

Gender Pay Gap Report 2022

At Virgin Money our Purpose – Making You Happier About Money – is a guiding principle that runs through everything we do to support our colleagues, customers and the communities we serve.

For our people, we strive to be an inclusive employer that supports colleagues regardless of their gender or background and tackles any barriers that are preventing them from thriving.

Our gender pay gap report for 2022 shows that although Virgin Money has seen an improvement across our mean pay gap due in part to our reaching our target of 45% female representation in senior roles, our median pay gap increased in the last year to 36.1%. We believe that this is due to the longer term structural issues that we face with more junior roles currently being filled by women. Therefore, we recognise that we still need to do more to improve representation at all levels of the business and be relentless in our work to ensure that our diversity, equity and inclusion plan is fully embedded in every facet of our organisation.

At the start of 2021 Virgin Money launched a new approach to work, A Life More Virgin. It was designed to enable our colleagues to better manage the competing demands of family and career with a fully flexible approach to hours and location supported by progressive people policies, such as making equal parental leave a day one right. We know that the demands of family can be one of the biggest drivers holding back women's career trajectory. While it will take time to see the full impact of our new approach to work, we are confident that it will help Virgin Money to build an even more inclusive workforce.

With the cost of living to reach an all-time high in 2023, we know that it is essential that we do everything we can to support the women who do an amazing job delivering on our purpose for our customers in some of the lower paid roles in our store network and contact centres. In partnership with our union Unite we have already raised minimum salaries at the bank and plan to deliver a significant pay rise to the majority of colleagues next year to protect them from rising inflation.

We know that change cannot be delivered overnight, but Virgin Money is confident that our diversity, equity and inclusion plan will continue to deliver positive change and build a workforce that is truly representative of the communities we serve.

Virgin Money confirms the published gender pay gap reporting is accurate and signed by Syreeta Brown Chief People & Comms Officer, November 2022.



Syreeta Brown
Group Chief People and Communications Officer
November 2022.



We strive to be an inclusive employer that supports colleagues regardless of their gender or background and tackles any barriers that are preventing them from thriving.

Syreeta Brown
Group Chief People and Communications Officer

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 safety and inclusion at the heart of our culture. It’s embedded in our values, our expectations of leaders, and is a unifying thread across our business.

We are passionate about fairness, equity and inclusion, and we continue to fully support the UK government initiative to improve equality 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 and the hourly pay of the man in the same position.

The **mean gender pay gap** shows the difference in the average hourly rate of pay between men and women in a company.

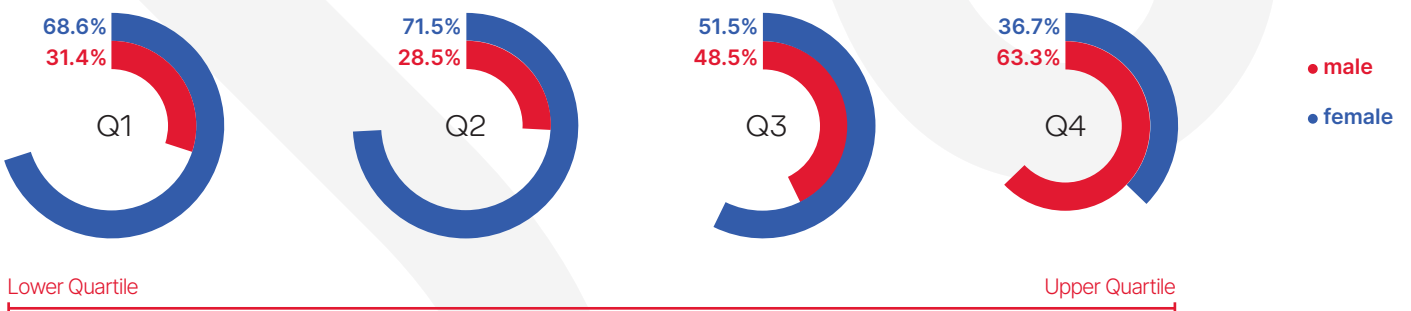
Footnote: All figures are based on 5 April 2022. Bonus pay gap calculations are based on employees who were paid a bonus in the 12 months to the snapshot date of 5 April 2022.

The results are in...

At Virgin Money, men and women are paid equally for doing the same or similar jobs. Looking in more detail, on 5 April 2022, when we undertook our gender pay analysis, 57.8% 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). These are key factors behind our Gender Pay Gap.

Difference between Men and Women 2022

Difference between men and women	Mean (average)	Median (middle)
Gender Pay Gap	28.5%	36.1%
Gender Pay Gap Bonus	47.8%	36.7%



Minding the Gender Pay Gap

Since our 2021 report, we're delighted to have seen the number of women in our senior management roles (that's to say the top two layers of our business, as described by the Women in Finance Charter) go from 41% to 45.2%.

