

Gender Pay Gap Report 2024

At Virgin Money, our Purpose – Making you happier about money – is inherently inclusive and recognises the diversity, individuality, and uniqueness of our customers.

To successfully deliver on our Purpose, we need to do our very best to reflect this diverse representation internally to unlock valuable customer and product insights and perspectives. We believe our Diversity, Equity, and Inclusion (DE&I) strategy is a core enabler for our business growth, customer insight, innovation, and a valuable component of sustaining colleague engagement and of our employer brand story. It is imperative that we can unlock the power of difference to deliver meaningfully for our customers, treating people fairly, generating good outcomes for customers, and creating strong connections in our colleagues. We are passionate about equity and fairness at Virgin Money and we have been focused on tackling barriers to address the gender pay gap since we began to publish our data eight years ago.

We recognise that we have more to do. Our median pay gap has increased by 1.1% year-on-year resulting in a median pay gap of 35.7%. However, we are seeing sustained progress on other metrics because of taking a long-term, strategic approach to the challenge. We are pleased to see that this ongoing focus has contributed to a 1.9% year-on-year reduction in our mean hourly pay gap, from 26.4% to 24.5%. It is also worth highlighting that the proportion of female colleagues who received bonus pay has increased from 90.2% to 93.5% year on year, and the proportion of female colleagues occupying top quartile pay bands (Upper Quartile) has increased marginally from 38.8% to 39%.

As part of this ongoing commitment to closing the gender pay gap, we have pledged to improve female representation in our senior leadership team. I am pleased to report that as of 31 July 2024, we are within our target to have 45-55% female representation, specifically **50.9%** within our senior leadership population (the top three layers of our organisation) and **57.1%** in our Executive Committee.

While this is a positive step, we need to be relentless in our work to make sure that our DE&I strategy and a consciously inclusive mindset is fully embedded in every facet and level of our business; from how we recruit, how we lead, and how we communicate to how we design our products and

services and focus on good customer outcomes. Launched in September 2023, our BRAVER allyship framework provides us with a vehicle to keep this journey and the story alive. BRAVER is a powerful and practical lever for inclusion but also an important cultural signpost to proudly signal the sustained importance of DE&I to Virgin Money.

Our ambition is bold. We are on a quest to build teams where alternative perspectives are always available and welcomed. We strive to get to a point where meetings are diverse by default, we have a sustainably balanced perspective on risk, and decisions are made with the appropriate mix of perspectives and thinking styles around the table, always protecting ourselves and our customers from the danger and impact of groupthink. To achieve our ambition, we work hard to create a sense of accountability in us all that inspires us to take every opportunity to drive our DE&I objectives through our words, our actions, our decisions, our behaviour and the choices we make every day.

We know that to truly live our Purpose, we must be agile and adapt to external issues that impact our colleagues. That is why, to assist colleagues with the continued rising cost of living, we awarded colleagues a pay increase between 3-5% in January 2024, with colleagues paid the lowest in their pay ranges receiving the most, to create greater fairness and equity amongst colleagues. In addition, we've continued to offer colleagues access to financial education and support, through free one-to-one financial coaching.

It is essential that we continue to adapt and evolve to keep our Purpose central, we are continuously challenging ourselves and each other to be BRAVER, and that we deliver more inclusive banking for our customers, colleagues, and the wider community.

Virgin Money confirms the published gender pay gap reporting is accurate and signed by Syreeta Brown, Chief People and Communications Officer.



We recognise that we have more to do, however, we are seeing sustained progress as a result of taking a long-term, strategic approach to the challenge.

Syreeta Brown
Group Chief People and Communications Officer

A handwritten signature in black ink that reads "Syreeta Brown".

We firmly believe that our colleagues deliver their best for our customers when they feel safe to be themselves at work. That's why we put inclusion at the heart of our desired culture and work hard to ensure we reflect and represent the diverse communities and customers that we serve. Inclusion is embedded in our values, our expectations of leaders, and is a unifying thread across our business.

