

OFFSHORE PAY 2010

Unite claim 2.5% + Market Movement

Following consultations with Unite representatives in Offshore areas, Unite has submitted the following pay claim:

- 2.5% across the board increase for all colleagues
- Market movement to at least retain colleagues status on salary structure

Unite firmly believes that 2009 was a difficult and insecure time for all staff and therefore all staff should be recognised for their loyalty and hard work in supporting the Company's endeavours to build a business for the future.

Members have faced huge challenges including:

- A world-wide recession that has a substantial impact on the finance sector
- Unprecedented times within Lloyds
- Facing customers and pursuing business as usual activity at a time when there was job insecurity and negative press regarding job losses, alleged mis-selling and indeed the fat cat's bonus attention
- A reduced market and thereby a narrower opportunity to seek new business.

PAY AND TERMS AND CONDITIONS

To date, Unite has had a meeting with the Company to discuss a number of issues, namely the new salary grading structure and the market movement. The new salary structure that the Company has been shared with you includes the Company's proposed 1.5% - which will be awarded through the performance management framework.

Unite believes that a very low pay pot of 1.5% cannot possibly ensure correct market movement adjustments and reward through performance therefore we are calling that across the board increases for all colleagues would be a fairer approach.

PERFORMANCE MANAGEMENT

If the Company do pursue reward through performance management, it is vital that accurate performance 121s take place and that you are satisfied with the performance rating awarded. Remember, no award should come as a surprise to you and if you are not satisfied, seek advice from your local rep regarding the appeals process - your pay rise may be dependent upon it.

PENSIONS

Unite is disappointed that colleagues were informed in December about proposed pension arrangement changes that were incorrect for Channel Islands staff. These proposed changes in the qualifying retirement age do affect members throughout LBG with some exceptions - Channel Islands colleagues being one of them. Unite has called on the Company to write to all colleagues outlining the error and to give accurate and clear information to all. Unite is meeting the Company on Thursday, 11 February in pursuant of our pay claim and to explore the terms and conditions proposals and how they affect colleagues working offshore. Unite has rejected the Company's proposals on terms and conditions. We are consulting all members as we believe that your voice, your opinion must be heard at this time. If you are a Unite member and have not yet received details of the consultative survey, please contact ERS helpline on 0208 889 9203. In addition, Unite is also conducting a petition to gauge the views of all colleagues to reject the proposals. For further details please go to the Unite website at www.unitetheunion.org/lloyds. For further details on any of the above, please contact your local workplace representative, email LBG.Support@unitetheunion.org or click on www.unitetheunion.org.

Wendy Dunsmore, National Secretary

Unite the Union

John Smith House, 145-165 West Regent Street
Glasgow G2 4RZ

Tel: 0141 248 7131

Fax: 0141 221 3898