

# 2022 UK GENDER PAY GAP REPORT



# UNDERSTANDING THE GENDER PAY GAP

## What is the gender pay gap?

The gender pay gap is the difference between the average hourly earnings of men and women. For example, a 4% gender pay gap shows women earn 4% less per hour (on average) than men. To calculate the gap, we measure the difference between men and women's average pay. In Great Britain, it's a legal requirement for employers with more than 250 employees to report their gender pay gap.

## What is equal pay?

Equal pay is different to the gender pay gap. It looks at the legal right for men and women to be paid the same for doing equal work.

While equal pay and the gender pay gap measure different things, they both provide valuable insights.

We regularly review the pay of associates who do equal work. This process also takes into consideration things like location and experience as these can affect someone's salary, regardless of gender.

At Capital One UK, we pay women 100% of what men are paid for equal work.

## How do we calculate our gender pay gap?

We measure the difference between the salary of men and women in two different ways: the mean and the median (as required by law).

- **The mean figure** is the sum of all the men's or women's salaries, divided by the number of men or women respectively. The women's figure is shown as a proportion of the men's and the difference between these two figures is the gap. This is the figure we officially report.
- **The median figure** lists all the men's salaries from lowest to highest and takes the middle number, then compares this to the same figure for the women's salaries.

We also report our mean and median gaps in relation to bonus pay, as well as the proportion of men and women who receive a bonus in addition to their salary.



# 2022 RESULTS

MEAN HOURLY GAP

**18.6%**

MEDIAN HOURLY GAP

**23.1%**

PROPORTION RECEIVING BONUS PAY



**74%**  
MEN



**63%**  
WOMEN

MEAN BONUS GAP

**17.8%**

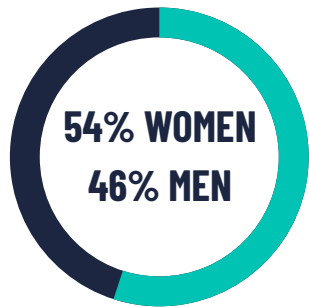
MEDIAN BONUS GAP

**9%**

## PAY QUANTILES

Women Men

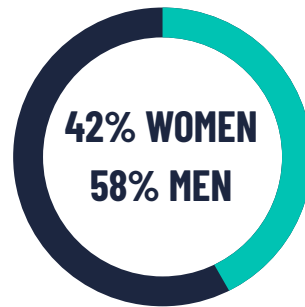
LOWER



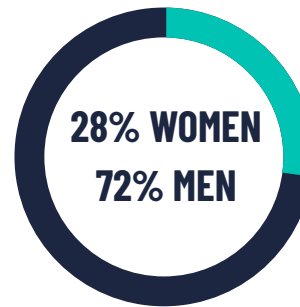
LOWER MIDDLE



UPPER MIDDLE

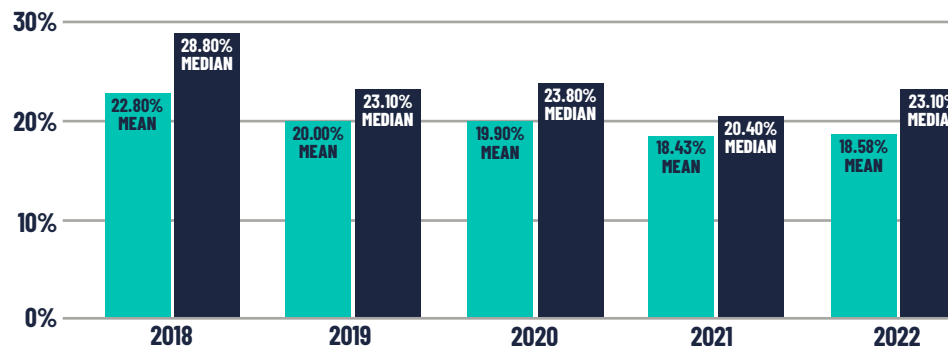


UPPER



## GENDER PAY GAP OVER TIME

Mean Median



## WHAT DO THESE FIGURES MEAN?

These figures show the gap between the average (mean and median) pay for men and women across all roles, levels of experience and seniority at Capital One UK.

