

# Corporate responsibility report

Operating sustainably and responsibly is integral to our business model and strategy, and builds on OneSavings Bank's long tradition of putting the customer at the heart of everything we do.

Our Core Values: Specialist, Personal and Flexible reflect our commitment to interact ethically, responsibly and with integrity with all our stakeholders and the wider community in which we operate:

- We take a SPECIALIST approach to everything we do – we ensure we understand our stakeholders' requirements and use our creativity, skill and expertise to fulfil their requirements with honesty and integrity
- We take a PERSONAL approach to everything we do – we treat everyone with respect and take accountability for our actions
- We take a FLEXIBLE approach to everything we do – we ensure that we work collaboratively with our colleagues, customers and other stakeholders to achieve shared positive outcomes

## What we achieved in 2017

In 2017, we successfully delivered on a number of initiatives across the business aimed at improving our relationships with key stakeholders and achieving strong results, including:

- Customers – consistently high consumer net promoter score, +62
- Employees – significantly improved employee engagement survey results
- Communities – donated over £209,000 to community and charitable causes

## Focused on our customers

OneSavings Bank ('OSB') encourages a culture that aims to:

- Communicate and deal with each customer on an individual basis
- Act with consistency across all channels
- Be a confident, open and trustworthy workforce
- Offer simplicity and ease of business
- Offer long-term value for money, and
- Offer transparent products without the use of short-term bonus rates, and to offer existing customers the benefit of loyalty rates.

Our customers are part of our success and we aim to become a financial services provider of choice. To achieve that, the Group established a governance framework for consistent best practice across the Group to ensure there are robust policies and procedures to minimise the risk of failure to deliver the service our customers have come to expect from us.

The relevant policies include:

- Conduct Risk Policy, including treating customers fairly to ensure the Group conducts its business fairly and without causing customer detriment
- Responsible Lending Policy to ensure that the Group lends money responsibly
- Complaints Handling Policy to ensure the Group responds to complaints swiftly, fairly and consistently
- Vulnerable Customer and Suicide Awareness Policy to ensure that employees can identify vulnerability and potential suicide risks in our customers and put in place appropriate actions to deal with such issues as effectively as possible
- Anti-Money Laundering and Counter Terrorist Financing Policy to ensure the Group is not used to further criminal activities
- Anti-Bribery and Corruption Policy to ensure the Group carries out its business honestly
- A Conflicts of Interest Policy to ensure the Group can identify and, if possible, avoid conflicts, and where this is not possible to manage conflicts fairly
- Data Protection and Retention Policies to ensure the Group protects its customer data, manages and retains it fairly and appropriately
- Whistleblowing Policy to ensure that any employee who raises concerns around misconduct is protected
- Environmental Policy to conduct our business in an environmentally aware manner, and
- Diversity and Equality Policy to promote diversity and equality in our workforce.

Employees have mandatory training on all the key policies, with a completion rate of 100% in 2017.

### Customer engagement

We take a personal approach to our customers, treating each customer as an individual and listening to their needs. Many of our customers are also members of the Kent Reliance Provident Society, the Society that took over the management of the membership of the former Kent Reliance Building Society. The Bank and the Society have benefited from member engagement through the online 'portal' launched late in 2015 enabling input from a geographically broader range of members. Topics of engagement have included key areas of customer literature, working with saving and borrowing members helping the Bank to maximise clarity and understanding, and product retention process enhancement. Each year we hold an AGM at which members can engage with senior management and discuss their ideas for improving our customer experience.

Our commitment to our customers is evidenced in the strong net promoter score (a measure of how likely a customer is to recommend a business on a scale of -100 to +100) we achieve across our lending and saving franchises, which in 2017 has improved to +62. In addition, we won numerous awards for being the best provider for a range of services from cash ISAs to Buy-to-Let mortgages.

### Customer complaints

Whilst we concentrate on providing an excellent service, when things have gone wrong, we aim to put this right and learn from any mistakes made. We have a comprehensive, Group-wide complaints handling system and our staff complete rigorous training programmes to ensure a compliant and fair process is followed.