We are passionate about fairness, equity, and diversity, and we continue to fully support the UK government initiative to improve equality of outcomes through collecting and reporting gender pay data. It's pushing us to work harder and to think more deeply about how we drive inclusion.

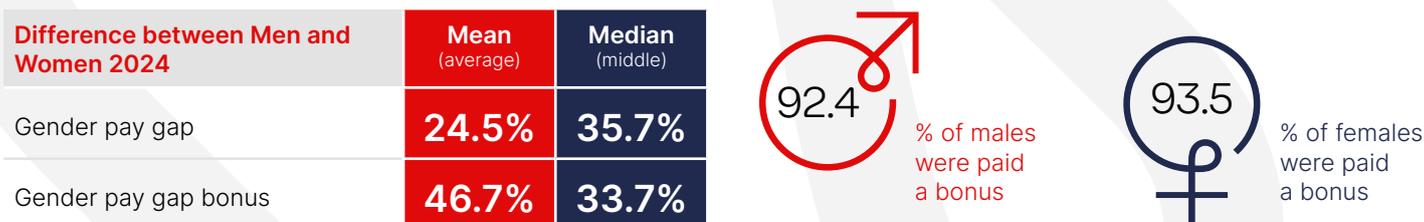
How the Gender Pay Gap is worked out

If all company colleagues were lined up in female and male lines – in order of pay from highest to lowest, the **median gender pay gap** compares the hourly pay of the woman in the middle of the female line with the man in the middle of the male line. The **mean gender pay gap** shows the difference in the average hourly rate of pay between men and women in a company.

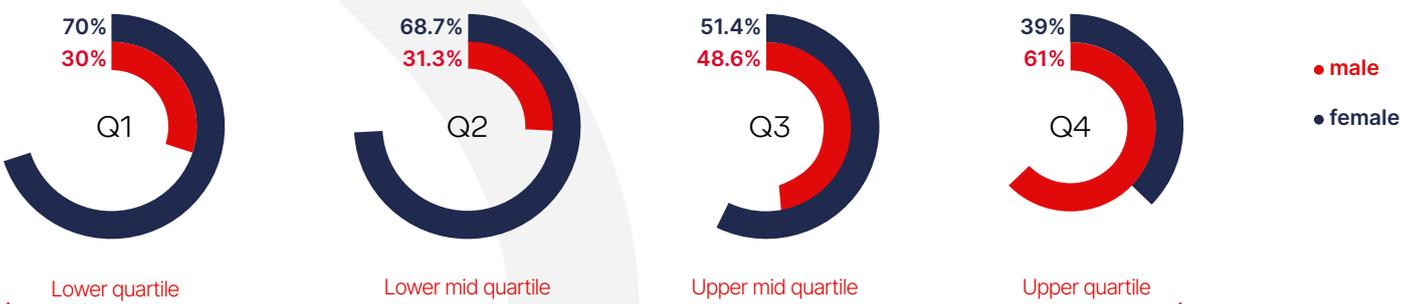
All figures are based on 5 April 2024. Bonus pay gap calculations are based on colleagues who were paid a bonus in the 12 months to the snapshot date of 5 April 2024.

The results are in...

As of 5 April 2024, when we undertook our gender pay analysis, 57.9% of our colleagues were women. However, we have more men than women in our upper quartile, and many more women in our customer-facing roles (which are often more junior). We continue to make progress in supporting women into the upper quartile roles, in line with our ambitions. However, in the meantime, the continuing imbalance towards women in the roles occupying the lower quartiles is causing the median pay gap to remain high.



Proportion of males and females in each pay quartile



Minding the Gender Pay Gap

We are delighted to report that (as of 31 July 2024) we had 50.9% female representation within our senior leadership population (that's to say the top three layers of our organisation) and 57.1% female representation within our Executive team.