Following some significant improvements in closing our mean and median pay gaps in 2021, our gaps have widened slightly in 2022. While we're disappointed with this break in trend, we do understand the driver behind it.

The UK job market emerged strong after the pandemic, and as an employer who commits to paying a competitive salary for the very best people, we needed to ensure our pay remains competitive. This benchmarking led to us increasing salary ranges within Technology and Analytics roles where women are currently under-represented. We will continue our efforts to close this gap over the coming year as we work to recruit and promote more women into technical and higher paying roles.

We're happy to report that our bonus pay gaps have continued to decrease for the third year in a row. We've also seen a further improvement in the proportion of women receiving bonus pay.

Overall, we've made positive progress since we began reporting on our gender pay gaps in 2018.

*For the purposes of this report 'Capital One UK' refers to Capital One (Europe) PLC.*

# WHAT ARE WE DOING TO MAKE A DIFFERENCE?

While we've continued to close our bonus gaps this year, we know we still have work to do to close the gender pay gap.

Having more women in higher-paying roles is one of the best ways to do this. With female CEOs leading the business since 2018 and women making up 40% of our board members, we're proud of the progress we've made. Increasing the representation of women in our senior leadership team remains a key priority of our Diversity, Inclusion and Belonging strategy.

In 2022, we focused on removing barriers to career progression, supporting our people to work in places and ways which suit them, and increasing diversity in our talent pipelines.

We're continuing our recruitment efforts to attract more women to roles where they have traditionally been under-represented, like Analytics and Technology. Partnerships with expert organisations like Code First Girls have encouraged alternative routes into the workplace for women, and we're embracing these opportunities to think differently.

As we've returned to our offices and adopted a hybrid working model, we've been able to strengthen the flexible approach to working we've always championed at Capital One. Taking a creative look at how and where our associates work has enabled women to adapt their working lives around their needs, and reduce some of the limitations they may have faced previously.

Our Business Resource Groups are proactively elevating the voices of our associates, working in partnership with Human Resources to ensure women get the support they need to succeed.

We're aspiring to meet some challenging targets, so we regularly check in to help us stay on track. Our underpinning action plans include:

- Continued investment in talent strategies that enable the hiring and internal mobility of women; such as encouraging under-represented applicants and ensuring our job adverts use inclusive, gender neutral language.
- Taking positive action to enable equal access to development opportunities for women and ethnic minority women. We've focused on accelerating the progression of high potential-women in our senior leadership roles and on tailored development which better meets the needs of under-represented groups.
- Partnering with our employee networks to celebrate role models and create spaces for women at all levels of the business to make connections and share their personal and career stories.
- Working with allies at all levels, to elevate our commitments to women, particularly those from under-represented groups.
- Planning for the future with initiatives such as school and university partnerships, and programmes designed to promote numeracy skills and careers in technology, especially to young women.



# A MESSAGE FROM OUR CEO

I continue to be committed to making it possible for everyone to thrive at Capital One UK - regardless of gender, ethnicity or background. My leadership team and I are working hard to create opportunities for women to secure roles that are more highly paid, and to support them to succeed in those roles. Some roles attract higher pay than others, and benefit from scarcity of skills in the market. Those happen to be roles where women are under-represented so we faced headwinds this year.

To solve the gender pay gap, we have to help women to achieve senior roles across our organisation, and attract more of them into those higher-paying disciplines. I'm heartened by the success we've had in internal promotions of talented and experienced women into senior roles this year and in creating new, influential opportunities for women who are already senior.

Our plans aim to deliver improved performance on gender pay metrics - regardless of market movements in pay. At every level in our organisation I see our people leaders seeking out women with great potential and supporting them to achieve more. I see both real and imagined barriers breaking down. I remain determined to address the gender pay gap in our organisation and look forward to redoubling our efforts in 2023.

I confirm that the figures in this report are accurate.

**Lucy-Marie Hagues**  
CEO, Capital One UK