## Kent Reliance savings

### WINNER

Best Cash ISA Provider  
Moneyfacts Awards 2017 (for the fifth year running)

### WINNER

ISA Provider of the Year  
Consumer Moneyfacts 2017 (for the second year running)



## Kent Reliance for intermediaries

### WINNER

Best Specialist Lender  
The Mortgage Strategy Awards 2017

### WINNER

Best Business Development Managers Team  
The Mortgage Strategy Awards 2017

### WINNER

Specialist Lender of the Year  
The Mortgage Introducer Awards 2017



## Corporate responsibility report continued

### Focused on our employees

Our employees are our key asset. Their skills, expertise and enthusiasm are central to achieving our strategic goals, and we continue to invest in their training, development and employee engagement activities to make OSB the best work-place it can be.

In 2017, the Group established a Talent Acquisition team in order to introduce an appropriate level of recruitment specialism within the HR function to better support business growth and implement a formalised, competency-based interview and selection process. Our recruitment procedures are fair and inclusive, with shortlisting, interviewing and selection always carried out without regard to gender reassignment, sexual orientation, marital or civil partnership status, colour, race, caste, nationality, ethnic or national origin, religion or belief, age, pregnancy or maternity leave or trade union membership.

No candidate with a disability is excluded unless it is clear that the candidate is unable to perform a duty that is intrinsic to the role, having taken into account reasonable adjustments. Reasonable adjustments to the recruitment process are made to ensure that no applicant is disadvantaged because of their disability and questions asked during the process are not in any way discriminatory or unnecessarily intrusive. To that end, the Group achieved Disability Confident Committed (Level One) status in 2017 (for more details, see below).

We welcomed 177 new employees in the UK and 173 new employees in India in 2017, and in line with the continued growth of the business, OSB has acquired a third office in Chatham to accommodate our expanding workforce.

#### Training and development

We encourage employees to carry out their work to the best of their ability and promote learning and development opportunities across the organisation. Our newly created and consolidated People Development function manages the allocation and completion of monthly mandatory e-learning modules, the delivery of in-house workshops, programmes and coaching in addition to coordinating employees attending external or in-sourced training activities. In 2017, 685 employees attended 149 separate internal and external workshops or learning events. The completion rate for our mandatory monthly online compliance training throughout the year was 100%; demonstrating the importance we continue to place on ensuring our employees are suitably aware of key requirements.

The Group is also committed to supporting employees undertaking professional development and in 2017, ten employees received financial support in pursuit of their professional qualifications.

In 2018, the Group intends to extend its commitment to widening accessibility of employment opportunities at the Bank by implementing an Apprenticeship Scheme.

### Talent management and leadership programmes

Following a robust talent mapping exercise, we have identified employees who constitute our Primary Talent Group, based on their respective performance and potential. Throughout 2017, a range of associated talent management activities have been undertaken.

At the end of 2017, all members of the Primary Talent Group had been retained, 60% were undertaking different or expanded roles and 27% had been formally promoted.

We are constantly seeking to identify outstanding employees and in line with this, talent mapping will be undertaken as an annual process in order to support the progression of those who are identified as potential senior leaders of the future.

While we are still a relatively small business in terms of employee numbers, we advertise vacancies internally on a weekly basis in order to provide career development opportunities for existing employees. In 2017, we filled 36% (84 of 233) of vacancies with internal candidates.

OSB has a genuine desire to retain, support and develop its employee base. During 2017, 66 employees in the UK and ten employees in India were formally promoted to a more senior grade. Our regretted attrition rate for 2017 was 12% for UK employees and 18% for our employees in India.

### Remuneration and benefits

We believe in rewarding our employees fairly and transparently, enabling them to share in the success of the business. Details of the Group's remuneration policies can be found in the Remuneration Report on pages 81 to 95.

We offer our employees a comprehensive range of benefits, and continue to review these to ensure they are in line with market practice. Although the list is not exhaustive, our benefits include pension contributions, medical insurance, life cover, a childcare voucher scheme, interest free season ticket loan and a cycle purchase scheme. In 2017, we introduced a casual dress code throughout our offices following an employee vote.

We also encourage our employees to hold shares in the Bank for the long term, via an annual Sharesave Scheme. The scheme is open to all UK-based employees and allows them to save a fixed amount of between £5 and £500 per month over either three or five years in order to use these savings at the end of the qualifying period to buy the Company's shares at a fixed price established when the scheme was announced. The Group first launched its annual Sharesave Scheme in June 2014 and over 250 employees are members the scheme.

In 2017, 100 employees saw their 2014 Sharesave Scheme mature, with the total value of their respective individual plans increasing by around 300%.

