

Sustainability continued

Strategic Pillar – People continued

Colleagues

The skills, expertise and commitment of our colleagues are fundamental to the achievement of our strategic goals.

In 2023, we continued to invest in training, development and employee engagement activities to ensure that we provide a compelling and attractive proposition both for our existing employees and for candidates considering joining the Group.

Employee engagement and culture

In November 2023, it was confirmed that the Group achieved 60th place in the 2023 Best Companies survey on the Top 100 list of large companies (between 200 and 1,999 people), as well as 10th place on the financial services sector list.

The 2024 Best Companies to Work For survey was undertaken in December 2023 and saw an impressive 86.4% of UK employees submit responses. Our overall 2024 survey result was 0.3% higher than the previous year and saw the Group retain an overall '2 Star' rating, with Best Companies defining this as an outstanding level of employee engagement.

The Group additionally achieved 30th place on Glassdoor's 2024 Best Places to Work list in the UK with a 4.4 rating based on reviews submitted by current and former UK employees.

OSB India participated in a separate employee engagement survey in December, run by the Great Place to Work Institute. It was officially certified as a 'Great Place to Work' for the seventh consecutive year,

reflecting the strong brand and culture that exists throughout our teams in Bangalore and Hyderabad.

Throughout the Group, our values (Stronger Together, Take Ownership, Aim High, Respect Others and Stewardship) and the related behavioural expectations provide an opportunity for line managers to assess and provide behavioural feedback within appraisal processes and consider related learning development activities. The values are also aligned to established award programmes and a range of ongoing communications.

2023 saw the creation of the Group's People and Culture Strategy, which was published internally and communicated through a series of briefing sessions attended by over 500 UK and OSB India employees. The Strategy detailed approaches and initiatives to be progressed over the longer term to support the wider achievement of business strategy, the transition to a digitalised working environment and the achievement of our People Vision of becoming recognised as an employer of choice. To further support

the implementation of the approaches and initiatives detailed within the Strategy, the Group recruited a Group Head of People Transformation.

The Group's Workforce Advisory Forum (Our Voice) continued to meet regularly in 2023, 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 Non-Executive Directors and Group Executive Committee members to ensure that they can hear directly from the employees and share feedback (positive or negative) on important matters.

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 147 - 177.

Group vacancies filled by the Talent Acquisition team

1,068

2022: over 908

Employee promotions across UK and India

295

2022: 318

Sustainability continued

Strategic Pillar – People continued

Colleagues continued

As an accredited Living Wage employer, we ensure that all UK employees and regularly contracted third party staff earn at least the published Real Living Wage. In 2023, the Group provided support to all UK employees beneath the senior management level through cost of living payments totalling £1,200, with these payments not being prorated to reflect either tenure or contractual working hours.

We continue to encourage our employees to hold shares in the Group for the long term through our Sharesave Scheme, which is offered annually to all UK employees. The Sharesave Scheme allows employees to save a fixed amount of between £5 and £500 per month over a three-year period and to use these savings at the end of the qualifying period to buy shares at a fixed option price. Over 650 employees joined the 2023 Sharesave scheme and, considering the schemes launched in previous years, over 800 UK employees were Sharesave Scheme members as at the end of 2023.

2023 saw the Group further enhance its benefit offering through the introduction of fully funded access to our BUPA Menopause Plan, providing personalised treatment and support for all UK employees going through the menopause, regardless of age.

In addition, a comprehensive review of all family and health related benefits was undertaken with enhancements to paid Maternity and Adoption Leave, Paternity Leave, Emergency and Dependent Leave, Miscarriage Leave and Fertility Leave being communicated to UK employees along with new policies and support relating to paid Neonatal Leave and Carer Leave.

Training and development

The People Development team, based in both the UK and India, concentrates on providing learning and development opportunities for all employees, using a mix of internal and externally sourced content, delivered through a range of media, including workshop and digital formats.

1,370 separate internal workshops were delivered by the People Development team and the recorded number of training hours averaged almost 4,750 hours per month, significantly exceeding the amount of internal training delivered during the previous year and representing over 10 workshop training hours per UK employee and over 50 hours per OSB India employee.

Continued focus was applied to our Fit to Practice Scheme, requiring line managers to undertake regular activities in terms of one to one meetings, performance observations and quality assessments. The scheme also required managers to play a proactive role in identifying development needs and providing developmental feedback to continually progress the competence levels of their direct reports. The average activity completion rate exceeded 95% for over 2,000 in-scope employees.

Monthly mandatory regulatory training requirements were completed and we launched an additional mandatory e-learning module relating to Consumer Duty, with a supporting workshop on this topic being attended by over 870 employees. Additional focus on enhancing customer experience was demonstrated by way of bespoke Vulnerable Customer training delivered to almost 500 customer facing and support staff. It was further supported by the recruitment of 2 dedicated communications coaches within OSB India.

