

# Gender & Ethnicity Pay Gap Report

April 2023 – April 2024







## Sharon Doherty Chief People and Places Officer

**I'm proud of the journey that Lloyds Banking Group (LBG) has been on since 2017 when our Gender Pay Gap reporting began, and from 2020, when as part of our Race Action Plan we began voluntarily sharing our Ethnicity Pay Gap report. Since then, we've achieved solid results and made year-on-year progress against our Diversity, Equity and Inclusion (DE&I) agenda.**

Inclusion is a core value at LBG, and for good reason. A more inclusive society is a more prosperous society, and a diverse business is a better business. Achieving this requires focus and effort right through the business to make this happen.

**Our Executive Ally Sponsors for Gender, Ethnicity and other diversity strands** are driving change from the top, alongside our volunteer colleague networks, who work tirelessly to help our colleagues feel seen, valued and included. These efforts are underpinned by centrally-led targeted initiatives and propositions.

We remain proud co-sponsors of the FTSE Women Leaders Review and this year; we were **the highest ranked (and only) bank to enter the top 10 of the FTSE 100 companies for women in leadership.**

We support our people in the moments that matter, which we've done through our **Flexibility Works policy and our menopause proposition.**

Since 2021, nearly 10,500 line managers have completed our **race education training**, and we continue to support our Black heritage colleagues with **bespoke career support.**

We're now well underway with the largest transformation journey in UK financial services; and while there is still plenty of work ahead of us, I'm encouraged with how we're **seizing opportunities as we reshape our ways of working, systems and processes, to integrate DE&I into all we do.**

We know that to transform our business, we need the right skills, particularly in **tech and data, which are key growth areas.**

Representation of women in tech and data roles remains low, both internally and externally, so this remains a key area of focus for us to drive in line with our ambitions. We also have more work to do to continue to align our internal ethnic minority representation to the wider external trends in the UK.

We're working hard on getting this balance right through **recruitment, progression and reskilling into these roles.**

We regularly review our colleague pay to ensure that everyone is paid fairly, regardless of ethnicity or gender.

While the Pay Gap progress we've made in the last year is moving us in the right direction, it's still slower than we'd like. However, as our transformation continues at pace, I'm confident that our choices and actions are paving the way for **a brighter and more equitable future.**

*Sharon Doherty*



### Current representation within Lloyds Banking Group As at end April 2024

Percentage of colleagues that have shared their data (All Grades):

#### Ethnicity

**90.4%**

Representation – Senior Management:

#### Gender

**40.4%**

#### Black, Asian & Minority Ethnic

**11.7%**

#### Black Heritage

**1.7%**



# Gender pay gap

Progress has continued to close the mean Gender Pay Gap; this has reduced 0.8 percentage points to 25.9 per cent. As of April 2024, 40.4% of senior leadership roles were held by women.

## Overview

This is not about pay equality – a Gender Pay Gap exists because women hold fewer senior positions within the Group than men.

### What the data shows

Continued progress has been made in closing the Gender Pay Gap, with the gap reducing by 0.8 percentage points to 25.9 per cent. This improvement demonstrates that our actions are moving us in the right direction, however, we remain committed to accelerating our progress.

### Why we have a bonus gap

Generally, bonus Pay Gaps would be expected to vary more from year to year than hourly Pay Gaps. Our variable pay (bonus) is higher at more senior levels, and we have a higher proportion of men in senior roles. In addition, the bonus gap is exacerbated by the fact that bonuses are pro-rated for reduced hours workers – with the majority of these flexible positions currently held by women.

Over the last year the Gender bonus gap has reduced by 4.4 percentage points to 50.5 per cent. Since reporting began in 2017, the mean Gender bonus gap has reduced by 14.7 percentage points.

We will continue to focus on improving the representation of women in senior roles. This is crucial to our ability to close our Gender Pay Gap.

### Our commitments to gender inclusion

Integrating DE&I into the way we run our business has been core to our success to date. Holding our Group Executives to account is paramount. We use business area goals and delivery against these forms a core part of individual scorecards and performance conversations.