This is in line with our longer-term ambition to achieve gender balance across all layers, but we recognise we may not get there as quickly as we'd like. So we've set ourselves what we feel is a realistic target of 45% until at least 2025.

As well as working to achieve better balance between men and women, we're also looking forward to welcoming those who identify as non-binary into our senior management.

Based on September 2022

	Female	Male
Board Members	2 (28.6%)	5 (71.4%)
Senior Management (excluding Executive Directors)	29 (47.5%)	32 (52.5%)
All Colleagues	4,408 (58.1%)	3,178 (41.9%)

Room for improvement

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 **A Life More Virgin** colleague proposition aims to get reduce some of the structural barriers to equality.

What's A Life More Virgin?

A Life More Virgin is the future of work, Virgin-style. For us, it all began with our goal of becoming a digital bank, centred on our customers and colleagues. From the moment we launched in January 2022, we focused on creating new Purpose-led ways of working, based on trust and empowerment.

We actively encourage colleagues to find balance and flexibility, such as by working when and where they can be at their best – while team rhythms give them the structure they need to connect and work collaboratively.

As a business, we know only too well how wellbeing affects performance. That's why we give colleagues an extra five days off to look after their wellbeing in any way they choose. We encourage colleagues to share how they're living A Life More Virgin on social media, using the **#ALMV** hashtag. This has been popular, and we've seen lots of powerful stories on our **LinkedIn Life Page**.

Our top five takeaways

In no particular order:

Location-less recruitment (where practical) – allowing us to reach a wider pool of talent.

Flexibility and choice – in how and where colleagues work.

30 days annual leave for all – including bank holidays, pro rata where applicable.

Five wellbeing days a year – for colleagues to focus on themselves.

Gender-neutral family leave – 20 weeks off on full pay, for either parent or carer when starting or expanding their family. It's available from day-one of joining Virgin Money, and can be taken any time in the child's first two years. We've introduced this to encourage the sharing of parenting and caring responsibilities, which often disproportionately fall to women – and to remove career blockers, which often negatively impact them.

What we're doing to improve

One of our Diversity, Equity, and Inclusion (DE&I) goals is focused on balancing genders, and increasing the number of people with protected characteristics who join us. We're creating a truly inclusive culture, where all colleagues can be themselves, and feel valued and respected.

We have clear ambitions for the short, medium and long-term. These cover representation, development, culture and career support. Where we find barriers, we try to remove them. That means changing how we work, and the way we design roles. It also means providing tailored support to colleagues who need it.

At the heart of our plan is accountability – which is shared by colleagues across the organisation and especially within our leadership teams – for meeting our DE&I objectives and priorities.

Where we are right now

As **A Life More Virgin** has evolved, so has the way we work at Virgin Money.

Where practical, we've removed location from our job ads, which in turn has removed a major barrier for many candidates, and allows us to reach a broader 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 and networking spaces. We believe that connecting colleagues socially at work is key to driving a sense of community and belonging.

Inclusion needs Great Leadership

Driving inclusion is at the heart of Virgin Money, and we expect it from our leaders. We've invested in development sprints, where our people leaders take up a challenge to strengthen how they embed **A Life More Virgin** within their team.

Sprints so far have focused on:

- Strengthening relationships and trust
- Coaching and empowering colleagues
- Building psychological safety and taking a more agile, experimental approach to delivering for our customers.

An upcoming sprint will focus on creating a deeper sense of belonging amongst colleagues, and the importance of listening and empathy in creating a genuinely inclusive culture.

Power to our people

Our colleagues have a powerful collective voice, which they can express through feedback, engagement surveys, and our colleague networks. This means we can respond to their wants and needs, and tailor our support towards them. It's led to the creation of six network groups, each focusing on a different colleague communities.

We've highlighted a few of their successes below:

- Working with partners, we've delivered our **Springboard Programme** to support female colleague development.
- We've completed our first Career Sponsorship Programme for 22 colleagues from Ethnic Minority backgrounds within our **Embrace Network**. All were given a senior leader to support them in advancing their careers – and 11 of the 22 secured new roles.
- We're now running our second **Career Sponsorship Programme** and have partnered with Enable (our network for disability and carers) to deliver this. We've had 22 active colleagues taking part. We're hopeful for a similarly positive outcome for our second cohort.
- Colleagues continue to have quarterly check-in conversations with their people leaders, to focus on their career aspirations for Quarters 2 and 4 in our performance year.
- We also hosted focus groups with colleagues across our **Inclusion Network Groups** and business areas to find out what was important to them in respect of Career Development. Thanks to their feedback and insights, we built a dedicated hub for self-led Career Development support, which we've developed over recent months.
- In 2022 we also launched our new **Career Journey Framework**. This provides us with a consistent, transparent, and simplified approach to salaries for all colleagues. It also gives colleagues a clear view on where they are today, how their role delivers on our strategy and core objectives, and helps them identify new opportunities within Virgin Money. This only went live on 1st October 2022, so it's too early to tell the impact it's having. Watch this space!