This is in line with our longer-term ambition to achieve gender balance across all layers, and to be successful we need to maintain our focus on building a strong talent pipeline. We have internal scorecards that set out our commitment to building diverse representation across Virgin Money and have aligned our target of 45%-55% female representation in senior management with those scorecards. Our key priority is to maintain our current performance whilst bringing intersectionality of female representation into sharper focus. We are already seeing some progress in this space specifically around female senior managers from ethnic minority backgrounds.

Our ultimate goal is to ensure we achieve better balance between men and women, whilst continuously striving towards becoming a team that is fully representative of the vast diversity that exists within society.

As shown in our results, most of our lower-quartile roles are held by women, particularly in our Stores and customer services teams. Likewise, most of our part-time roles are occupied by women. Our upper-quartile roles are better-balanced.

While this structure reflects society more generally, our colleague proposition aims to reduce some of the structural barriers to equity.

In addition, we recognise the link between wellbeing and performance, so we actively encourage colleagues to find the balance that works for them and their role, while giving them the structure they need to connect and work collaboratively.



Our focus on inclusion

Through engaging with and listening to colleagues across the business, we have received feedback, specifically from female colleagues, that flexibility around when and where they can work has allowed them to better balance their work and family life or outside pursuits.

We do recognise, however, that expectations of work are changing, and we want to ensure the continued efficacy of our model and offering to colleagues. This is why we continue to refine our approach through ongoing listening to our colleagues on how they can be best supported and feel connected.

On a quarterly basis, for all colleagues, we hold “check in” conversations where we focus on wellbeing, professional development and how team rhythms are working for each colleague. This allows for systematic reflection and feedback and provides the space to surface any necessary changes in working practices. We also monitor colleague sentiment about their working environment through our regular Pulse and MyVoice surveys.

More broadly, we have a clear DE&I strategy on how we can continue to make progress. We have four strategic pillars that frame our activity. Two of the four core pillars are **Attracting, retaining, and advancing under-represented talent** and **Creating equity in the colleague experience** by removing bias and barriers to structural and behavioural inclusion. These two pillars will help us to maintain gender balance longer term and hopefully become an employer of choice for a wide variety of people.

We have a further two pillars within our strategy that are central to sustaining a culture where inclusion thrives. These are: **Creating leadership accountability for DE&I** outcomes which will drive clear action and better outcomes for colleagues and customers and finally, **Shift mindsets and build BRAVER into our culture**.

BRAVER is our enterprise allyship framework that we launched in September 2023. BRAVER is an acronym for: Believe, Reflect, Accountable, Vulnerable, Empathy and Recognise. The objectives behind developing this framework were threefold; firstly, to surface the behaviours and practices that promote Equity and drive a sense of Inclusion, secondly to ensure that colleagues have clarity on the practical actions that they can take to become meaningful allies for inclusion and how this aligns to our purpose, and thirdly to send a clear message around accountability and how accountability for DE&I outcomes sits with all of us (not least because the A in BRAVER stands for “Accountability”).

To launch with maximum impact, we created an actionable framework, developed bank wide communications aligning BRAVER with our broader purpose and built a resource hub to inform and upskill colleagues on the aims and objectives of the framework and build capability and confidence in this critical area. Since launch, the feedback from colleagues on the BRAVER framework has been overwhelmingly positive. Over 1,200 colleagues made a BRAVER promise and teams across the entire organisation were asked to complete various BRAVER team exercises throughout National Inclusion Week and beyond. We have a cross functional team of passionate BRAVER influencers helping create positive change in their teams as well as our colleague networks championing BRAVER for us.

Where we are right now

As the external environment has evolved, so has the way we work at Virgin Money. Where practical, we’ve removed location from our job adverts, which in turn has removed a major barrier for many candidates and allows us to reach a broader and more representative range of talent.

