

Sustainability Report continued

Strategic Pillar – People continued

Colleagues

The skills, expertise and commitment of our colleagues have always been fundamental to the achievement of the Group's strategic goals.

In 2024, we continued to invest in training, development and engagement activities to ensure that the Group provides a compelling and attractive employee proposition both for our existing employees and for candidates considering joining the Group.

Retention and progression

We have a genuine desire to retain, support and develop our employees. During 2024, over 140 UK employees were promoted to a more senior grade along with 185 employees within OSB India.

We actively promote internal and career development opportunities for existing colleagues. In 2024, 27% of UK vacancies were filled by way of internal appointments with just over 7% of vacancies at OSB India being filled by existing employees.

At 7%, the 2024 UK regretted attrition rate was lower than the 2023 rate of 9%. The OSB India regretted attrition rate was broadly flat to 2023 at just 12% which compared favourably with rates within the local sector demonstrating a strong culture and compelling employee proposition.

A redundancy programme in late 2024 saw us apply a high level of focus on reducing staff costs that affected 139 colleagues across the Group. A robust UK collective consultation process was undertaken, with several employees being redeployed into alternative roles. However the UK non-regretted attrition rate increased from 2% in 2023 to 12% in 2024. A similar programme was undertaken within OSB India, with non-regretted attrition rate increasing to 16% from 6% in 2023.

Recruitment

Our Talent Acquisition teams provide bespoke support in attracting high quality candidates for vacant positions and, through robust and inclusive interview and selection processes, assist in making strong recruitment decisions.

During 2024, our teams filled almost 600 vacancies, resulting in the Group welcoming almost 250 new UK employees and almost 290 new employees in India. There were 2,498 Group employees as at the end of 2024 (2023: restated 2,506¹).

A key focus for our Talent Acquisition team was the proactive identification of potential candidates directly and through improved use of our website and external job boards. In 2024, they filled almost 40% of UK vacancies on a direct recruitment basis, resulting in a saving of over £1.1m of agency recruitment fees. Within OSB India, over half of all the vacancies which closed in 2024 were because of direct recruitment activity, resulting in a further saving of over £300k of agency fees.

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 154 to 179.

As an accredited Living Wage employer, we ensured that all UK employees and regularly contracted third-party staff earned more than published Real Living Wage rates and we continued to encourage our employees to hold shares in the Group, through our Sharesave Scheme, which is offered annually to all UK employees.

Group vacancies filled by the Talent Acquisition

c. **600**
2023: over 1,068

Employee promotions across UK and India

327
2023: 183

1. Restated due to change in calculation methodology.

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Just under 470 employees joined the 2024 Sharesave scheme and, including the schemes launched in previous years, over 800 UK employees were Sharesave Scheme members as at the end of 2024.

2024 saw the Group further enhance its UK employee benefit offering, providing colleagues and their partners with fully funded reproductive health support as well as funded access to advanced health assessments and in-house clinical services. In addition, we became a member of Employers for Carers and launched our Carer Leave Policy, providing colleagues with an entitlement of 35 hours of carers' leave, of which the first 14 hours are treated as paid leave.

Employee engagement and culture

Our 2024 Best Companies survey result saw us retain an overall '2 Star' rating, with Best Companies defining this as an outstanding level of employee engagement. This resulted in the Group moving up to 45th place on their 2024 Top 100 list of large companies (between 200 and 1,999 people). Colleagues within OSB India participated in a separate survey, run by the Great Place to Work Institute and following which OSB India were officially certified as a 'Great Place to Work' for the eighth consecutive year.

We continued to see strong feedback through Glassdoor, with the UK score at the end of 2024 sitting at 4.1 and the OSB India score slightly higher at 4.2. The scores were based on reviews submitted by current and former UK employees, reflecting the positive culture that exists throughout our teams.

Following the launch of the Group's People and Culture Strategy last year, significant progress was made regarding many of the initiatives that had been identified to support the wider achievement of business strategy, the transition to a modernised working environment and the achievement of our People Vision of becoming recognised as a genuine employer of choice.

To further support our cultural progression, 2024 saw us welcome both our Chief People Officer and our Group People Transformation and Skills Director, which enabled us to refine our ongoing areas of cultural focus and commence our journey towards becoming a skills-based organisation.