### Employee engagement

In 2017, OSB participated in the 2018 Sunday Times Best Companies Employee Engagement survey, with 83% of UK employees completing the survey.

The survey results demonstrated an overall increase of 4.8% and the achievement of a 1 Star Accreditation Rating, signifying very good levels of workplace engagement and represented a significant improvement when compared to the previous two annual surveys when the Bank achieved a 'One to Watch' rating.

As part of the continuing commitment to employee engagement, OSB also participated for the first time in the Banking Standards Board survey, which aims to influence positive change throughout the banking sector. The survey provided an insight into employees' perception of the application of their company's values, potential barriers to challenge and to speak up along with their observations of unethical or inappropriate behaviour. The results from this survey will help to shape the Group's agenda and commitment to a shared purpose and values for all employees in 2018.

OSBIndia ('OSBI') takes part in its own survey, run by the Great Place to Work Institute. In 2017, OSBI was officially certified as a 'Great place to work', with a strong performance in all indicators, including organisation trust, credibility of management, respect for people, fairness at the workplace, camaraderie and culture. OSBI's overall Trust index score improved significantly in 2017 to 75, up from 66 in 2016, and it received the highest score in Pride, reflecting the strong brand and culture that has been created.

Throughout 2018, OSB will be using the results of all of the surveys to establish opportunities to deepen employee engagement on both Group-wide and department levels. We will also be engaging with external consultants in order to define our Vision, Mission and Values and establish a range of related actions that will enable us to fully embed these and proactively drive positive cultural change throughout the business.

### Employee recognition and awards

Through our Long Service Award programme, the significant tenure of 41 employees was recognised in 2017, each of whom reached a 5, 10, 15, 20 or 25 year milestone and one other employee who reached 30 years' service.

Every quarter, all of our employees have an opportunity to nominate their colleagues as part of OSB's Quarterly Employee Recognition Programme. In 2017, 306 separate nominations were received and each quarter, an Employee of the Quarter was selected along with two runners-up. Over the year, 12 employees received an award.

Our employees are valued for their expertise, not only by the Bank, but also by the wider industry. In 2017 Adrian Moloney, OSB's Sales Director was recognised by The British Specialist Lending Awards in the category Complex Buy-to-Let Lender.

### Health and safety

We have a duty of care to all of our employees, and a safe and healthy work environment is paramount to OneSavings Bank. We are committed to fostering and maintaining a working environment in which our employees can flourish, and our customers can safely transact with us.

We operate a Group Health and Safety Policy and we review our employee and customer environment regularly.

### Activities in 2017

- Undertaking mandatory Company-wide health and safety training with 100% completion
- Undertaking a full review and continuing to make improvements where necessary on recently acquired corporate real estate to ensure statutory health and safety compliance for all sites
- As part of achieving Level 1 of Disability Confident Scheme we have ensured that our office locations are accessible to disabled employees.

### Diversity and inclusion

At OSB, we recognise the benefits that diversity of our people brings to the business and we actively promote and encourage a culture and environment which values and celebrates our differences. In 2017 we continued our journey to become a truly diverse and inclusive organisation, which is committed to providing equal opportunities through the recruitment, training and development of our employees. Some of our achievements included:

- Formalising our Diversity and Inclusion Policy and establishing a range of diversity initiatives including unconscious bias training for the Board and Executive Committee
- Attaining Disability Confident Committed (Level One) status, with an aim to achieve Level Two status in 2018. By becoming Disability Confident, the Group is committed to employing, supporting and retaining those with disabilities and health conditions and we will be partnering with Kent Council's Employability Advisor to ensure a proactive approach is taken in seeking to increase the current number of disabled staff who are employed within the Group.



- Implementing the requirement to seek to interview equal numbers of male and female candidates at the first round interview stage for more senior roles
- Including a set of diversity specific questions in the exit interview process to enable ongoing identification of potential issues and opportunities for further enhancements, and
- Becoming a signatory to HM Treasury's Women in Finance Charter, which is formally published on the Group's website and details our commitment that by 2020, 30% of our senior management roles will be undertaken by female employees. The Group has also implemented the requirement to ensure that the pay of members of the Executive Committee is linked to the delivery of the Group's gender diversity targets (see the Remuneration Report on page 81).