We’re also breaking down physical barriers, by making the workplace more accessible. Where we have offices, we’ve designed bespoke welcoming spaces for colleagues to work, meet and co-create, ranging from individual desks to sizable collaborative spaces. We believe that connecting colleagues socially at work is key to driving a sense of community and belonging. It also provides opportunities for colleagues to network, raise their professional profile and grow in confidence.

Our new Bothwell Street office opened in Spring 2024 and was designed with inclusion and sustainability at its heart. The building is powered by 100% renewable energy with zero-carbon emissions and is one of Glasgow’s largest and most environmentally friendly buildings, that even has a running track on the roof terrace. In addition, the office is fully accessible, with height-adjustable desks and kitchen equipment, and gender-neutral facilities. It also offers multi-purpose rooms to be used as needed as a space for nursing parents, prayer, quiet room, and more.

Inclusion needs Great Leadership

We know that an equitable and inclusive environment where colleagues can be themselves, feel like they belong and are treated fairly is also a high-performance environment. We also know leaders play a critically influential role in our ability to achieve this desired culture and our representation goals.

This is why one of the strategic priorities in our DE&I strategy is to “**create leadership accountability for DE&I outcomes**” and we work hard to encourage leaders to step confidently and intentionally into this space. We believe that measurement and regular communication and visibility on progress is key to creating accountability.

To this end, each leadership team member has a monthly scorecard that tracks DE&I as well as other people and commercial indicators. From a culture perspective, our BRAVER index is tracked and measured for all leadership team members to be able to identify cultural themes and signpost areas of focus.

'Drive inclusion' is a key element of our Great Leadership expectations that apply to all people who lead others at Virgin Money. We invest in a broad range of development for our people leaders to help them deliver our expectations.

Empowering change through collective voices

Our colleagues have a powerful collective voice, which they can express through feedback with their people leaders, engagement surveys, board engagement sessions, and colleague networks. This means we can respond to shifting sentiment and concerns, and tailor our support towards them. It's led to the creation of six network groups, each focusing on a particular aspect or aspects of identity.

Our colleague networks worked together to create a new collective strategy for 2024, and build connections, amplify voices and inspire a BRAVER culture where colleagues can thrive. We've highlighted these groups, what they do, and a few of their successes, below:

- Our **Gender Balance network** is one of our largest networks with over 1,300 members. The network works hard to develop the insights, confidence, trust, and frameworks to support Virgin Money in driving forward a balanced, representative workforce where people from all genders can thrive. As well as providing a platform for learning and development, our Balance community supports colleagues from early parenthood through to the menopause, with activities such as speaker events and workshops, and by creating support communities. Key dates are celebrated, events planned, and safe spaces created to drive the conversation on gender equality and surface and dismantle the barriers to career development that women face.
- Our **Embrace network** is our largest network with over 1,600 members. This network is laser focused on amplifying underrepresented voices, raising awareness, and providing a safe space. Of note was the Embrace Career sponsorship programme for colleagues from Ethnic Minority backgrounds where colleagues were paired with a senior leader to support them in advancing their career. 50% of colleagues who have participated in the programme have gone on to secure new roles.
- Our **Enable network** has over 800 members and has been focused on supporting colleagues and allies with direct and indirect lived experience of disability, chronic illness, caring responsibilities and neurodivergence. Enable host a variety of events throughout the year and work hard to identify areas for improvement in the colleague experience and have been instrumental this year in improving our reasonable adjustments process and experience. They are also currently in the process of developing future partnerships with Purple Space and Autistica. Purple Space is a professional community for disability network leaders, colleagues and allies and has a primary mission: “To make it easier for colleagues to navigate the experience of ill health, disability or the experience of an accident or injury, at the same time as flourishing at work”. And Autistica is the UK's leading autism research and campaigning charity who are on a mission “to create breakthroughs that enable all autistic people to live happier, healthier lives.”
- Our award-winning **Vibrant network** empowers LGBTQ+ colleagues and allies to champion Diversity, Equity and Inclusion and has over 500 active members. Vibrant offers a vast array of activities for colleagues to get involved in from networking events, educational virtual workshops supported by members and our Stonewall partnership, and in person celebrations. Vibrant drive participation in the Stonewall Workplace Equality Index and in 2024 Virgin Money placed in to the top 100 employers in the Stonewall Workplace Equality index. Continuing the amazing award-winning theme in 2024, Virgin Money was also rated in the Top 5 LGBTQI+ employee network groups in Scotland from the Proud Scotland Awards and rated in the Top 12 LGBTQI+ employee network groups in the whole of the UK – from the LGBT Britain Awards.

