



December
2024

TSB. For everyone.

Real diversity
Real inclusion
Real transparency



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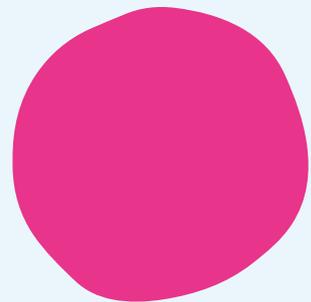
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Difference is good

“When we say TSB is for everyone, we really mean **everyone**. Every single one of our customers and colleagues. At TSB, we have 5,000 colleagues spread across the UK, and we want to create a level playing field for all of them. That means creating a truly inclusive culture, where everyone belongs and is valued for the differences they bring. We’ve made good progress, but we know we have more to do and we’re always looking for ways to improve.”



Ariam Enraght-Moony,
Chief People Officer

Real diversity

Our goals

People don't fit into neat boxes. That's why we've set intersectional goals to ensure TSB is as diverse as the UK is. We are making good progress.

Area of focus	Our 2025 Goal*	Where we are now	How we'll get there	TSB Network
Disability	Maintain a representative workforce where at least 19% of our colleagues live with long term health conditions.	Exceeding goal	Continually seeking feedback from our colleagues and making appropriate changes, working with external specialists and our Ability at TSB network. Giving colleagues access to private health and wellbeing specialists. Ongoing development for colleagues and managers prioritising accessibility.	TSB Ability 
Gender Balance	Maintain at least 40% of senior roles held by women.	Exceeding goal	Develop our Aspiring Women network, Ensuring gender balanced shortlists for all senior hiring and proactively managing gender balance on all future skills and pipeline programmes.	Gender Inclusion 
Race & Ethnicity	At least 14% of the workforce identify as Black, Asian, or minority ethnic , including at least 3% who identify as Black. At least 10% of senior leaders identify as Black, Asian, or minority ethnic.	Making progress	Level the playing field for Black and ethnically diverse colleagues, through targeted development programmes, mentoring and awareness raising initiatives, enabling all colleagues to reach their potential. Deepen the inclusive leadership skills of managers through targeted manager development.	Ethnicity at TSB 
Sexual Orientation	Maintain a workforce where at least 3% of colleagues identify as LGB.	Exceeding goal	Continually develop our LGBTQ+ inclusive culture in partnership with Stonewall and our LGBTQ+ network. Promote a culture of trans inclusion with support for trans and non-binary colleagues.	LGBTQ+ at TSB 
Social mobility	Improve data collection to better understand TSB's socio-economic make-up. Raising awareness of socio-economic barriers to success.	Understanding our workforce	Participate in annual market benchmark, and partner with Progress Together to identify best practices and a path to progress.	Social Mobility 

TSB's 2025 goals are % of colleagues who have shared their personal data.

*Goals to be achieved by end of 2025

Real inclusion

This isn't just talk. Here's what we're doing.

Positive representation across all areas

- Both ethnic diversity and gender balance are key performance indicators within our **Do What Matters Plan**.
- Our leaders and managers require gender-balanced shortlists, and make sure diverse talent can enter our workforce and grow within it.
- We provide training for hiring managers so they can recruit for and manage talent, regardless of background.

Empower colleague networks

- We encourage our networks to be active allies through regular events and campaigns, raising awareness and showing our colleagues the helpful actions they can take.
- We host round-table discussions to deepen our leaders' understanding of diversity topics, sharing different perspectives and providing a safe space to learn and grow.

Measure inclusivity progress

- We have seen progress towards our representation and inclusion goals, regularly tracking and sharing internal survey responses with all TSB colleagues.
- We take on colleague feedback to help us remove barriers and make our work environment more inclusive.

Thank you to all our partners, the external experts who help us to progress and hold us accountable.



