

VIRGIN MEDIA GENDER PAY GAP REPORT 2019

This report details our April 2018 to April 2019 results and focus areas to ensure gender equality.

APRIL 2020



AT VIRGIN MEDIA, WE'RE BUILDING AN INCLUSIVE CULTURE OF TEAM PLAY, WHERE EVERYONE HAS A SENSE OF BELONGING



At Virgin Media we want to attract, retain and nurture the best, diverse talent.

We're launching a new People strategy called **'Belonging'** which aims to champion diversity and inclusivity across our business so we better reflect the communities we serve, and create a culture where our people can bring their whole selves to work and achieve their full potential.

A key part of this is our commitment to create a more gender-balanced workforce where we employ and retain more women, so they can thrive at all levels across our business.

We've taken a number of steps to do this, such as recruiting more women into apprenticeship, graduate and engineering roles, offering more flexible and part-time working for returning mums, as well as taking action to get more women into senior roles across our organisation.

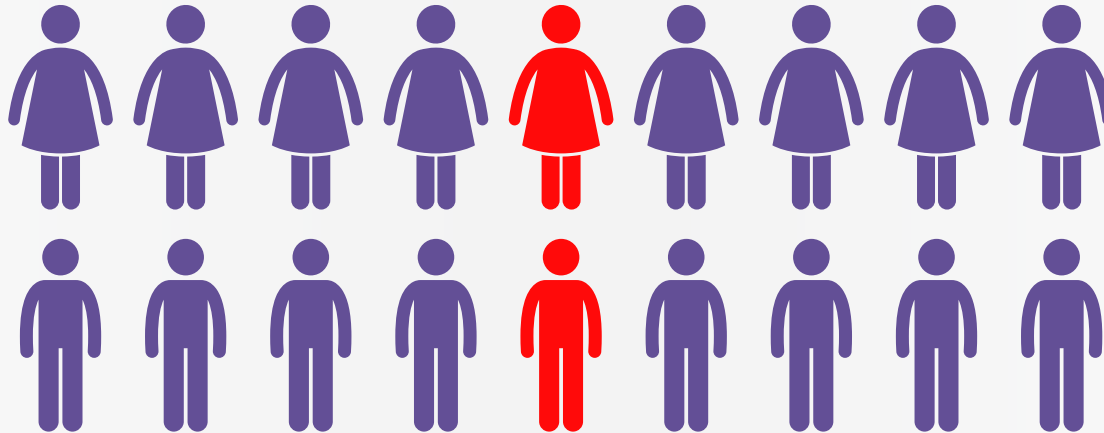
We've still got work to do, but we're making positive progress.

WHAT IS A GENDER PAY GAP AND HOW IS IT CALCULATED?

LOWEST PAID

THE MEDIAN

HIGHEST PAID



- If all company employees were lined up in a female line and a male line, in order of pay from highest to lowest, **the median gender pay gap compares the pay of the female in the middle of their line and the pay of the middle man.**
- Because different jobs pay differently and the number of men and women performing these jobs varies, a gender pay gap exists.
- The mean gender pay gap shows the difference in the average hourly rate of pay between men and women in a company.
- **This is different from ‘equal pay’**, which is the difference in pay between men and women who carry out the same or similar jobs.

OUR GENDER PAY GAP RESULTS

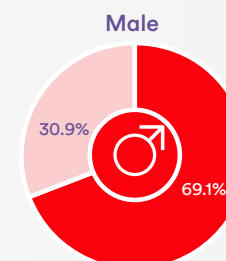
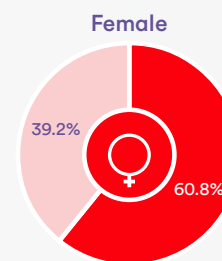
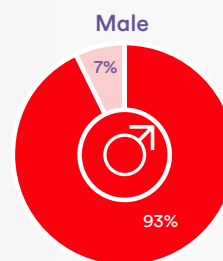
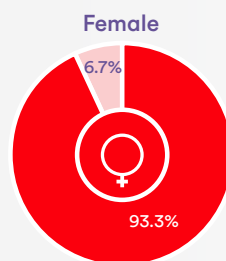
OUR MEAN (AVERAGE)
GENDER PAY GAP IS
3.2%