## Corporate responsibility report continued

We recently published our gender pay gap in line with new legislation which requires UK companies with more than 250 employees to report their gender pay gap – the difference between the average amount that women and men are paid across the whole workforce. As at April 2017, the mean pay gap at OSB was 47%. Gender pay is not the same as equal pay and we are confident that we do not have any issue in respect of equal pay. Our gender pay gap relates directly to the structure of our workforce and reflects the fact that we have more men than women in senior roles.

We recognise that we need to focus on improving our gender balance and have a number of initiatives in place to do so:

- Aside from our existing aim of seeking to interview equal numbers of male and female candidates for roles at management level, we will be implementing a requirement that with senior management vacancies, a first round face to face interview with a female candidate must be undertaken before the recruitment process can proceed, with all exceptions to this requiring Executive approval. The same requirement will apply to vacancies at clerical level in respect of male candidates.
- We are in the process of establishing a broader suite of gender related management information. We will track monthly progress in respect of gender diversity and gender pay gap initiatives and share this openly and transparently with our employees.
- We have established a Women's Networking Forum to assist the internal progression of our existing female employees. This provides a forum for guest speakers and aims to provide practical development tips and encouragement for career progression.

Our full gender pay gap report can be found on our website: [www.osb.co.uk](http://www.osb.co.uk).

Over 58% of our UK workforce is female, we have three female Directors (33% of the Board) and two female members of the Executive Committee (20%).

In our office in India, women constitute 36% of the total workforce.

	Male	Female
Number of Board Directors	7	3
Number of Directors of subsidiaries	13	1
Number of senior managers (not Directors)	58	17
All other employees <sup>1</sup>	318	517

1. Includes OSBIndia.

We already have 13% of our UK employees working under flexible working arrangements, with the majority of these employees working part-time hours and we will be seeking to further develop this by revising our Flexible Working Policy to provide increased support to those employees with parental and carer responsibilities.

### Human rights

We want each member of our workforce and other stakeholders to be treated with dignity and respect. OSB endorses the UN Declaration of Human Rights and supports the UN Guiding Principles of Business and Human Rights. The Group adheres to the International Labour Organisation Fundamental Conventions. We seek to engage with stakeholders with fairness, dignity and respect. The Company does not tolerate child labour or forced labour. OSB respects freedom of association and the rights of employees to be represented by trade unions or works councils. The Group is a fair employer and does not discriminate on the basis of gender, religion, age, caste, disability or ethnicity. Our policy applies throughout the Group and is communicated to our employees during induction training.

In 2015, the Modern Slavery Act came into force and it encompasses slavery, human trafficking, forced labour and domestic servitude, and applies not only to OSB as a Group but also to our supply chain. The Group's Modern Slavery Statement was published on 30 June 2017. Coupled with the statement, the completion rate for the mandatory monthly online training on modern slavery was 100% with more focused training due to be implemented in 2018. As part of the Bank's continuing commitment to eliminating abuse and exploitation not just in our workplace but in that of our suppliers, the Bank has produced and is implementing a Vendor Code of Conduct by which all our suppliers will be expected to comply.

### OSBIndia

OSBI is a wholly-owned subsidiary of the Group. OSBI operates from an office in Bangalore and currently employs 366 people. OSBI supports the Bank across various functions such as Customer Service, Operations, IT and other support services. We actively promote integration between our colleagues in the UK and India with frequent employee exchanges, transfers, overseas training and management visits. The state-of-the-art Bangalore office has been extended in the year to accommodate the growing number of our Indian colleagues and a new business continuity site in Hyderabad was opened. We have also completed ISO 9001 and 27001 certifications in 2017, a testament to the Group's commitment to information security at the highest level.

As part of the Group, OSBI falls under the same Group policies that are in force in the UK offices, most importantly, equal opportunities, non-discrimination and harassment, whistleblowing, information security and clear desk policies. There are only very slight differences in the Group's main HR policies due to local legislation.

In compliance with the Modern Slavery Act, we do not support excessive overtime and our employees in India are encouraged to work in accordance with local legislation. Employees in our Bangalore office enjoy a range of benefits which includes 21 days of annual leave, 10 days' sick leave and cafeteria services.

## Focused on the environment

This year, we continued to implement the objectives set out in our Environmental Policy and as a result, the Bank has introduced many initiatives to enhance our commitment to conducting our business in an environmentally responsible way.