Our data led approach, which is grounded in key metrics and insight gathered through colleague feedback, allows our business area Executives to identify opportunities to accelerate progress and to also address any gaps.

We take active steps to improve equity through all stages of our colleague lifecycle from recruitment, to progression and retention.

We have committed to support the recommendations set out by the FTSE Women Leaders review of 40% women representation in the Executive Committee and direct report population, and we have met these recommendations ahead of the 2025 target date. We have climbed from 73rd position in the 2017 FTSE 100 Rankings to 5th in the 2024 rankings.

The mean gender pay gap has reduced by 6.9% since reporting began in 2017 and the mean bonus gap by 14.7%



Note: No bonuses were awarded for the 2020 performance year, which would normally have been paid during 2021, and therefore impacted the bonus data for the 2021 and 2022 Gender Pay Gap reporting periods.



As of April 2024

**40.4%**

of senior leadership roles are held by women



# Ethnicity pay gap

Continued progress has been made with the mean gap reducing by 2.7 pts from 5.7 per cent to 3.0 per cent from last year, the largest improvement since we started reporting in 2020.

## Overview

We remain committed to publishing our Ethnicity Pay Gap report on a voluntary basis. We have chosen to publish for the past three years because we recognise the importance of transparency in encouraging focus and inspiring purposeful, action-led change. It helps to hold us accountable to delivering on our commitment and we believe will lead to sustainable positive change for our people.

### What the data shows

90.4% of our colleagues have chosen to disclose their ethnicity with us, an encouraging increase from 88.2% in April 2023.

Whilst we have more to do to close the gap, we have seen improvements within the representation of our senior leadership teams which has had a significant impact on gap closure to date.

### Our commitments to ethnic diversity

As an organisation we stand against racism, and our Race Action Plan created in 2020 outlines the steps we continue to take to drive sustainable change for our people.