- Our **Aspire network** supports over 800 colleagues keen to develop their careers. They might be new to Virgin Money, navigating the world of work for the first time, or navigating their career path. Aspire specialise in connecting colleagues with mentoring, sponsoring and networking opportunities. They offer a wide range of activities for colleagues to get involved in from sharing personal career stories, leadership panel discussions and in person events such as our STEM Careers week.
- Our **Vets network** has around 100 active members who are proud to provide support and awareness to allies and armed forces veterans as they return to civilian life. They also work to support the families of those who have served or are currently serving. We are honoured to have been awarded the Armed Forces Covenant Gold Employer status and to work in partnership with the forces to run signature career access days which brings together service leavers from local businesses to promote career pathways for those transitioning from the forces.

Additional support for colleagues

We acknowledge the importance of building support programmes to help women in the advancement of their careers. We run multiple programmes and workshops in service of this including our Springboard programme which was designed to help female colleagues enhance their skills, confidence, and networks. These programmes and workshops provide colleagues with opportunities to focus on their development and set personal achievable goals to underpin their journey. Of specific relevance to some of our female colleagues has been the focus on menopause awareness and the practical information we provide, which is driven from both within HR and from our Balance Network.

We believe in listening to our colleagues and regularly host focus groups with colleagues across our colleague network groups and business areas to find out what's important to them in respect of career development and support to thrive at Virgin Money. Thanks to this colleague feedback we created a dedicated career development hub where colleagues can self-serve during their personal development time. We also have a helpful Career Journey Framework, which provides us with a consistent, transparent, and simplified approach to salaries for all colleagues. It gives colleagues a clear view on where they are today, how their role fits in the wider organisational context and helps them identify adjacencies with their role and other roles or opportunities within Virgin Money.

Rallying behind our returners

Our Welcome Back Programme continues to support colleagues who've been away for more than 28 days. This might be due to bereavement, parental responsibilities, or long-term illness. We've adapted the sessions to reflect new ways of working, specifically by making them digital so it's easier for colleagues to participate. Take-up for these monthly sessions has been positive and supported by our colleague networks.

We're all over our data

We want everyone at Virgin Money to feel welcome, supported, and able to thrive. To achieve that, we need to properly understand their needs. With this in mind, we regularly ask colleagues to update the diversity data section on our HR system. The information shared helps us better understand our colleagues and which groups are under-represented, and whether their needs are being met. At the end of July 2024, we're pleased to say that 83% of colleagues shared at least one attribute about themselves on our HR system.

Using our voice

A note from the Virgin Money Foundations' Executive Director Nancy Doyle-Hall - "Through our work with community organisations in statistically disadvantaged areas, we've seen that a lack of digital access and confidence significantly hinders individuals from progressing in their lives, whether it's applying for jobs, accessing new skills and education, or booking a GP appointment. This is why Virgin Money Foundation has introduced a new strategy aimed at addressing the critical issue of digital poverty"



Funded and supported by Virgin Money, Virgin Money Foundation invests in neighbourhood level organisations in communities in the top 20% of the Indices of Multiple Deprivation / Scottish Index of Deprivation – those that know their community best and what is needed to tackle the issues that hold them back.