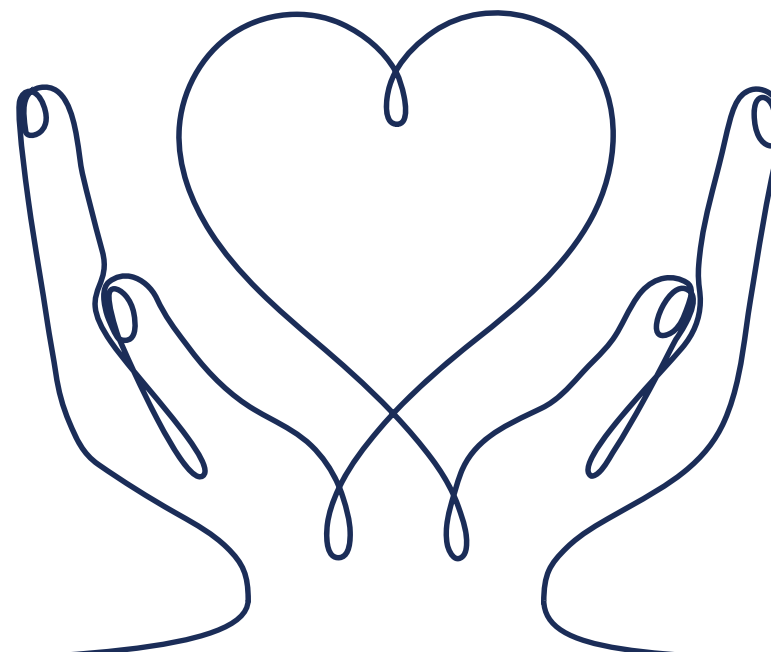
We are also committed to supporting employees undertaking professional development and in 2023 61 UK employees received financial support to pursue professional qualifications.

Employee recognition and awards

The Group recognised the significant tenure of 198 UK employees who reached a 5, 10, 15 or 20 year milestone of employment through our Long Service Award programme, with there now being 8 current UK employees who have over 20 years' continuous service. Within OSB India, 60 employees reached a 5 or 10 year service anniversary in 2023 and are one of over 150 OSB India employees with 5 or more years' service, or over 40 with over 10 years.

Each quarter, all employees within the Group, are invited to nominate their colleagues as part of our Galaxy Award Scheme. Nominations are sought for five separate categories, linking directly to each of our Values with individual winners and runners-up for each category determined by a detailed process. Over 250 nominations were submitted, with the details of all nominees published on the Group's intranet along with details of the quarterly award winners and their nomination rationale.

Additionally, our 'Thank You' facility provided an opportunity for employees to publicly recognise the contributions of their colleagues with approaching 2,800 thank you messages posted on the intranet.



Sustainability continued

Strategic Pillar – People continued

Colleagues continued

Retention and progression

We have a genuine desire to retain, support and develop our employees. Over 175 UK employees were promoted to a more senior grade (2022: 240), along with 120 employees within OSB India (2022: 75).

We advertise vacancies internally to provide career development opportunities for existing employees with 28% of UK vacancies filled by way of internal appointments and over 5% of vacancies at OSB India being filled by existing employees.

At 9%, the UK regretted attrition rate¹ was far lower than the 2022 rate of 13% with the OSB India regretted attrition rate reducing significantly from 24% in 2022 to 12%, comparing favourably with rates within the local sector and demonstrating both a strong culture and a compelling employee proposition.

2023 saw a continued focus on leadership development and our People Development team delivered three bespoke programmes. We saw 39 employees join our Future Supervisors and Managers Programme, 61 current managers commence the Essential Managers Programme and, among our more senior managers, six individuals joined our Stellar Leadership Programme.

We continued our journey to become a truly diverse and inclusive organisation, committed to providing equal opportunities through recruitment, training and development for all employees.

We continued to support mental health and well-being through the provision of advice and workshops for employees and line managers. We are pleased to have increased our network of trained UK Mental Health First Aiders to 48 as well as introducing a network of 28 trained Mental Health First Aiders within OSB India.

The Group published its Gender Pay Gap Report in line with legislation that applies to all UK companies with more than 250 employees. The full publication is available on the Group’s website (<https://www.osb.co.uk/sustainability/our-colleagues>) and shows that OSB Group’s mean gender pay gap as at the snapshot date of 5 April 2023 was 36.1%, reducing from the 2022 reported figure of 38.1%. 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.

Whilst it is pleasing to see continued progress across the Group, we are committed to reducing these gaps further.



1. Employees electing to leave the Group by way of resignation, excluding those retiring or resigning due to formal performance or absence process.