The Group's Workforce Advisory Forum (Our Voice) continued to meet regularly in 2024, including employee representatives from all geographical locations, including OSB India. The aim of the forum is to further enhance the level of engagement that the Group Executive Committee and the Board have with the wider workforce. To achieve this, in addition to employee representatives, the forum is attended by rotating Non-Executive Directors and Group Executive Committee members to ensure that they can hear directly from the employees and share feedback on important matters.

Employee recognition and awards

In 2024, the Group recognised the significant tenure of around 170 UK employees who reached a five, ten, 15 or 20 year milestone of employment through our Long Service Award programme. At the end of 2024 there were seven UK employees who had over 20 years' continuous service. In OSB India, over 50 employees reached a five or ten-year service anniversary and around 200 OSB India colleagues had five or more years' service, of which almost 50 were with OSB India for over ten years.

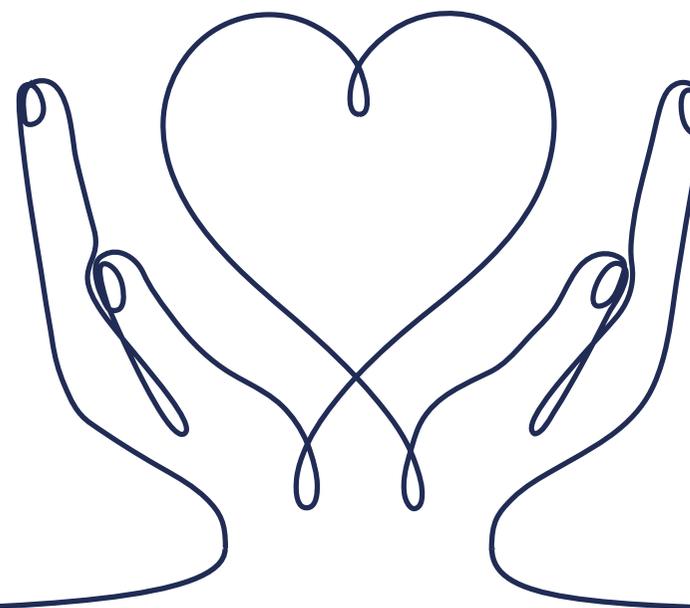
Each quarter, all employees are invited to nominate colleagues as part of our Galaxy Award Scheme. Nominations are sought for categories that link directly to each of our Values with individual winners and runners-up for each category.

For our 2024 awards, over 400 nominations were submitted, with the details of all nominees being shared internally, along with details of the quarterly award winners and their nomination rationale.

Training and development

Our People Transformation and Skills team, based in both the UK and India, concentrate on providing learning and development opportunities for all employees, using a mix of internal and externally sourced content, which are delivered through a range of media, including workshop and digital formats.

Throughout 2024, the team delivered almost 2,500 internal workshops, with the number of recorded training hours averaging over 4,500 hours per month, representing around 11 workshop training hours per UK employee and over 38 hours per OSB India employee.



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The team also worked in partnership with MGI Learning to become accredited to deliver a key programme in support of our Consumer Duty response, providing a methodology for front-line colleagues to utilise when dealing and communicating with our customers.

2024 saw a continued focus on leadership development with the team delivering three bespoke programmes to different levels of existing leadership and management employees. 30 employees joined our Future Supervisors and Managers Programme, 11 managers commenced the Essential Managers Programme and 16 managers completed the Essential Managers Apprenticeship.

We also continued our partnership with WDI Consulting to deliver the Group's Women in Leadership initiative, supporting 31 female managers and senior leaders with their individual progression pathways. In addition, 35 female future leaders commenced a Women in Leadership Apprenticeship Scheme, launched in partnership with Raise the Bar.

In 2024 we commenced our journey to become a skills-based organisation by joining the Financial Services Skills Commission and we continued to support the professional development of colleagues, with 26 UK employees receiving financial support to pursue their professional qualifications during the year.

Diversity, equity and inclusion

We recognise the benefits that diversity brings to the business, and we actively promote and encourage a culture and environment that values and celebrates our differences.

In 2024, 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 for all employees.

