event on how business was responding to Black Lives Matter.

Delivering change

Diversity & Inclusion Strategy

In October 2020, we launched a refreshed diversity and inclusion strategy, with greater ambition and reach. This spelt out the practical steps we need to take to make good on our intent. While this update covers the key actions we have taken over the past 12 months to support Black and ethnic minority inclusion, much of our work is intersectional – helping to drive greater inclusion for all communities.

Increasing senior Black and ethnic minority representation

Holding ourselves to account for change

- We have introduced new targets for increasing ethnic minority and Black representation in leadership by the end of 2022.
- Meeting these targets is part of the people scorecard linked to variable pay for our senior leaders.

Growing Black leadership representation from 0.5% to 1.5%

Growing ethnic minority leadership representation from 10% to 13%

Reimagining our recruitment practices

We have introduced new recruitment principles for senior roles, including anonymised CVs, a stronger focus on diverse shortlists and panel based assessments to help protect against bias. They apply to new hires and promotions.

All recruiting managers now complete mandatory 'licence to recruit' training, which supports inclusive practices. We are updating our assessment process, to align with our behaviours and ensure it's inclusive by design.

Increasing Board diversity

In January 2021 Adrian Joseph OBE joined the DLG Board as a non-executive director bringing with him a wealth of insight and expertise both from his current role in BT and from his previous roles in EY and Google. Adrian has a particular focus on artificial intelligence, technology, digital and data analytics and given the importance of data and digitalisation to our plans for the future, his experience has strengthened the Board's ability to support ExCo's focus on these objectives.

Adrian has also been widely recognised for his work in driving ethnic diversity and inclusion in the workplace and also sits on the Group's Sustainability Committee which has oversight for our diversity and inclusion strategy. In 2018 he was voted the UK's number one Ethnic Minority Tech leader by the Financial Times and in 2020, he was awarded an OBE for his services to equality and diversity.



Opening minds

Building empathy and a greater understanding of issues

We have started a programme of awareness and education, enabled by our BAME employee network. Highlights include:

- Stories from our people, covering everything from being Black and British, experiencing racism and prejudice to being proud of your culture.
- Inspirational speakers such as hip-hop artist and social entrepreneur Akala, author of the book “Natives”, who spoke about his personal experience and perspective on race and class in Britain. TV presenter, diversity expert and award-winning author June Sarpong OBE also spoke on exploring inequality and making meaningful change.
- Panel discussions including ‘Getting comfortable being uncomfortable about race inclusion’ with Suki Sandhu OBE, founder & CEO of INvolve & Audeliss.

We are half way through a reverse mentoring programme to enable our senior leaders to build a greater appreciation of issues faced by colleagues who may have very different life experiences to them and to gain new perspectives. Around 70 of our senior leadership team are participating with around 25 of these mentoring relationships focused on discussing issues impacting our ethnic minority and Black colleagues.

Developing capability through training

- Over 300 of our leaders have completed an inclusive leadership masterclass as part of a broader development programme. This explores bias and behaviours that impact inclusion, with practical support on techniques to create an inclusive environment.
- We are developing a training programme to build a deeper understanding of identity, privilege and the barriers faced by marginalised communities. This will help to build the skills to effect change – by becoming an ally, understanding microaggressions and challenging unacceptable behaviours. We’ll be starting the programme in early 2022.



“I believe that reverse mentoring is a very powerful way to get leaders revved up to do their utmost.”



We have a vibrant Diversity Network Alliance (DNA) community that work together to promote and champion diversity and inclusion within our business. The strands are led by volunteers from our people based in locations across the country. They provide a network for colleagues and allies, as well as guiding our people policies and what we support externally.

Read more about the BAME employee network on page 9

Over the last year the work of the DLG BAME strand has gone from strength to strength, providing support and a greater sense of community for our BAME employees, but also guiding the business in how it needs to be different.

Participating in the Senior Leadership Team reverse mentoring programme has been an important eye-opener for me. It has been humbling to hear others' lived experiences and to better appreciate my own privilege and how I can use it as a platform to drive change. I've also tried to make it a mutual process in terms of helping to accelerate the development and progression of the reverse mentors themselves.

The reach and impact of reverse mentoring is growing. In the Marketing and Design chapters we have extended beyond the original programme and paired all of our leaders with a reverse mentor. We meet as a group to discuss

and embed the learnings and insights from the individual pairings. These conversations are invaluable towards creating the greatest possible impact.

