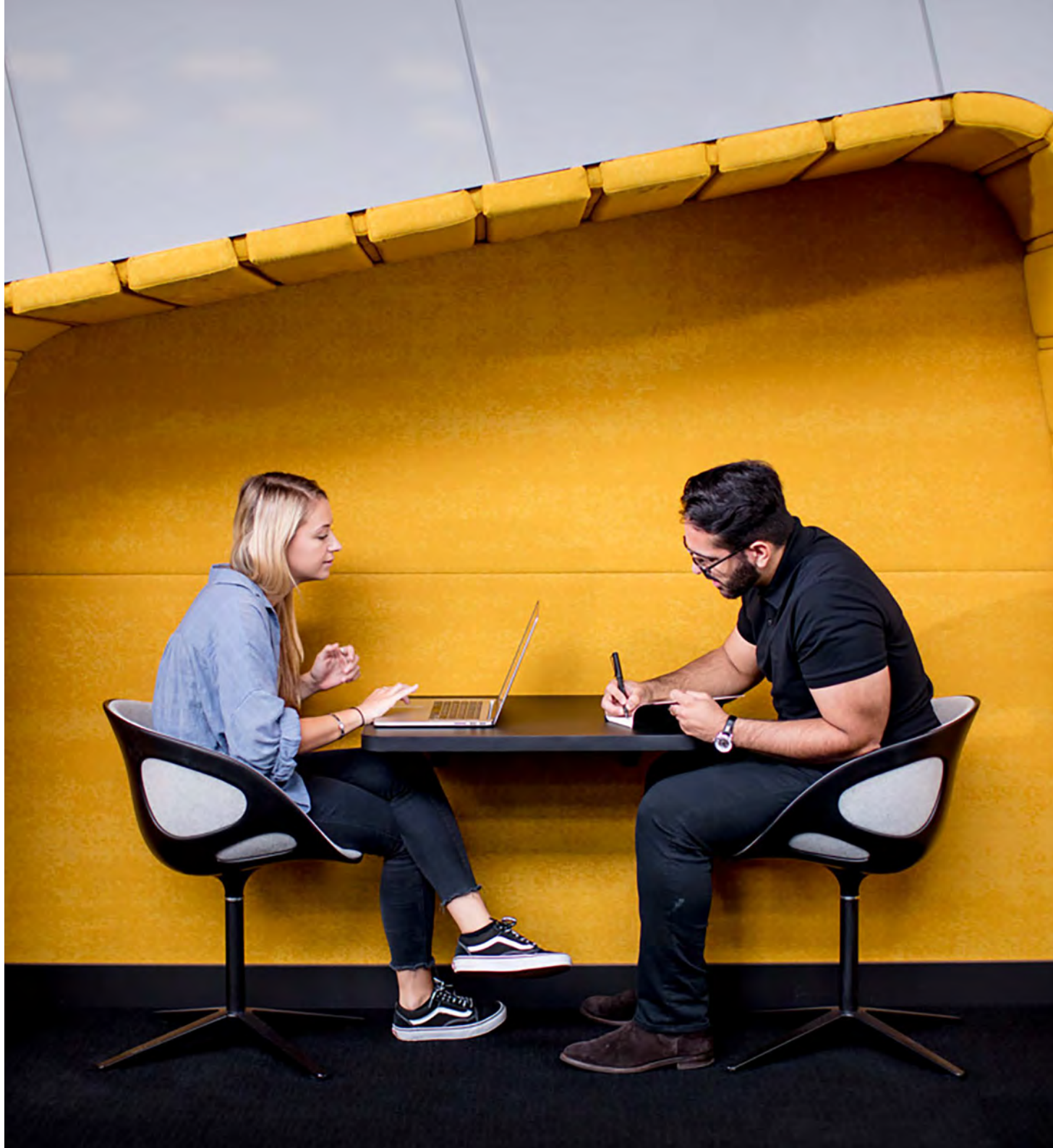




# UK GENDER PAY GAP REPORT 2018



# UNDERSTANDING THE GENDER PAY GAP

Gender Pay Gap reporting is required as part of new legislation that came into effect on 6 April 2017 to address the difference in pay for men and women working in the UK.

We use two different ways of measuring the difference of the average salary of males and females - mean and median:

The 'mean' figure takes all the male salaries and divides it by the number of male employees, then does the same for female employees. The female figure is then shown as a proportion of the male figure to give the overall reported statistic.

The 'median' figure lists all the male salaries in order of lowest to highest and takes the middle number, then compares this to the same figure for female salaries. This gives a different view, less affected by a few very high or very low earners.