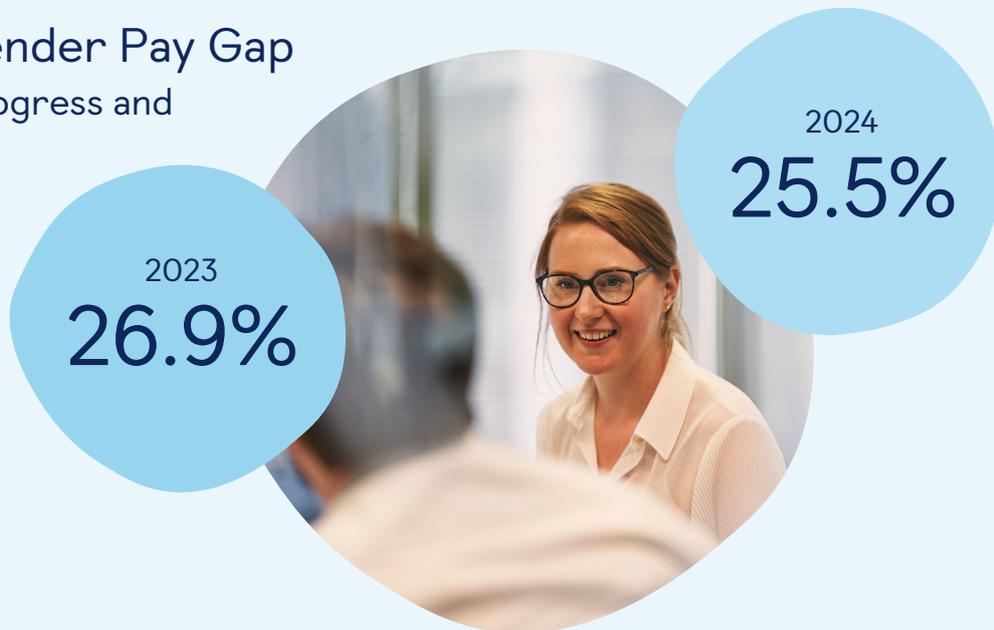
Real transparency

TSB Pay Gaps

We measure pay gaps based on gender and ethnicity, and our mean gender pay gap has decreased whilst our mean ethnicity pay gap has increased. We recognise we need to do more to be representative of our customers at every level of TSB, so we'll always be transparent and honest about how we're doing.

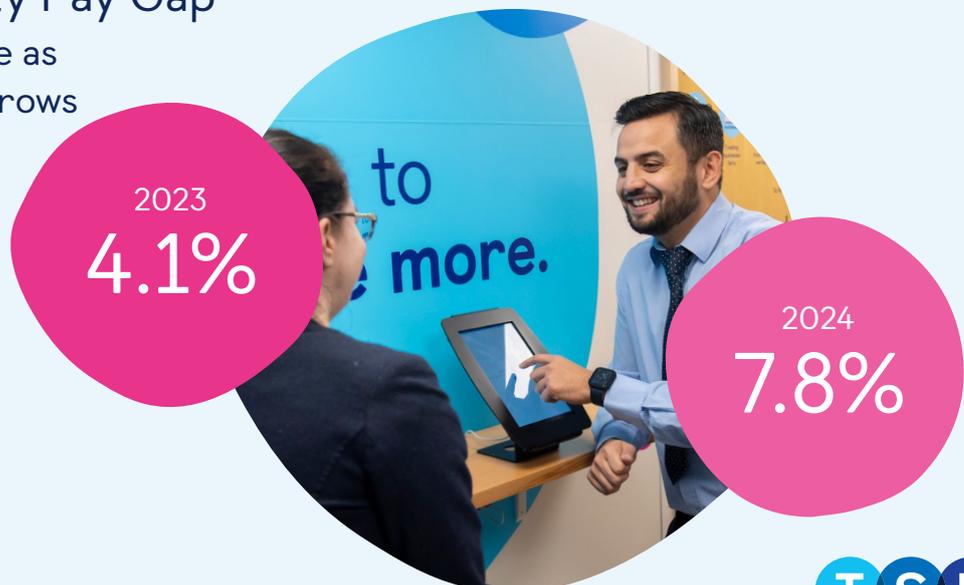
Mean Gender Pay Gap

Positive progress and more to do



Mean Ethnicity Pay Gap

Pay gaps increase as representation grows



Pay gap data signed off by Declan Hourican, TSB CFO.



Why does TSB still have pay gaps?

