



# Gender Pay Gap Report

April 2020 - April 2021



# Introduction

Fiona Cannon OBE, Group Sustainable Business Director at Lloyds Banking Group

As a Group, we’re guided in how we do things by a clear set of values. We strive to create a fully inclusive environment for all our colleagues, customers and communities, one that is truly representative of modern-day Britain.

Getting this right is at the heart of our purpose of helping Britain prosper – after all, a more inclusive society is a more prosperous society, and a diverse business is a better business. As part of that, we have continued our mission to minimise the pay gap between men and women at Lloyds Banking Group over the past 12 months.

The progress isn’t as fast as we would like. We want to ensure that our gender pay gap shows a stronger downward trend.

Increasing the gender diversity in senior management teams enhances performance, which is why we’ve introduced a new target for 50% women in senior roles by 2025. This would then bring us in line with the current UK workforce and make us more representative of the society we serve.

Making good on this commitment, and minimising the gender pay gap, is a key priority for us.





# Overview

Our Gender Pay Gap data shows the difference in average pay between female colleagues and male colleagues and takes into account all roles at all levels within Lloyds Banking Group. This is different to the concept of equal pay i.e. the comparison in pay received by female and male colleagues performing the same roles at the same grade.

At Lloyds Banking Group, we have proportionately more female colleagues in junior roles and proportionately more male colleagues in higher-paid leadership roles. So, with lower numbers of female colleagues in more senior roles, this brings down the average pay for these colleagues and creates an overall pay gap.

Improving female representation in senior roles is therefore key to closing our Gender Pay Gap over time.

In 2014, we were the first FTSE 100 organisation to make a public commitment to improve the representation of women in senior leadership roles. Our ambitious goal of women comprising 40% of our senior management by the end of 2020 has seen us advance from 28% in 2014 to 37% in that time. We have more to do, and it is our aspiration to ensure that the makeup of our senior leadership team reflects our society.

Being able to attract, develop, nurture and retain top female talent is important to us as a business. We also recognise that companies with gender-diverse

senior management teams perform better. That is why, to truly help Britain prosper, we must address this imbalance.

Recruitment plays an important role in improving gender representation within senior leadership, but is only one part of the puzzle. Nurturing and developing the talent we already have will help us create a pipeline of future leadership and role models for our female workforce. Our work to improve gender equality has been recognised externally: in 2021, Lloyds Banking Group was listed in The Times Top 50 Employers for Women list for the tenth consecutive year. We were also included in the Bloomberg Gender Equality Index for a third year running.

While we have further reduced the mean pay gap this year to 29.9%, from 32.8% in 2017, it is still larger than we would like and progress has not been fast enough.

The reduction in our pay gap is due to an improvement in gender representation across our business, with an increase in the proportion of female colleagues in senior roles. However, the biggest driver of our pay gap continues to be the shape of our workforce. We still have a higher proportion of women in more junior levels and fewer women in more senior roles.

## MEAN AND MEDIAN GENDER PAY GAPS 2021

	PAY	
	Mean Gender Pay Gap	Median Gender Pay Gap
Lloyds Banking Group	29.9%	34.2%

### Mean Gender Pay Gap

The **mean Gender Pay Gap** is the difference between the average hourly earnings of male colleagues and the average hourly earnings of female colleagues.

### Median Gap

The **median gap** is based on arranging all the pay amounts in numerical order and selecting the middle amounts.

## Gender Pay Gap By Employing Companies

Lloyds Banking Group is made up of a number of employing companies, eight of which have more than 250 employees. 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 below:

	Pay											
	Mean Gender Pay Gap (Hourly Rate)		Median Gender Pay Gap (Hourly Rate)		Upper Quartile		Upper Middle Quartile		Lower Middle Quartile		Lower Quartile	
	Result	Difference to 2020	Result	Difference to 2020	Male	Female	Male	Female	Male	Female	Male	Female
Lloyds Banking Group	29.9	-0.6	34.2	0.6	62.5	37.5	47.0	53.0	33.4	66.6	28.7	71.3
Lloyds Bank Plc	32.6	-0.9	40.9	0.7	65.2	34.8	49.5	50.5	33.9	66.1	31.1	68.9
HBOS Plc	26.0	-0.3	27.8	0.2	57.3	42.7	43.9	56.1	32.4	67.6	22.1	77.9
Scottish Widows Services Limited	16.3	-1.1	14.1	-0.9	63.5	36.5	56.6	43.4	42.3	57.7	44.9	55.1
MBNA	15.8	-0.3	19.8	0.1	52.6	47.4	45.5	54.5	30.8	69.2	37.6	62.4
Lloyds Bank Asset Finance Limited	21.0	-1.7	26.7	-1.7	64.0	36.0	55.6	44.4	41.1	58.9	27.5	72.5
Cheltenham & Gloucester Plc	18.5	-0.2	22.1	-2.3	58.9	41.1	47.3	52.7	34.8	65.2	31.0	69.0
Lloyds Bank International Limited	16.8	-3.6	18.0	-0.1	48.5	51.5	26.7	73.3	26.7	73.3	35.1	64.9
Lloyds Bank Commercial Finance Limited	23.9	0.2	12.4	2.0	80.0	20.0	51.1	48.9	53.3	46.7	32.6	67.4

Note: Bonus data has been excluded from this report, as this year’s bonus data cannot be compared like-for-like with the equivalent data for last year. This is because no bonuses were paid in 2020, except for deferred payments from previous years.

## Declaration

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

Matt Sinnott

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