I know from talking to senior colleagues across the business that their experience has been the same. Indeed, whilst there are definitely no shortcuts towards becoming as diverse and inclusive as we want to be, I believe that reverse mentoring is a very powerful way to get leaders revved up to do their utmost.

Mark Evans is Managing Director of Marketing & Digital at DLG and Executive Committee sponsor of our BAME employee network.



Making an impact in society and our communities

Building a future pipeline of Black and ethnic minority talent

In August 2020, we ran our first ever social mobility insight day, with the Social Mobility Business Partnership. This provided year 12 students from low income backgrounds with an insight into careers in insurance, while building their skills. 40% of participants were from a Black background and 93% from an ethnic minority background. We repeated this again in 2021.



We have signed up to the 10,000 Black Interns programme, which aims to transform the prospects of young Black people across the UK through paid internships across a range of industries. We will be welcoming our first interns in Summer 2022.



Supporting organisations making a difference to Black inclusion

Through the DLG Community Fund, set up to resource a variety of charities and causes throughout the UK, we are supporting the important work of the:

- Black Cultural Archives – the only national centre dedicated to collecting, preserving and celebrating histories of African and Caribbean people in Britain.
- Runnymede Trust – an independent race equality think tank generating intelligence to challenge race inequality in Britain through research, debate and policy engagement.



We have used Direct Line's Instagram account as a platform to support everyday problem solvers in our community, including:

- Exist Loudly – an initiative to support queer and trans Black young people across the UK.
- House of Cinn – a Black owned social enterprise that bakes to break the cycle of homelessness.

Celebrating Black joy



In September 2021 Channel 4's Black to Front project ran an entire day of scheduling reimaged with programming fronted by Black talent on screen and produced by Black talent off-screen. The aim was to challenge people to see content differently and leave a lasting legacy of greater Black representation on and off screen.

As part of the day, we were one of three companies that participated in a Joy of Black ad-break special, with our colleague Tola, sharing his moments of joy. Far too often, the lived experiences of Black people are presented through a lens of trauma and this takeover presented a powerfully different perspective that we were proud to support.

Black, Asian & Minority Ethnic (BAME) employee network

Toyin Kasali is an Information Security Contracts Manager; she leads the BAME Strand.

The murder of George Floyd and the worldwide Black Lives Matter protests signified a shift in conversations and ultimately social consciousness. Prejudice and racism towards Black people was not relegated to being a problem for the Black community to manage alone – this was a societal issue that required everyone not just to be angry or shocked about, but to want, demand and contribute to delivering change.

The strand provides a much needed space to amplify the voices of those whose experiences historically, have not been centred. We are working with the business to create a more inclusive



The DLG BAME strand's vision is to educate, empower and elevate members and supporters from all ethnic groups and cultural backgrounds at DLG. It provides an open and supportive network and aims to be socially inclusive celebrating members' commonalities and differences.

culture, supporting policy enhancements and initiatives to build an understanding of issues and address inequality, to make DLG a great place to work for everyone.

It's early days, but DLG is taking positive steps both to understand what it's like to work here when you are from a marginalised community or a particular background, and to implement changes to ensure the experience of working here is a positive one for all of us. Everyone has a role to play. I think sometimes the word "ally" and what it means gets discussed and think-pieced to death. At the crux of it, it's just to be a decent human being and calling out things that are not right.

Being an ally is understanding how your own experience, because of how you look, how you navigate life and your background, will shape your view on the world. We can all be allies because we all hold positions of privilege in some way. There are going to be rooms or spaces that some of us will never be in, in that moment, if you are in that room, you lose nothing by speaking up, however the gain for others you speak up for is immeasurable.

The strand has grown and achieved so much in the last 18 months. Some of our proudest moments include curating the biggest Black History month celebration at DLG which included a lunch and learn with Akala attended by over 700 colleagues and, most recently, our very own strand member Fehintola from Counter Fraud, starring in a Channel 4 advert as part of their Black to Front takeover. However, I am most proud of the fact that we have established a growing network of colleagues who are committed to fostering an environment where we challenge and support each other to do right, by each other.

My hope for the future is that as a society we not only continue to discuss these issues, but that we take real and tangible steps to change the status quo. That we move from having "difficult conversations" to an acceptance that for many, inequality, and its damaging consequences, is very real. Where those who lead, do so with empathy and consideration. And finally, we all work together to remove the barriers stopping those who are too often on the periphery, live the lives they deserve.



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