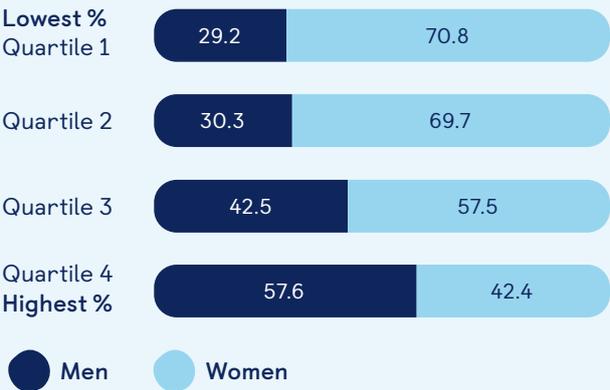
At TSB, the highest volume of colleagues are in customer-facing roles that are often junior. These are also the roles where the higher proportion of women and ethnic minority colleagues are represented. As such, despite improving Black, Asian and minority ethnic representation and female senior representation across the bank, there are still pay gaps to address.

But, we're getting better

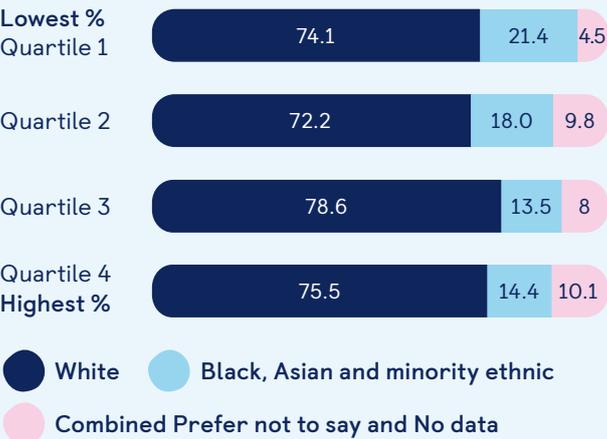
We're committed to better representation at the highest levels of TSB. Balanced representation is a key performance indicator in our Do What Matters Plan and is reported regularly to our Executive team and TSB Board.



Proportion of colleagues in each pay quartile



Proportion of colleagues in each pay quartile



Industry context - the 2023 financial services median gap was 27.9%. There is no industry wide pay gap report for ethnicity.

[UK gender pay gap by sector 2023 | Statista](#) (updated April 2024)



The facts and the figures

TSB Gender Pay Gap, April 2024

Closing the gap - In the 8 years since we started publishing our pay gaps, we have made progress. This is thanks to greater gender balance among senior leaders, better pay at lower levels and changes to our organisation as we transition to be digital inside and out.

	2017	2023	2024
Mean Pay Gap	31%	26.9% -2.6%	25.5% -1.4%
Median Pay Gap	24.2%	21.9% -1.8%	24.7% 2.8%
Mean Bonus Gap	53.1%	38.1% -9.3%	48.8% 10.7%
Median Bonus Gap	37.1%	18.9% -8.8%	25.2% 6.3%
Proportion of Male Colleagues Receiving Bonus	84.3%	93.9% 2.3%	91.7% -2.2%
Proportion of Female Colleagues Receiving Bonus	87.9%	96.5% 2.6%	96.2% -0.3%

Pay gap is one important indicator of equity we continue to focus on improving, whilst driving up representation, removing barriers to progression and levelling the playing field for all our colleagues. Consistent progress made since we started reporting.



Pay gap data signed off by Declan Hourican, TSB CFO.



TSB Ethnicity Pay Gap, April 2024

Our mean pay gap has increased year on year, whilst our median pay gap continues to decrease.

Higher disclosure and better representation reveals more of our Black, Asian and minority ethnic colleagues are in lower grade, lower paid roles, leading to a mean pay gap increase. By comparison, white colleague volumes were far less impacted by ethnicity disclosure Year on Year.

	2023	2024
Mean Pay Gap	4.1% 2.9%	7.8% 3.7%
Median Pay Gap	12.8% 0.3%	10.8% -2.0%
Mean Bonus Gap	10.9% 10.0%	36.6% 25.7%
Median Bonus Gap	6.2% 3.8%	12.3% 6.1%
Proportion of White Colleagues Receiving Bonus	97.9% 1.7%	95.8% -2.1%
Proportion of Black, Asian and minority ethnic Colleagues Receiving Bonus	95.6% 4.5%	90.3% -5.2%

The Mean for Black, Asian and minority ethnic colleagues has increased in 2024. The underlying reasons for this are that more of our colleagues have disclosed their ethnicity to us. Improved disclosure is a positive sign of colleague trust, as well as being a more accurate representation of our pay gap.





what matters