

2019 Gender Pay Gap Report

At Vanquis, we're committed to creating and maintaining a fair, diverse and inclusive culture for our colleagues and other stakeholders. We use our annual Gender Pay Gap Report as one of the ways we track our performance in this area. It also forms part of our formal reporting in line with The Equality Act 2010.

This report uses a snapshot of salary data taken on 5th April 2019. The data was used to calculate our gender pay metrics, represented in the percentage difference between male and female pay (salary) and bonus. Along with the metrics, this document offers some context behind the numbers as well as some of the actions we have taken, and plan to take, to reduce the gap.

In 2018 our gender pay gap placed us in a better-than-average position when compared to other, similar organisations in financial services. The latest figures from April 2019 show that our mean gender pay gap has widened by 8.5%, moving from 23.5% last year to nearer the sector average of 32% this year.

This disappointing change is a result of a number of factors, including the departure of two of our senior female leaders, the hiring of a high proportion of men into managerial positions in technology functions, as well as the transitional make-up of the Executive Committee at the point at which the data needed to be captured.

Financial services has traditionally been seen as an industry that lacks diversity and inclusivity – Rather than using this as justification for our gap, we're using it as a springboard to highlight how important it is that we do everything within our power to make a difference.

Since the data was collected in April 2019, we have implemented a number of initiatives to help address our gender pay gap further. We launched unconscious bias training, completed a review of our flexible working policy and increased our offering of informal, dynamic working arrangements. We also matched our shared parental leave policy to our maternity leave and we now offer the same level of enhancement to all colleagues, regardless of gender. In 2019 we sponsored three colleagues on the Women in Leadership programme and we are sponsoring even more in 2020.

More recently, in January we launched our Colleague Proposition called Make Work Mean More. It includes a new approach to the annual salary and bonus review process along with enhancements to a number of lifestyle benefits including holiday entitlement, career breaks, holiday carry-forward and early access to higher levels of maternity and adoption pay.

Despite this hard work, we acknowledge that we have a long way to go and we will continue to do more.

In 2020, Equality, Diversity and Inclusion (ED&I) is one of the pillars of our People Plan. We're introducing a more comprehensive and robust approach to address wider ED&I topics, not just gender, and help to ensure that we create a more diverse pool of talent.

ED&I metrics are being tracked and reported in the 2020 Vanquis Scorecard and will be used alongside our other non-financial and financial performance metrics as the core basis on which we judge our success.



Neil Chandler
Managing Director
Vanquis Bank Limited

Our pay and bonus gap

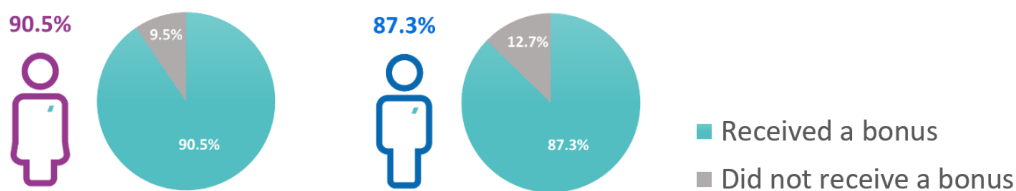
This table shows the overall mean (average) and median (middle) hourly gender pay gaps at 5th April 2019, as well as the mean and median bonus gender pay gaps, which capture all bonus awards paid in the 12 months before the 5th April 2019.

	Mean	Median
Hourly Pay	32.0%	21.7%
Bonus	67.9%	38.5%

These figures are largely driven by us having a higher number of men in the senior leadership team. This imbalance also affects the bonus figures, which is further affected by earnings gaps from extended leaves, mainly elected by women, despite our gender-neutral policies.

Away from the leadership team roles, the pay gap is smaller. Amongst customer-facing colleagues (53% of all Vanquis colleagues), the gap is just 0.5% for average pay and 0.1% for median pay.

In terms of the relative proportions of women and men who receive bonuses, our trend of a slightly higher percentage of women receiving bonuses continued for a third year.



Gender representation by pay quartiles

Vanquis Bank has a higher proportion of men in the two higher earnings quartiles. This gender imbalance is one of the key priorities for Vanquis to address and it is the principal cause of the current gap.

In addition to focussing more effort on the external recruitment of more women into senior roles, we are also making long-term investments in our colleagues to support more women rise through the ranks internally, strengthening our pool of future women leaders. This investment will be realised over several years before being reflected in the figures.