As an office-based financial services provider, we have a relatively low impact on the environment. However, we aim to further promote awareness of the environmental issues amongst our employees in order to reduce consumption of resources and take measures to minimise our negative impact on the environment in which we operate.

In 2017, we appointed an independent consultant to undertake an environmental audit which, once complete, will highlight areas where we can improve and assist us in setting more effective objectives for becoming a greener organisation in 2018.

### Activities in 2017

Some of the activities that we implemented during the year include:

- Pro-active energy management and measures undertaken across our corporate real estate which resulted in a reduction of electricity and gas consumption in 2017
- We now source all of our energy from green energy providers
- Installation of a charging point for electric vehicles in our head office.

### Greenhouse gas emissions

Emission type	CO <sub>2</sub> e tonnes	
	Location-based method	Market-based method
Scope 1: Operation of facilities	12	–
Scope 1: Combustion	101	–
<b>TOTAL SCOPE 1 EMISSIONS</b>	113	–
Scope 2: Purchased energy (UK)	458	264
Scope 2: Purchased energy (rest of world)	452	–
<b>TOTAL SCOPE 2 EMISSIONS</b>	910	264
<b>Total emissions</b>	<b>1,023</b>	<b>264</b>

1. Location-based figure used where market-based not available.

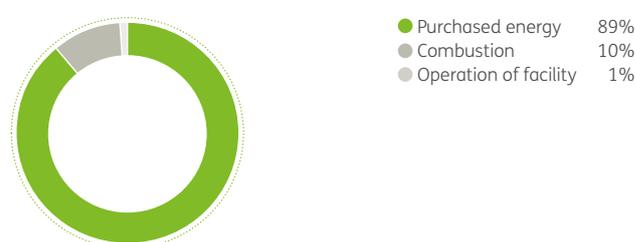
### Greenhouse gas emissions intensity ratio:

	Total footprint (Scope 1 and Scope 2) – CO <sub>2</sub> e		
	Previous year (2016)	Current year (2017)	Year on year variance
Turnover (£m)	201.4	<b>238.1</b>	<b>18%</b>
Intensity ratio – Scope 2 location-based method (tCO <sub>2</sub> e/£100,000)	0.004	<b>0.004</b>	–
Intensity ratio – Scope 2 market-based method (tCO <sub>2</sub> e/£100,000)	0.003	<b>0.003</b>	–

### Emissions breakdown by source (tCO<sub>2</sub>e)



### Emissions breakdown by category (tCO<sub>2</sub>e)



### Notes:

- Our methodology has been based on the principles of the Greenhouse Gas Protocol, taking account of the 2015 amendment which sets out a 'dual reporting' methodology for the reporting of Scope 2 emissions. This means that UK electricity is reported using two methods
- We have reported on all the measured emissions sources required under The Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013, except where stated
- The period of our report is 1 January 2017 to 31 December 2017
- This includes emissions under Scope 1 and 2, except where stated, but excludes any emissions from Scope 3
- Conversion factors for UK electricity (location-based methodology), gas and other emissions are those published by the Department for Environment, Food and Rural Affairs for 2017/18
- Conversion factors for UK electricity (market-based methodology) are published by electricityinfo.org
- The market-based methodology has only been applied to UK electricity supplies
- Conversion factors for overseas electricity, gas and other emissions are those published by the International Energy Agency for 2016
- Conversion factor used for R417A (F-Gas) is published by Linde Gas
- Conversion factor used for R22 (F-Gas) is published by Department for Environment, Food and Rural Affairs for 2016/17
- As the old office in India closed during the 2016 year, the following site and associated emission IDs have been retired and are not included within the 2017 report: India (Old Office)
- The following sites have been added to the portfolio during the 2017 year: India Disaster Recovery Site (Hyderabad) and The Observatory
- The addition of these two new sites into the portfolio has resulted in an increase in electricity usage and the associated Scope 2 Purchased Energy carbon figures

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- There has been a significant reduction in both diesel fuel usage and F-Gas recharges between 2016 and 2017
- The reduction of reported diesel usage in 2017 is the result of increased usage in 2016 at the new India site where fuel purchased by OSB was used by contractors during the construction/refurbishment process
- The reduction in F-Gas recharges is the result of no UK F-Gas refills occurring during the 2017 year.