We continued to support mental health and wellbeing through the provision of advice and workshops for employees and line managers. We increased our UK network of trained UK Mental Health First Aiders to 50 and introduced a network of 21 trained Mental Health First Aiders within OSB India.

Our published 2024 Gender Pay Gap Report is available on the Group's website (www.osb.co.uk) and shows that OSB Group's mean gender pay gap as at the snapshot date of 5 April 2024 was 35.5%, reducing from the 2023 reported figure of 36.1%. Whilst it is pleasing to see continued progress, we are committed to reducing these gaps further. Fundamentally, the gaps relate to the structure of our workforce and reflect the fact that we have more men than women in senior roles and more female employees undertaking clerical roles.

We recognise the need to improve our gender balance and having achieved our previously published commitment as a signatory of HM Treasury's Women in Finance Charter (WIFC) of 33% of senior management positions within the UK undertaken by female employees by the end of 2023, we increased this to a commitment of achieving 40% by the end of 2026. At the end of 2024, further positive progress was made, with our WIFC percentage increasing considerably to 36.1%.



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The Group applied a continued focus in the year to enhancing ethnicity diversity, particularly in respect of the senior management population. The proportion of senior managers identifying as non-white increased to 15% at the end of 2024 from 14% in the prior year. In line with the Parker Review requirement applicable to all FTSE 350 companies, we will prioritise increasing ethnic diversity among Executive Committee members, with an aim of 14% by 2027, from 11% at the end of 2024.

We increased DE&I initiatives across the Group, including employee communication and events enhancing awareness and celebrating our differences. These were often aligned with the dates of national events such as Pride, Black History Month, National Inclusion Week and International Women's Day, with related activities being coordinated by the internal 'Our Diversity Network' made up of passionate volunteers.

Our internal Inclusivity Survey was completed by nearly 800 UK colleagues and over 600 OSB India employees, with the results showing an overall improvement across all categories compared to the 2023 results when the survey was first undertaken. This demonstrated a positive shift in how colleagues viewed our overarching approach to DE&I and provided insights as to where additional focus can be applied to further enhance inclusivity throughout the Group.

We continue to capture diversity data from our UK employees and at the end of 2024, over 80% of colleagues submitted some or all of their data. We introduced this within OSB India in September 2024 with around 19% of colleagues having submitted data.

At the end of 2024, around 56% of our UK workforce was female similarly almost 54% of employees who joined us in 2024 were female. Within OSB India, females constitute 40% of all employees, with over 46% of 2024 starters being female. In addition, 27% of our Group Executive Committee were female as were 44% of the OSB Group Board.

The Group achieved all required targets in respect of Board diversity of which two females hold the senior Board positions of CFO and Senior Independent Director. Additionally, two members of the Board were from a minority ethnic background.

For the CEO and the CFO, gender and ethnicity data is collated within the Group's HR System, in a manner consistent with all UK employees. Both Board members who confirmed their ethnically diverse status have self-reported this to the Group HR Director within responses required by the Parker Review (FTSE 350 Ethnic Diversity Submission for 2024).



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Colleagues continued

	Male	Female
Number of Board Directors (OSB Group)	5	4
Number of Directors of subsidiaries	16	0
Number of senior managers (not Directors) ¹	157	92
All other employees ¹	1,074	1,150

1. Includes all UK and OSB India colleagues. Senior managers are employees within the Grade A to E population.

Board diversity

Gender	Number	Minority ethnic background
Men	5	1
Women	4	1

Safety and welfare

The Group operates to all applicable Health and Safety regulations, with access to competent advisors, and processes in place to assess risks and monitor compliance with internal policies, procedures and controls. Training is provided to employees who perform in the roles of fire marshals, first-aiders and mental health first-aiders.

In 2024, there was one incident classified as a lost-time incident (2023: one) resulting in five lost working days. The incident did not meet the criteria for reporting under the Reporting of Incidents, Disease and Dangerous Occurrences Regulations 2013. The total injury rate was 8.452 (2023: 5.054).

OSB India

OSB India, which is a wholly owned subsidiary of the Group, is based in Bangalore and Hyderabad, and at the end of 2024 had 949 employees. OSB India supports the Group across various functions including Support Services, Operations, IT, E-Labs and Finance. OSB India is a holder of ISO 27001: 2013 certification, demonstrating high standards of information security.