OUR MEDIAN (MIDDLE)
GENDER PAY GAP IS
7.4% THIS
IS MUCH
LOWER THAN THE
UK NATIONAL
AVERAGE (AT 17.3%)

WE'RE WORKING HARD
TO CLOSE
OUR GENDER PAY GAP

Proportion of employees receiving a bonus

Received a bonus
No bonus received



2018

2019

2018

Pay & Bonus

2019

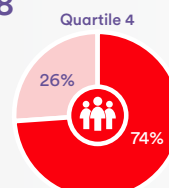
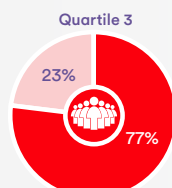
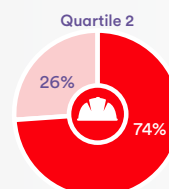
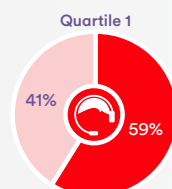
Difference between men and women	Mean Average	Median Middle
Gender Pay Gap	10.0%	13.8%
Gender Bonus Gap	10.1%	-8.9%

Difference between men and women	Mean Average	Median Middle
Gender Pay Gap	3.2%	7.4%
Gender Bonus Gap	2.7%	-31.2%

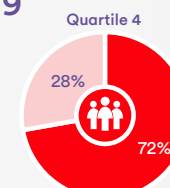
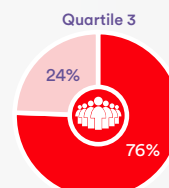
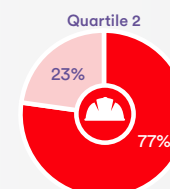
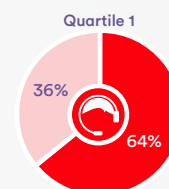
Pay quartiles

Proportion of males and females in each pay quartile (from junior in quartile 1 to senior in quartile 4)

Male
Female



2018

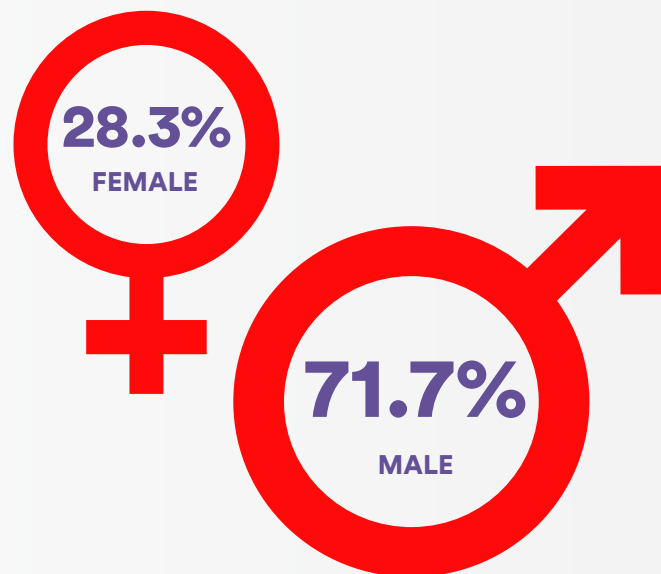


2019

Hourly pay and bonus numbers are based on 11,832 relevant employees; 11,315 full pay relevant employees

WHAT DO VIRGIN MEDIA'S FIGURES MEAN?

AS OF THE END OF 2019 VIRGIN MEDIA'S GENDER BALANCE WAS



Median and Mean Pay Gap

Our median pay gap has decreased from 13.8% in 2018 to 7.4% in 2019. The median UK gender pay gap among all employees was 17.3% in 2019, so at 7.4% our pay gap is 9.9% smaller.*

Our mean pay gap has decreased from 10% in 2018 to 3.2% in 2019. The main reason for this is that we have more women in senior roles compared to last year.