### Statement of exclusions

- Global diesel/petrol use (for vehicles) has been excluded from the report on the basis that it is not material to our carbon footprint
- It has been confirmed there is no LPG use within the estate either in the UK or overseas
- It has been confirmed that there is no mains gas supply in relation to the India operations
- Two UK sites: Heritable and InterBay, have been excluded from reporting as it has been confirmed that these are managed rented properties and are therefore considered to be Scope 3 emissions and are not readily available. An additional managed rented site has been added in the 2017 year – Newman Street. This has been treated as an exclusion in order to be consistent with the methodology applied to the Heritage and Interbay sites. We intend to collect data relating to managed rented properties during the 2018 year so that they can be reported as Scope 3 emissions in the 2018 report.

### Focused on our community

OSB has very strong links with the community in which it operates, especially through its Kent Reliance brand which has been synonymous with the county of Kent and has been a passionate supporter of its local community for over 150 years.

As we are one of the largest employers in the region, many of our employees live within the local community and therefore have a personal affinity with local causes and projects. Employee feedback is vital in helping to decide where support can be best placed within the community.

Our diverse community services programme includes being a major sponsor of South-East-based 'Demelza Hospice Care for Children' and staff-nominated national charity 'Winston's Wish'. We also donate to local Kent-based charitable causes through our 'Kent Reliance Community Fund' ('KRCF'). KRCF is the key sponsor of the 'Kent County Football Association' (which includes 24 County Cup competitions and player development centres for under-represented groups) and 'Kent County Cricket Club', and provides sponsorship for the disability squads and academy programme which helps to develop new talent. Our 'Project Kent' and 'Make Someone's Christmas' campaigns are undertaken with a local media partner to highlight and support local people and projects in need. For the fifth year running, we have supported a key reading initiative, called 'Buster's Book Club' at Medway primary schools, which focuses on fun and innovative ways to help develop literacy levels.

In 2017, we refocused our community services programme to provide more of a 'hands on' approach by encouraging our employees to take an active role with all fundraising and volunteering opportunities. Each employee is given one day's annual leave for volunteering which they can use to actively support any registered charity of their choosing, or to support the Bank's charity partnerships. Furthermore, if employees choose to undertake additional fundraising activities then the Bank will match any funds raised up to a specific amount. During the year, employees carried out over 300 volunteering hours, which in monetary terms equates to nearly £7,000.

Overall, the Bank has contributed a total of over £209,000 to community and charitable causes in 2017 through sponsorship programmes, activities and donations.

### Demelza Hospice Care for Children

Demelza is a children's hospice charity in the South-East, providing compassionate and expert care for babies, children, young people and their families. As a registered charity, Demelza offers bespoke support, free of charge, to families and is available 24 hours a day, 365 days a year. In order to provide these vital services, it needs to raise over £10m a year.

As a locally-based charity, employees from Kent Reliance are hugely aware of and are keen supporters of Demelza. They participated in a number of fundraising events throughout the year including being headline sponsors and participants of the annual Kent Messenger Dragon Boat Race, which helped raise over £150,000 in sponsorship for local charities and good causes across the county in 2017. The event continues to be one of the biggest charity fundraising events staged in Kent and the Kent Reliance teams helped raise donations for Demelza through their efforts on the day and subsequent promotion.

Kent Reliance also takes huge pride in raising money for Demelza through a range of annual fundraising events involving quizzes and bake-off challenges. Aside from straightforward fundraising, we also engage with the local community by gifting our branch network as collection and promotion outlets for the charity. Engagement with the charity doesn't end with our sponsorship. Employees actively welcome opportunities to get hands-on with Demelza, with many visiting the Hospice on volunteer days to help clear and maintain the grounds, create a new sensory garden for families and any other tasks that may arise during the year.

### Winston's Wish

Throughout 2017, we continued to support our nominated corporate charity, Winston's Wish, which was the first charity to establish child bereavement support services across the UK. Winston's Wish provides specialist support programmes for children affected by deaths related to homicide and suicide, as well as military families who have been bereaved.

The highlight of this year's fundraising activity took place in June as eight intrepid employees from across the Group cycled a 270-mile route, stopping at each of our UK branches and offices in three days. Fortunately, the team was blessed with great weather, no major mechanical incidents and only a few map reading glitches. 270 miles in three days was an ambitious target but, ably supported by huge helpings of food and encouragement at each of our branches and offices, the team managed to raise a grand total of £11,155 for Winston's Wish, bringing the total amount raised throughout 2017 to £17,700.