To help support our ongoing growth, our new office in central Hyderabad became operational in 2024. It aided in attracting new employees and supporting the retention of existing colleagues given that for the vast majority, the new location significantly reduced commuting time. As at the end of 2024, our Hyderabad employee base grew to almost 260.

In compliance with the Modern Slavery Act, OSB India does not support excessive overtime and all employees in India are encouraged to work in accordance with local legislation. Employees are based in our modern Bangalore and Hyderabad offices and are provided with a range of benefits which include 22 days of annual leave, 12 days' sick leave and cafeteria services.



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Communities

Our employees have sparked positive change in our communities.

2024 was a year marked by significant change and challenge for many, with low social mobility remaining a persistent issue, disproportionately affecting underserved elements of communities.

We believe that everyone, regardless of background or origin, deserves opportunities to thrive, and as a business we have a responsibility to contribute to a fairer society by sharing our skills and resources.

Our employees are passionate about making a difference and throughout 2024 they actively supported many community organisations, helping to create a lasting impact and build stronger, more equitable communities, wherever they live and work.

Through volunteering, raising funds through charity events, and providing small grants to local community groups that are important to our colleagues, we made a distinct impact across our local and national communities.

Our approach to making an impact on our communities is about making informed decisions to improve the wellbeing and outcomes for our customers, our people, and the communities we serve. Through strong partnerships, we combine financial support, business skills, and the power of our voices to create a truly meaningful difference.

Our Purpose – to help customers, colleagues, and communities prosper – guides our commitment to wellbeing, the environment, education, and the arts, and is purpose-built upon the strength of our ‘connection and collaboration’ foundations. These building blocks enhance the quality of life for those who use our products, work with us, and support our vision of becoming the UK’s leading specialist bank.

Depaul benefitted by:

£55,145

Demelza benefitted by:

£69,177

Total benefit to all charities/organisations:

over £394k

2023: over £288k



Connection and collaboration: Depaul UK and Demelza Children’s Hospice – pop-up shop

In September we partnered with Demelza Children’s Hospice and Depaul UK, two of our corporate charity partners, and delivered a combined clothing pop-up shop and recruitment advice session for Depaul’s young homeless clients.

Prior to the event, Depaul’s clients created mood boards to give an idea of the kind of clothing they wanted to see at the event, and we encouraged our employees to search their wardrobes and donate anything they no longer needed.

We received some wonderful donations across all of our UK office locations, which were collected by Demelza’s warehouse team and taken to be sorted prior to the event.

The outfits chosen for the event were based on the mood boards, ensuring we delivered items in the style and sizing requested. Demelza has 31 charity shops in Kent and the South East and was the perfect logistical partner for this event.

The young people were able to walk around the racks of donated clothing, choosing outfits they would feel confident wearing within (and outside) a work environment. The Group volunteer Grace Sawyer was on hand to help them sort through the donated clothing and find items they were excited about.

I really liked meeting the young people, talking to them and hearing their career aspirations, and it felt wonderful putting an outfit together for them.

Grace Sawyer,
Our Community Employee
Network Representative

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Communities continued

We strive to do more than just improve financial wellbeing. We aim to empower individuals to flourish, thrive, and achieve their personal and professional goals.

To achieve this, we prioritise people and the planet. We recognise that community impact isn't a by-product but a core responsibility of our business.

Understanding the unique needs of diverse communities, we collaborate with local and national organisations and charities to effectively allocate resources and maximise our reach. This ensures that our collective efforts, underpinned by robust collaborative partnerships, foster a supportive environment where partners can mutually benefit and amplify each other's efforts.

By measuring and learning from outcomes, we ensure our actions create a lasting positive impact. With the Group amplifying the combined impact, we leverage our collective strengths to achieve our common goals.

Overall benefit

When combining monetary support from initiatives including the Good Causes Fund, fundraising and match-funding, EV car park charging, and Pennies from Heaven, as well as the value of donations in kind including preloved office furniture and equipment, multiple charities and community organisations benefitted by a combined total of over £394k (2023: £288k) in 2024.

