



Lloyds TSB

44/07

**Thursday 29 March 2007**

## **£252 MILLION PAYOUT FOR LLOYDS TSB STAFF**

In addition to their salary increases, pension scheme and flexible benefits allowance, over 62,000 Lloyds TSB staff are to benefit from a £252 million payout. The payout includes shares awarded as part of the Group's free share and matching share schemes, and cash awarded under the Group's bonus schemes.

The £252 million comprises:

**£40 million shares awarded to staff as part of the Group's annual free share scheme** which rewards staff for their hard work during the last year. In April 2007 employees will be awarded 3 per cent of their annual salary in shares up to a total value of £3,000 per person.

**£11 million 'matching shares' awarded to staff investing in the Group's Shareplan.** Through the scheme employees can buy up to £125 per month from their gross salary. For every share purchased the company gives a free matching share up to the value of £30 per month. Over the course of the year, an individual investing £30 of their gross salary each month would now hold a total of 126 shares in the plan worth £711<sup>1</sup>. This compares to just £247 if they had simply taken the cash as part of their salary.

Since Shareplan was launched in 2003, the Group has awarded employees shares worth a total of £279 million.

**£36 million shares given to staff under the Group's 2004 annual free share scheme will be released from their compulsory holding period** during April 2007. Under the scheme shares are held for a minimum three years during which time staff cannot sell the shares but do benefit from dividend payments.

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## **£252 MILLION PAYOUT FOR LLOYDS TSB STAFF.../2**

**£165 million awarded to staff under the Group's bonus schemes** paid in recognition of the contribution they make to the Group's performance. This does not include the Group's senior executive bonus scheme.

Mike Fairey, Lloyds TSB Deputy Group Chief Executive and acting HR Director, said: "Our reward package aims to give our staff the recognition they deserve for the huge contribution they make to the success of our business. Not only do our various schemes provide a great way for our staff to build up a nest egg, they also show our appreciation for all the hard work and commitment they give all year round."

In addition to the £252 million payout Lloyds TSB staff also benefit from a **£52 million flexible benefits allowance** which gives staff the option to choose from a wide range of benefits to suit their individual needs. For example, staff can choose to use their flexible benefits allowance to buy child care vouchers, extra holiday entitlement, take it in monthly instalments or take it as a lump sum at the end of the year.

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### **Notes to editors:**

<sup>1</sup> Based on the Company share price on 27 March 2007.

- The free shares will be awarded under the Group's Share Incentive Plan on 27<sup>th</sup> April 2007.
- Free, Partnership and Matching Shares must be held for five years or more to be free of income tax and National Insurance.

### **For further information contact:**

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