### Project Kent

Project Kent was a new initiative that launched in 2017 in conjunction with the KM Media Group, led by KMFM. This community initiative was powered by nominations from local people who were asked to nominate a local scheme they thought was of benefit to the local community. Nominations received varied, including a community centre that had fallen into disrepair, a neighbourhood group that needed equipment for an afterschool club and a small local charity struggling to promote their services.

Throughout the selection process, it was clear that there were two schemes that fully deserved a helping hand as each presented a wonderful asset to their local communities. Both Farthing Corner Community Centre and Beltinge Nursery were integral assets within their community but due to lack of funds they were unable to make vital repairs or make improvements to their existing services.

The projects offered employees an opportunity to provide hands-on support through internal decorating, grounds clearance and general cleaning once building works had been carried out. Both projects have benefitted greatly from the improvements and are now better equipped to serve their local communities for many more years to come.

### Kent County Football Association

The partnership between Kent FA and Kent Reliance has grown over the last five years and now covers all 24 Kent County Cup competitions. Kent Reliance is also a key sponsor of the Kent Girls and Disability Player Development Centre, resulting in us being named Kent FA's first official 'Community Partner'.

The Kent Reliance Girls and Disability Player Development Centres provide professional coaching to improve the standards of girls and disability grassroots football in Kent. The support from Kent Reliance will enable the transition of young players to elite football as well as providing a community exit route for players leaving the elite talent pathway.

Paul Dolan, Kent FA's Chief Executive, is delighted to have the continued support from Kent Reliance,

"We are now in the fifth and final season of the partnership between Kent Reliance and the Kent FA, which has always been about supporting and promoting our local community. Both organisations are totally committed to being inclusive and our innovative partnership has reflected this by engaging, developing and rewarding all areas of our diverse community.

The Kent Reliance Girls and Disability Player Development Centres have provided a unique opportunity for talented players in Kent to gain additional football coaching and the 24 Kent Reliance County Cup competitions have catered for over 1,000 community-based teams each season of all standards and ages to play competitive football. This community-based partnership between Kent Reliance and the Kent FA has been used as a model of best practice for other County Football Associations across the country to emulate in order to further the development of grassroots football."

This partnership also sees the continuation of the highly successful #MagicOfTheCup competition which is run on a monthly basis during the football season and encourages local teams to enter a submission which illustrates sportsmanship, goodwill and skilled play. In return, the winning team receives football equipment and is put forward to compete as overall winner. Over 15 teams won football equipment during the competition last season and this year the overall winner was Ramsgate Football Club Senior Team. The team won 16 tickets for the England vs Slovakia international match at Wembley on 4 September 2017.

### Kent Charity Awards

The Kent Charity Awards ('KCA') showcase the hard work that charities and voluntary groups from around the county undertake to make the lives of others better. Celebrating and supporting the county at a grassroots level is key to Kent Reliance's charitable endeavours and our sponsorship of KCA reflects that.

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### Kent County Cricket Club

In 2017, Kent Reliance continued its partnership with KCCC, by supporting the Club's community programme. As with our commitment to Kent FA, this relationship is another opportunity to really support grassroots activity within the county and encourage people of all abilities to get involved and enjoy sport. Our sponsorship activity provides for funding for the Disability Performance Squads who currently operate two teams:

- The Kent Reliance Learning & Physically Disabled ('LDPD') Performance Squad
- The Kent Reliance Visually Impaired ('VI') Performance Squad
- Both squads train during the winter months and represent Kent in national competitions against other counties during the summer months. This is the first step to representing the national team managed by the England and Wales Cricket Board. The LDPD squad currently plays in two formats of cricket, both softball, and for the more experienced players, full cricket balls (hardball). The VI team play with size three footballs which have been adapted to contain beads which rattle, although the national team play with regular cricket ball size hardball, again adapted to rattle and the squad trains throughout the year at a number of venues around the county.

Jamie Clifford, CEO, KCCC, says "We have been delighted to once again enjoy the support of Kent Reliance in 2017. With Kent Reliance we have continued to develop the Academy programme. The partnership has enabled us to bring in specialist coaches and further develop players' life skills, which helps the preparation for a professional career. Our disability cricket programmes have also been boosted by the support of Kent Reliance which allows us to provide kit, coaching and facilities for our players. Thank you Kent Reliance for the difference you make."