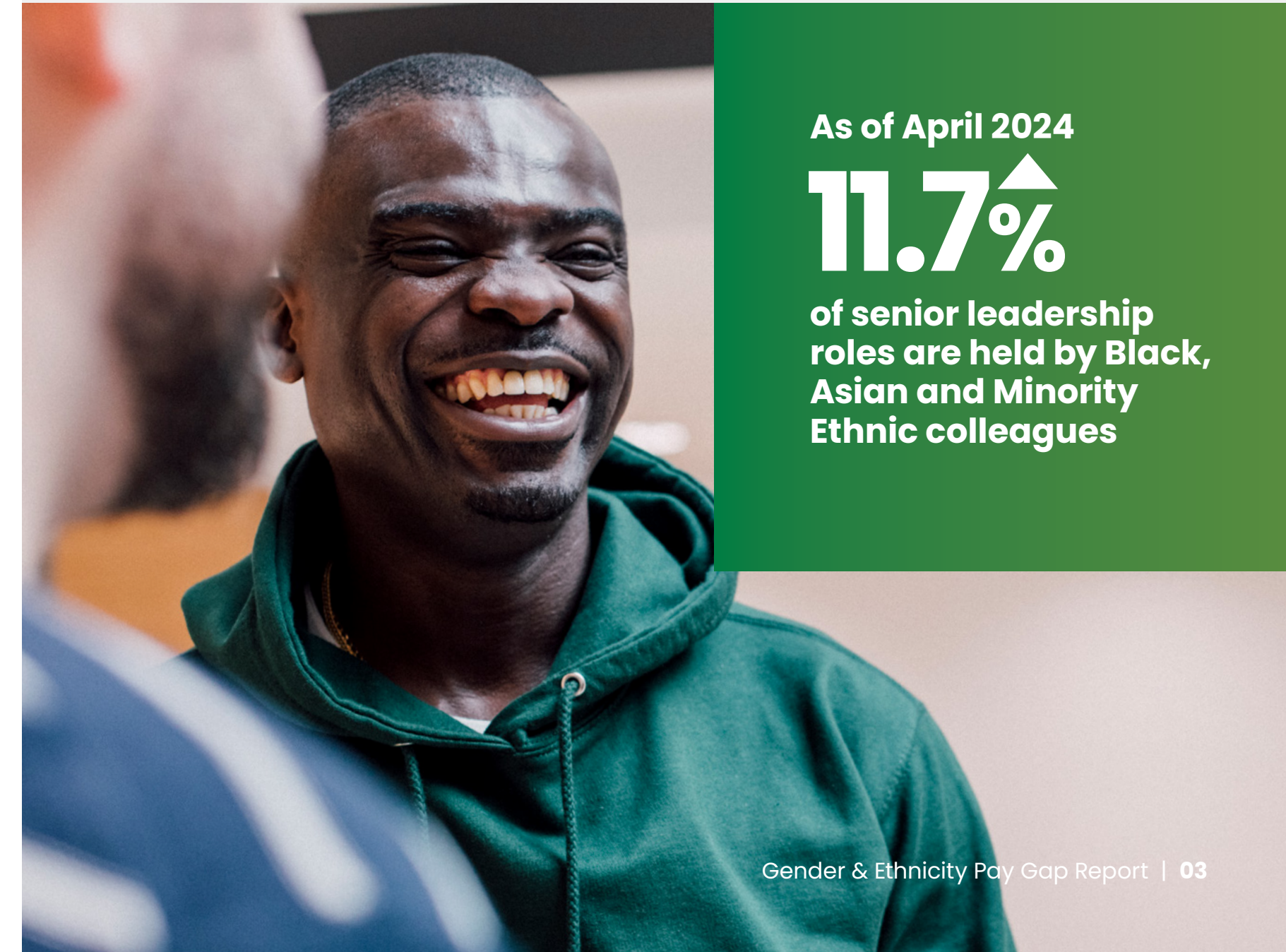
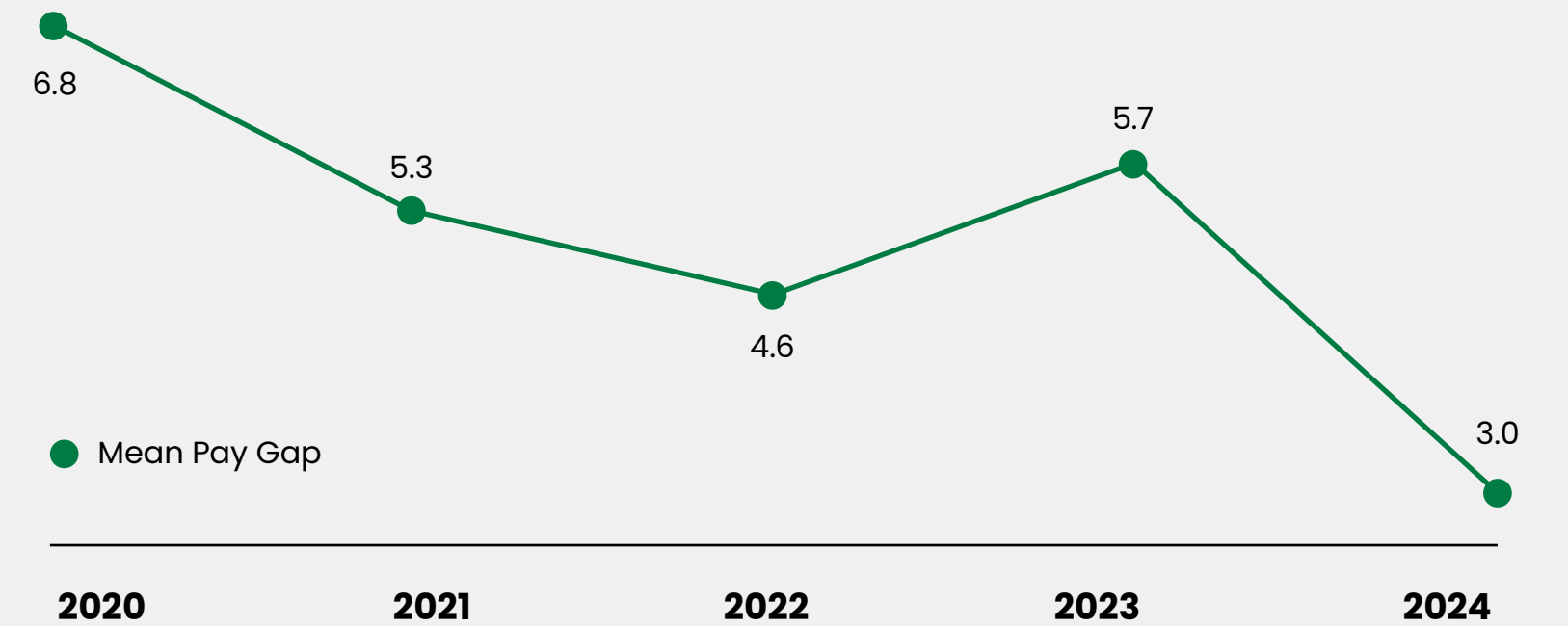
We are focused internally on driving change through our culture, recruitment and progression to improve representation. For example, our Race Education training programme, undertaken by all colleagues within the Group, aims to equip everyone with the skills they need to reflect on their own behaviours and the impact these can have on those around them, ultimately helping us to create a more positive working culture for everyone.