Percentage of employees receiving a bonus

Since our 2018 Gender Pay Gap report, we've made changes to our reward structures and have removed the bonus scheme for a large proportion of our front line staff, replacing it with an increase in basic salary. This has removed a large amount of head count (both male and female) from the bonus metric, compared to previous years.

Bonus Gap

Our median bonus gap has increased from -8.9% in 2018 to -31.2% in 2019 (minus figures show the gap is in favour of women). Our mean bonus gap has decreased from 10.1% in 2018 to 2.7% in 2019.

Bonus Gap: impact of referral scheme

We have a referral scheme which awards our people for successfully recommending our services to new customers. Even though the amount awarded is small, receiving an award means an individual is viewed as receiving a bonus under Gender Pay Gap regulations. This brings a large group of employees who are receiving a relatively small award in scope for the bonus metric. Although the gender split of individuals receiving the referral fee is consistent to our overall demographic, the effect of the schemes inclusion is to reduce the average bonus values for both men and women. However as we have more men than women in our workforce (71.7% male to 28.3% female), the male median falls to a lower value than the female median bonus value, therefore showing a bonus gap in women's favour. However, the referral fee is the same regardless of gender.

The impact of these awards was not evident in previous Gender Pay Gap figures as there was a much higher percentage of employees receiving a bonus (see note under 'Percentage of employees receiving a bonus' above), which diluted the effect of the referral fee scheme on the bonus figures.

WORKING TOWARDS A MORE GENDER-BALANCED WORKFORCE



OUR JOURNEY TO CREATE MORE GENDER BALANCE

Over the last 12 months we have been working hard to create a more gender-balanced workforce:

- For the first time, we hired an equal number of men and women into engineer apprenticeship roles
- We hired 40% women onto our graduate scheme following a targeted campaign
- Our recruitment team has specific key performance indicators relating to gender to help ensure that women are on every shortlist sent to a hiring manager
- We're working with hiring managers so that they are offering opportunities for part-time and job share roles. This will provide more flexibility for parents and carers
- In 2019, 32% of all new joiners into our Chief Technical Office, one of our largest divisions, were women. The majority of these roles are in Science, Technology, Engineering and Maths (STEM) roles

- Our Network Expansion Team, (which is our build and infrastructure team), hired 30% women
- Our 'Lean in Network' and Women in Cable Telecommunications (WICT) network is widely promoted across our business and provides a platform for women to develop their skills and to get support or coaching from their peers



WHAT'S NEXT?

We're committed to creating a more gender-balanced workforce at Virgin Media and we have put in place a number of initiatives to help achieve this.

However, we recognise our previous target of achieving 50/50 gender parity by 2025 is unrealistic due to the large proportion of men we employ compared to women. Some parts of our business have historically been very male dominated, such as our engineering and technician roles, and we believe it will take longer than 2025 to create gender parity in these areas.

As a result we have removed the 50/50 target and instead, we're going to be smarter and more targeted about how we employ, retain and nurture women in certain roles, divisions and management levels and we're developing more meaningful targets to address this.

We're going to...

- Look at how we can encourage more women into areas of our business which have historically been male dominated, and take steps to nurture women in these roles so they can progress their careers

- Continue to encourage more women into STEM roles through our apprenticeships
- Ensure our job adverts have language which is non gender specific
- Offer part time and job share roles where possible
- Have gender-balanced interview panels where possible
- Build long term relationships through our STEM ambassador programme which focuses on attracting more women into STEM roles
- Hold events and panel discussions to offer support, encourage and guidance to women across our business
- Actively promote our 'Lean In Network' and the WICT network

**WE'RE GOING TO BE
SMARTER
— AND MORE —
TARGETED
ABOUT HOW WE
EMPLOY, RETAIN
& NURTURE
WOMEN IN
OUR WORKFORCE**

This statement was approved by Virgin Media Limited CEO and Virgin Media Limited Chief People Officer



Lutz Schuler
CEO, Virgin Media



Philipp Wohland
Chief Transformation &
People Officer, Virgin Media