At the beginning of 2024, the Foundation launched its new strategy focused upon tackling digital poverty through three programmes of work:

Building Digital Skills

The Building Digital Skills Fund offers grants of up to £100,000 to enable communities to tackle digital poverty and increase digital access. The fund is supporting a broad range of initiatives in Glasgow and the North East of England from bespoke programmes providing digital access for care experienced young people, to initiatives working to build the digital skills of the whole community. To date £1.4m has been awarded through the fund.

Volunteer & Connect

With 20% of children living in digital poverty, the Volunteer & Connect Fund works with colleagues across Virgin Money to help change this. Many colleagues volunteer time to support local schools, so the Virgin Money Foundation offers colleagues the opportunity to apply for a grant of up to £2,000 for the school to help tackle digital poverty and build digital confidence. The grants pay for kit, connectivity, software or skills training to help children and their families become digitally connected and confident. To date 81 schools have received over £160,000, and teachers have estimated the grants will support over 13,000 children.

Digital Champions

Digital poverty arises from three key issues: lack of digital skills, lack of access to a suitable device and lack of connectivity. To support people facing these barriers, the Foundation is training Virgin Money colleagues to become Digital Champions. Once trained, colleagues support their local foodbank or other local charitable organisations to assist people with immediate digital needs. Colleagues can also apply for a laptop for the charity as part of the Foundation's goal of creating digital access in our communities. To date over 100 colleagues have been trained as Digital Champions.

Examples of the organisations we are supporting:

Moving on Durham

Moving on Durham is one of the charities that has received a Building Digital Skills Grant. It provides a home and support to young people experiencing homelessness within the 150 properties which it sub-lets from private landlords. 93 of the young people it currently houses are care-experienced.

The impact of digital exclusion on care-experienced young people is significant and on top of this, many of the young

people Moving On Durham support experience high levels of isolation and anxiety and struggle to build social networks in the communities in which they live. Moving On Durham want to work with their care-experienced young people to overcome digital exclusion and increase their confidence. Through the grant, their young residents will receive:

- A fibre broadband connection to their property
- Access to digital devices
- 1:1 bespoke support to develop a 'Digital Support Plan,' detailing individual goals, targets and aspirations for their personal development
- Access to a curated local intranet of sites, apps and other opportunities to help them to integrate into their local community

Maryhill Integration Network

Maryhill Integration Network supports people in Glasgow who are seeking asylum or who have recently received their refugee status.

Many people in the asylum system face barriers to accessing education. The grants received will fund the position of a multilingual Skills & Learning Development Officer. This staff member will deliver informal ESOL courses and wrap around support to enable asylum seekers to attend college and complete accredited IT classes. Through these IT classes attendees will gain digital skills, qualifications and confidence, build social connections, and access a pathway to progress onto other courses and employment opportunities.

STEM in the community

We also continue our work in the STEM (Science, Technology, Engineering and Maths) space, inspiring young people to think about their future careers by showcasing what Virgin Money has to offer.

We are thrilled to be nominated yet again this year at the North East STEM Awards, having won North East Most Inspirational Maths Employer for the third consecutive time in 2023.

Following on from the success of delivering STEMtastic 2023 to 4,000 school pupils, our 2024 events calendar includes hosting two virtual STEMtastic 2024 events, supporting Scottish Maths Week in September and English Maths Week in November, with an estimated reach of over 8,000 young people aged 9-19.

Other supported events include the three-day STEMfest event in Sunderland, the Newcastle Discovery Museum skills and careers event highlighting the opportunities in banking and IT, and our STEM Ambassadors have delivered a host of career-related events and activities in a variety of UK wide schools, from career fairs through career speed dating to CV building. Across the country, colleagues ran banking insight days in our locations such as Manchester, Leeds and London each with a specific focus on a different type of career within the bank such as finance or IT.

Keeping the momentum

This report may stop here, but our work to eliminate the Gender Pay Gap doesn't. To find out more about Virgin Money, head to [Life at Virgin Money](#).





VIRGIN  MONEY UK