It is important to understand the difference between the gender pay gap and equal pay. Gender pay reporting measures the difference between the average pay of all male employees in a company and the average pay of all female employees, as a proportion of the male employee average.

Equal pay is the requirement to pay men and women equally for doing the same, or equivalent work. Capital One is committed to pay equity: we pay employees fairly irrespective of gender, based on grounded factors such as level and experience.

Within financial services, as in many sectors, there is a long-standing history of women being under-represented in senior or higher paid positions and over-represented in more junior or lower paid positions. This is something we are committed to changing.

## Working to make a difference

Capital One recruits from the communities we are based in and serve. Our employees reflect the society and industry in which we operate.

We are actively working to find ways to increase the representation of women in both senior and higher paying positions across our business. It's a complex issue but we're tackling it with a range of solutions:

- We foster a culture of greater diversity and inclusion by giving our people leaders tailored training and regularly assessing progress against a shared diversity and inclusion objective.
- We've updated the content on our Careers website to ensure no potential gender bias.
- We partner with a number of university societies, schools and organisations to support women in pursuing higher paid careers.
- We've built programmes aimed at boosting the roles of women in the tech industry.
- We're always looking at ways to support our associates, such as giving them more flexibility for childcare. This includes providing greater parental leave and flexible working hours.

In addition, we are proud to be a signatory of the HM Treasury Women in Finance Charter. This formalises a number of commitments to achieving greater representation of women at senior levels in our business. In our 2018 Women in Finance submission, we were pleased to report that 45% of our senior management team are women.

**45%** OF OUR SENIOR  
MANAGEMENT  
TEAM ARE WOMEN



# 2018 RESULTS

The gap between average pay for male and average pay for female employees at Capital One UK represents the distribution of our workforce across different roles, experience and seniority.

## MEAN WAGE GAP

22.8%

## MEDIAN WAGE GAP

28.8%

## PROPORTION RECEIVING BONUS PAY



92.30%



92.90%

## BONUS MEAN GAP

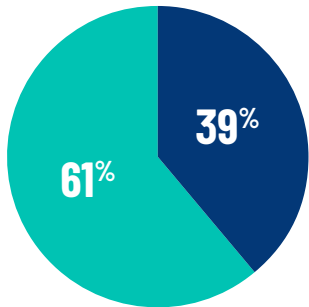
33.4%

## BONUS MEDIAN GAP

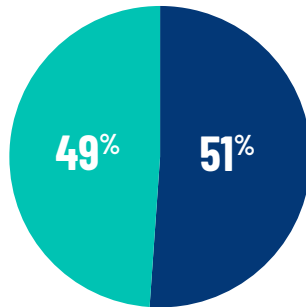
41.2%

## PAY QUARTILES

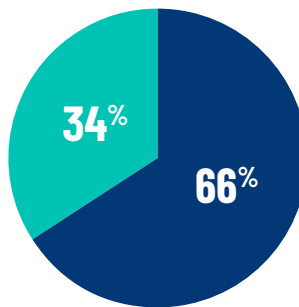
### LOWER



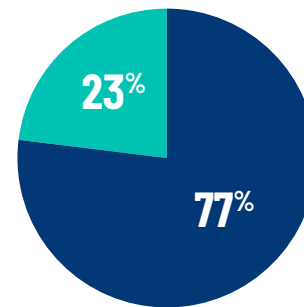
### LOWER MIDDLE



### UPPER MIDDLE



### UPPER



Female Male

Our 2018 Gender Pay Gap statistics are broadly in line with those reported in 2017. Significant change will take time. Our continued focus on ensuring pay equity, where associates are paid fairly across gender, based on grounded factors such as level and experience, means we are clear the gap is due to representation. Focussing on diversity in our recruitment and promotion process is a key lever in improving the representation of women in higher paying roles over time.

## A message from Amy Lenander CEO, Capital One UK

Diversity and inclusion are inherent in our values at Capital One. Having a diverse and inclusive workplace helps us to make better business decisions and create better solutions for our customers - strengthening our business from the inside out.

I'm proud that women make up nearly half of our talented senior management team, and that as part of the HM Treasury Women in Finance Charter, we are publicly committed to building a more diverse workforce. I am passionate about building an even more diverse workforce and working to ensure that even more women have an opportunity to succeed across our business in senior and more highly paid roles.

Our leadership team is committed to continuing our efforts to reduce the gender pay gap. I want Capital One UK to be an environment where employees across all demographics can thrive and do their best work. We know we still have more to do, but I am confident we are on the right trajectory.

I confirm that the figures in this report are accurate.



"Our leadership team is committed to continuing our efforts to reduce the gender pay gap."