Where we're headed

Our ambition is to eliminate our Gender Pay Gap, and this is supported by all our colleague networks who work hard to promote and support career opportunities. This year Aspire have really focused on this and covered a range of topics to support this activity including:

- Setting great goals, giving and receiving useful and impactful feedback
- Writing super CVs and making internal applications
- Navigating interviews
- Understanding the power of storytelling
- Becoming more commercially aware
- Developing great leadership skills

Rallying behind our returners

Our **Welcome Back Programme** supports 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 – all part of A Life More Virgin. 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 them to update the diversity and inclusion data section on our HR system. What they share with us helps us better-understand who they are, how they feel, which groups are under-represented, and whether their needs are being met.

At the end of September 2022, we're pleased to say that 81% of colleagues shared at least one attribute about themselves (this might be their ethnicity, or whether they're part of the LGBT+ community, for example). This is a notch-up on last year's 78%.

Helping colleagues with costs

We're acutely aware of the impact that the cost-of-living crisis is having on our colleagues, not to mention our customers. So in August 2022, we gave around 80% of colleagues a one-off payment of £1000 to help out.

From October 2022, our minimum salary has increased to £20,000. This means a pay increase for all of our female colleagues in entry-level roles.

Getting the balance right

Our annual **Balance Colleague Survey** provided rich insights into what our network members feel needs to be developed for them to progress, without personal and professional barriers. Using this feedback, as well as the Bank's engagement survey results, Balance has helped us develop a varied programme of events and initiatives, such as:

- Our **Springboard Programme**, was designed to help female colleagues enhance their skills, confidence and profiles – 40 colleagues took part. The programme also provides time to reflect, share, and most importantly, set achievable goals.
- In 2022, the Balance Network hosted a number of **internal development events**. It also partnered with the wider Virgin Group and a number of our SME customers, to raise the profile of the topic of gender inequality and influence how leaders can actively tackle unconscious bias.
- **Menopause awareness** and support continued to be a key area of focus. This was delivered through education workshops, updated people leader guidance, a peer-to-peer support group, and a knowledge bank.

Virgin Money out there

Our role in society is really important to us – we want to reflect our communities and customers, and we work hard building networks and relationships to help us do that.

The Virgin Money Foundation provides grants to organisations which support their communities, and tackle issues caused by poverty. It also helps young people to change where they live for the better. Likewise, it creates development programmes for charity leaders, to help them to support their communities more effectively. This is where our Virgin Money colleagues come in, using their expertise to provide mentoring, trusteeships, skill-sharing and volunteering.

This year, we've worked even more closely with our Virgin Money Foundation charities. In January, we launched and funded a programme where three of our colleagues mentored three charity workers.

Due to its success, we're expanding this initiative across more Virgin Money Foundation charities, as well as our Virgin Money Colleague Network. Next year, we hope to provide more opportunities for our colleagues to act as trustees to funded charity boards, while continuing the valuable mentoring programme.

Three of the charities we support have a particular focus on removing barriers for women, such as:

The Virgin Money Foundation's Young Change Maker Programme – a six-month leadership development programme. It comes with a grant of up to £10k to help a young person tackle a social issue their community faces.

WHiST (Women's Health in South Tyneside) – started in 1986 by local women working voluntarily to address gaps in services and support. It's grown from developing these services into a 'wrap around' model of provision that women can dip in and out of, depending on their changing needs and circumstances.

WHiST supports over 250 different women a week to become more independent, so they feel more empowered and confident about making decisions that affect their, and their families' health, wellbeing and progression.

West End Women & Girls Centre – the first and only open-access, community-based women and girls' centre in Newcastle. They aim to empower women and girls who've been marginalised – as well as change the world, communities, and lives, for the better.

STEM in the community – we 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're thrilled to be nominated for the second time in the 2022 North East STEM awards, which celebrates those who've enthused young people and their teachers over the past year. This year, we successfully restarted our signature STEMtastic events, holding a virtual all-dayer for 350 young people. In November 2022, our face-to-face events return, in partnership with Microsoft.

We've also taken part in regional STEM events, working with thousands of local young people.

Not the end

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 our [website](#).



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