Total volunteer hours:

7,038

41% increase on 2023

Donations to good causes:

£64,484

60% increase on 2023

Total fundraising & matching:

£112,393



OSB India

Our colleagues in OSB India delivered support to vulnerable people and causes in their local communities or where needs are greatest. Across the business, our colleagues volunteered their time across a range of local community partners, spending 500 hours helping those in need.

Our teams have supported many community initiatives from providing education to orphanages and government schools, and healthcare equipment to hospitals in economically disadvantaged communities, providing funding for healthcare for those who can't afford it.

In a key collaboration, a team of 20 volunteers, joined by our UK Group Underwriting Director, dedicated over 100 hours to connect with and support the incredible work happening at SOS Children's Villages of India. Our teams had the privilege to meet the inspiring mothers and children who form the heart of this unique initiative focused on family support, where children without parental care or at the risk of losing it, receive quality care services that goes beyond childcare alone, ensuring comprehensive child development.

We also have a close relationship with HBS Hospital which provides medical services to individuals who are living below the poverty line within the community in and around the vicinity of Shivajinagar, located in central Bengaluru.

HBS's mission is to provide accessible, affordable, high quality, curative and preventive healthcare to the less fortunate, by bringing together strengths and contributions of healthcare professionals, staff, volunteers, and community.

OSB India has focused on supporting the crucial dialysis services, providing care for 335 patients, with 1,704 sessions of sponsored dialysis care – which translates to almost 7,000 hours of life-saving dialysis given in the last year.

Donations to HBS Hospital:

£11,200

(GBP equivalent)

Total hours volunteered:

500

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Communities continued

Charity partners

Partnering for impact: Our long-term partnerships with charities and community organisations are crucial to our community impact strategy. By collaborating with these important organisations, we can address local needs beyond our core business.

Depaul UK: We support Depaul UK's vital work with young people experiencing, or at risk of, homelessness. Our contributions extend beyond financial assistance to include skills development, such as coaching Board members, advising on energy efficiency, and providing HR support to help young people secure employment and a home of their own.

Demelza Children's Hospice: We've partnered with the hospice since 2017 to offer the Demelza Children's Savings Account. By encouraging young people to save, even small amounts, we instil valuable financial habits. Additionally, we match a portion of the total annual average balances in these accounts to support Demelza's essential services for children and their families. This is on top of the valuable volunteering and fundraising we support alongside the donations raised through the savings account.

Partnership with Coventry Rugby Foundation:

Number of underprivileged children supported:

1,700

Number of nutritional food parcels supplied:

1,350

Sponsorship

The Group operates partnerships, supplying charities and organisations with more than monetary donations – we share skills and experience too, and encourage each partner to support one another so they can increase the power and reach of the messaging. And we do this by working together, amplifying the impact across our separate channels.

Volunteering

We're committed to being better neighbours – and we recognise that we can achieve this, not only through the donation of money, but through the donation of our time, skills, and expertise across a broad spectrum of organisations. To demonstrate this commitment, all Group employees are entitled to 14 hours volunteering time per year and are actively encouraged to use the full allocation to give something back to our communities.

Community organisations supported:

144

Good Causes Fund

Our Good Causes Fund is designed to financially support projects and causes that are close to our employee's hearts.

All UK employees can apply on behalf of a registered charity, school, club, community group, animal sanctuary, or voluntary organisation.

Grants of up to £500 are available to help local charities and organisations make a positive difference in our communities.

Community organisations supported:

131

Match-funding

Every year, we engage in a variety of fundraising events to raise money for important organisations focused on helping the sick and disadvantaged. We positively encourage individuals, teams, and departments to think about the different ways they can raise money in a fun and inclusive way. We know that every penny makes a huge difference to our communities, and that's why we're proud to offer match-funding to all UK colleagues.

Community organisations supported:

52

Donations in kind

OSB provides financial support, specific business skills and training sessions, as well as support through our volunteering programme.

Where possible we also donate office furniture and equipment that is no longer needed, or has been replaced, to local organisations who can make use of it.

During the year, office desks, chairs, computer display screens and other items were donated to Coventry Rugby Foundation, Wolves Play Cafe, and Icknield Primary School.