### Make Someone's Christmas

The Make Someone's Christmas campaign encourages listeners and readers of KMFM and KM Media Group and customers of Kent Reliance branches, to nominate those people they feel deserve an extra special treat during the festive season. Following the big success of the programme in previous years, this year had a hard act to follow but achieved as many nominations for the well-deserving and those in need. In 2017, we helped ten special people in Kent with ten bespoke prizes that really helped make their Christmas. Nominations were varied and included a father and daughter that had lost their wife and mum just before Christmas, an eight-year old boy who wanted to nominate his parents for their hard work in the community and a woman who annually put her Christmas Day on hold so that she could provide a Christmas lunch for the elderly. Each winner was announced live on the radio during a two-week period and received well-deserved prizes ranging from holiday vouchers to a spa day.

### Kent Literacy Scheme

In 2017, Kent Reliance continued to support this educational charity to develop its new home reading initiative – Buster's Book Club – in ten Medway schools. The scheme was extremely successful across the county with more than 7.5 million minutes of reading achieved and making the 26,000 children involved official members of the Millionaire Reading Club.

### OSBI fundraising

Corporate social responsibility ("CSR") is extremely important to OSBI. The concept of helping society is embedded in its corporate governance structure through the CSR policy and also through employee engagement.

As part of the OSBI CSR policy, funds are kept aside each year to spend on social causes. This is governed by a CSR Committee and implemented by the Corporate and Social Responsibility Group.

The focus is to help and contribute in areas where there is critical need and within the office locality so they are also able to contribute their time.

In 2017, the CSR Group agreed to support the areas of child welfare, education and healthcare.

### Child welfare

OSBI has partnered with the SOS Children's Village, located in Bangalore, to fund education, food, clothing and housing for 20 orphans. Working together with SOS, OSBI employees helped to provide support for the holistic development of orphans, women and children belonging to vulnerable families. OSBI also hosted a couple of events at SOS for their staff to engage with the children, which was highly appreciated by both children and the employees.

### Healthcare

OSBI is currently supporting affordable healthcare through a local government-run hospital called CV Raman General Hospital. The hospital provides subsidised medical facilities to the financially challenged members of the community in and around east Bangalore. OSBI has contributed various surgical and arthroscopy equipment that has enabled the hospital to conduct complex surgeries at a fraction of the price charged by private hospitals; for example, they are able to carry out keyhole surgery for ligament tears at under £5!

OSBI are now working with the hospital administration to provide employee volunteers to redo the gardens around the hospital which are currently in a poor state. OSBI plans to complete landscaping work with flowering trees and sprawling lawns along with a children's play area and believes that this will aid in the emotional recovery of the patients.

# Portfolio landlord

We needed to verify the wider portfolio of a new customer to the Group who was applying for a Buy-to-Let purchase.

The applicant completed the cash flow statement, business plan and asset and liability statement, demonstrating their overall strategy, profit position and ability to cover rental voids. We then validated the existing portfolio via our new technology.

This showed up some anomalies so the underwriter reviewed the applicant's wider portfolio, confirming that the existing mortgage loans were on long-term fixed rates.

The underwriter re-verified the portfolio and the ICR threshold was met. Due to an experienced manual underwriter adopting a flexible approach, the case was approved quickly. Automated systems simply don't do this.

**CRAIG RICHARDSON**  
HEAD OF UNDERWRITING



**Automated systems just don't do this**



## Animal welfare

OSBI contributed to the movement and construction of a pet shelter run by Compassion Unlimited Plus Action ('CUPA'). CUPA provides rescue and relief to thousands of injured, ill and needy street animals in Bangalore, Karnataka. Animals that come hurt, sick or abandoned are given the care and treatment they need to recover and then are re-homed or rehabilitated.

## Looking forward to 2018

The activities undertaken in 2017 delivered a stronger emphasis on staff engagement within the local community to deliver real, tangible benefits and lasting value and we want to build on that in 2018.

As the sponsorship deals with Kent County Cricket Club and the Kent County Football Association come to an end this year, there is an opportunity to build on the community-based projects and initiatives that have been trialled in 2017 including:

- Increased community involvement
- Greater staff engagement, and
- Activities that bring KR branches into the mix as 'community hubs'.

The Strategic report is approved by the Board and signed on its behalf by:

**Jason Elphick**  
Group General Counsel and Company Secretary  
15 March 2018