Sustainability continued

Strategic Pillar – People continued

Colleagues continued

We recognise the need to improve our gender balance and we made strong progress against our published commitment that we made as a signatory of HM Treasury's Women in Finance Charter. Our target of 33% of senior management positions¹ within the UK to be undertaken by female employees was achieved by the end of 2023, in line with our published commitment and noting that there were periods during 2023 when 33% was exceeded. Enhancing gender diversity will remain an area of ongoing focus, through a renewed Women in Finance Charter commitment of 40% of UK senior management positions¹ to be undertaken by female employees by the end of 2026.

To support the ongoing progression of our female employees, our People Development function, in partnership with an external provider, created our Women in Leadership Programme with a group of 24 employees and a further 7 senior female managers joining a separate and more senior version of the programme.

2023 saw an increased level of focus applied to enhancing ethnicity diversity, particularly in respect of the senior management population. The Group increased its end of 2022 position of just over 10% of senior managers not identifying as white to 14% at the end of 2023. Moving forward, and in line with the Parker Review requirement for all FTSE 350 companies, focus will also be applied to the narrower population of Executive Committee members and senior managers who report directly to Executive Committee members and to increasing the ethnicity diversity of this population from an end of 2023 figure of just over 12.5% to an end of 2027 position of 14%.

Diversity and inclusion

We recognise the benefits that diversity brings to the business. 2023 saw a significant uplift in diversity, equity and inclusion (DE&I) activity across the Group, with an increased level of employee communications and events enhancing awareness and celebrating our differences. These events 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.

Additionally, an Inclusivity Survey was completed by over 800 employees and the Group partnered with Inclusive Employers in order to undertake a comprehensive external foundation assessment of our approach to DE&I. These initiatives assisted in the identification of areas where further improvements can be made. A similar external assessment was undertaken in OSB India through Avtar, which also enabled the identification of key actions to be progressed moving forwards.

Anti-discrimination training was delivered through an e-learning module in November, with this being a mandatory requirement for all line managers. All other colleagues were provided with access to the module with approaching 1,200 additional employees taking the opportunity to complete this.

We continued to capture diversity data about our UK colleagues within the Group's HR system and c.80% of colleagues submitted some or all of their data across the broad range of diversity categories, enabling us to build an increasingly clear picture of the diverse nature of our UK workforce and areas which are under-represented.



Just over 9% of our UK employees work under a formal flexible working arrangement relating to part-time hours and over 100 additional employees compress their full-time working hours.

At the end of 2023, around 56% of our UK workforce was female as were 47% of employees who joined during the year. In OSB India, females constituted just over 40% of all employees, with around 45% of starters being female. In addition, 27% of our Group Executive Committee were female.

The Group achieved all required targets in respect of Board Diversity given that as of 31st December 2023, 50% of the OSB Board members were female, of which two females

hold the senior Board positions of CFO and Senior Independent Director. Additionally, two members of the Board are from a minority ethnic background.

For the CEO and 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 2023).

1. Employees at grades A (Executive Director) to grade E (including function heads with senior direct reports or employees at specialist roles of a senior nature).

Sustainability continued

Strategic Pillar – People continued

Colleagues continued

	Male	Female
Number of Board Directors (OSB Group)	4	4
Number of Directors of subsidiaries	12	1
Number of senior managers (not Directors) ¹	156	77
All other employees ¹	1,070	1,141

1. Includes OSB, OSB India and CCFS. Senior managers are employees within the Grade A to E population

Board Diversity

Gender	Number	Minority Ethnic Background
Men	4	1
Women	4	1

Recruitment

Our Talent Acquisition teams ensure that across all locations, internal recruitment specialists 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 2023, our Talent Acquisition teams filled 1,068 employed vacancies, which resulted in the Group welcoming almost 340 new UK colleagues and over 400 new employees in India, with 160 roles filled by internal candidates and the remainder working their notice periods prior to joining us. The Group had 2,459 employees at the end of 2023, a 22% increase from the previous year.

A key focus for our Talent Acquisition team was again placed on proactively identifying potential candidates directly and through improved use of our website and external job boards. One third of UK vacancies were filled on a direct recruitment basis, delivering a saving in excess of £1.4m on agency recruitment fees. Within OSB India, almost half of all the vacancies filled were because of direct recruitment activity.

OSB India

OSB India, which is a wholly owned subsidiary of the Group, is based in Bangalore and Hyderabad and at the end of 2023 had 928 employees. OSB India supports the Group across various functions including Support Services, Operations, IT, Finance and Human Resources, and is a holder of ISO 27001: 2013 certification, demonstrating high standards of information security.

OSB India’s business continuity site in Hyderabad was converted to a fully-fledged operational site in late 2021. By the end of 2023, it had grown from 140 colleagues at the end of 2022 to a population of 234.

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. Colleagues are provided with a range of benefits which include 22 days of annual leave, 12 days’ sick leave and cafeteria services.