Having identified opportunities to improve the progression of our Black heritage colleagues, we continue to invest in our bespoke Senior Leadership and Career Acceleration programmes, with colleagues promoted or making lateral moves to enhance their career progression since inception.

We have seen steady growth in Ethnicity representation across the Group and specifically at senior levels, but to further accelerate our progress we are looking closely at the colleague life cycle, increasing representation in skills growth areas in technology and data, continuing the upskilling of our colleagues and leaders and ensuring equity in our people policies and processes.

Additionally, we have continued in our active support for Black business communities through our partnerships with Foundervine and the Black Business Network.

The ethnicity pay gap has reduced by 3.8% since reporting began in 2020

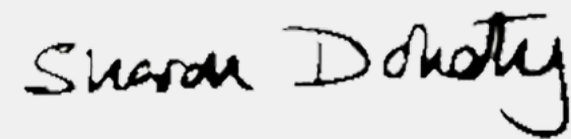


# Gender Pay Gap By Employing Companies

Lloyds Banking Group is made up of a number of employing companies. While we manage our Gender strategy at a Group level, and all policies and action plans apply to all parts of the Group, the UK Gender Pay Gap Reporting legislation requires us to report separately for each of our employing companies, as set out:

## Declaration

I confirm that the Lloyds Banking Group Gender Pay Gap calculations featured in the report are accurate.



**Sharon Doherty**  
Chief People & Places Officer

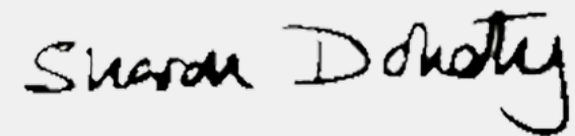
	Pay											Bonus						
	Mean Gender Pay Gap		Median Gender Pay Gap		Upper Quartile		Upper Middle Quartile		Lower Middle Quartile		Lower Quartile		Mean Gender Pay Gap (Bonus)		Median Gender Pay Gap (Bonus)		Proportion with a Bonus	
	Result	Difference to 2023	Result	Difference to 2023	Male	Female	Male	Female	Male	Female	Male	Female	Result	Difference to 2023	Result	Difference to 2023	Male	Female
<b>Lloyds Banking Group</b>	<b>25.9</b>	<b>-0.8</b>	<b>35.5</b>	<b>2.7</b>	<b>62.1</b>	<b>37.9</b>	<b>50.2</b>	<b>49.8</b>	<b>35.8</b>	<b>64.2</b>	<b>30.7</b>	<b>69.3</b>	<b>50.5</b>	<b>-4.4</b>	<b>56.8</b>	<b>-2.6</b>	<b>96.5</b>	<b>97.1</b>
Lloyds Bank PLC	26.7	-1.3	39.2	1.8	63.6	36.4	53.1	46.9	38.2	61.8	33.0	67.0	50.6	-5.7	43.6	-11.2	95.3	96.1
HBOS PLC	25.2	0.1	30.9	3.1	57.3	42.7	46.4	53.6	32.9	67.1	21.8	78.2	51.0	-1.7	61.6	-0.1	98.8	98.8
Scottish Widows Services Limited	13.9	-1.1	18.6	4.1	61.9	38.1	53.7	46.3	45.8	54.2	39.9	60.1	30.8	-6.5	35.6	-12.6	99.8	100.0
MBNA	15.4	1.1	17.0	2.3	55.2	44.8	42.9	57.1	33.3	66.7	34.4	65.6	32.3	-2.6	46.8	8.6	99.2	95.2
Lloyds Bank Asset Finance Limited	20.7	0.5	31.9	3.5	64.6	35.4	56.8	43.2	42.3	57.7	25.8	74.2	41.2	-1.3	62.8	0.5	100.0	100.0
Lloyds Bank Corporate Markets Limited	10.9	-2.5	0.6	-3.1	36.4	63.6	32.2	67.8	32.2	67.8	34.4	65.6	35.3	-19.6	8.5	4.9	96.4	97.4
Cheltenham & Gloucester PLC	16.7	-9.7	28.5	2.5	61.7	38.3	40.4	59.6	41.5	58.5	30.5	69.5	33.0	-17.9	56.0	2.2	98.8	100.0

# Ethnicity Pay Gaps

To help us better understand the Ethnicity Pay Gap, we break the data down even further across our Black, Asian and Minority Ethnic colleagues at an individual level. Having a greater understanding of the figures allows us to address the complex and specific needs of our colleagues more accurately and identify the specific barriers that are preventing people from meeting their full potential:

## Declaration

I confirm that the Lloyds Banking Group Ethnicity Pay Gap calculations featured in the report are accurate.



**Sharon Doherty**  
Chief People & Places Officer

	Pay				Bonus			
	Mean Ethnicity Pay Gap		Median Ethnicity Pay Gap		Mean Ethnicity Pay Gap (Bonus)		Median Ethnicity Pay Gap (Bonus)	
	Result	Difference to 2023	Result	Difference to 2023	Result	Difference to 2023	Result	Difference to 2023
<b>Lloyds Banking Group</b>	<b>3.0</b>	-2.7	<b>8.0</b>	-4.6	<b>25.6</b>	-3.7	<b>16.8</b>	-11.8
<b>Black</b>	<b>10.0</b>	-1.9	<b>19.2</b>	1.4	<b>44.4</b>	-2.4	<b>24.4</b>	-7.7
<b>Asian</b>	<b>2.5</b>	-3.2	<b>7.9</b>	-6.1	<b>25.4</b>	-4.2	<b>17.0</b>	-13.5
<b>Other Ethnic Minority</b>	<b>-5.2</b>	-2.6	<b>-6.1</b>	-3.5	<b>-3.0</b>	-9.6	<b>0.0</b>	0.0



# Our strategic DE&I commitments

Learn more about our work and commitments to  
**Diversity, Equity and Inclusion:**

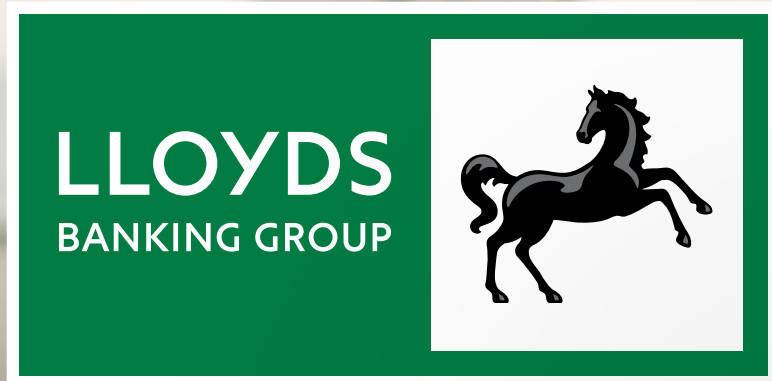
**Overall commitments** - [Inclusion and diversity - Lloyds Banking Group plc](#)

**Ethnicity** - [Ethnicity - Lloyds Banking Group plc](#)

**Gender** - [Gender - Lloyds Banking Group plc](#)







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