



# Vauxhall Finance

## 2019 Gender Pay Gap Report





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## Forward

Our business is the captive finance company of Vauxhall and we support the brand, their retailers and customers across the UK, putting the customer at the centre of everything we do.

We recognise the Gender Pay Gap reporting is an important step in terms of progression and transparency to encourage greater equality of opportunity for women in work. Whilst our Gender Pay Gap Report suggests that we have areas where we can do more to support gender equality, we are confident that men and women are paid equally for doing equivalent jobs across our business.

Since our 2017 report, we have seen a slight narrowing of the mean Gender Pay Gap by 3.28% to 22.49% favouring males and a median Gender Pay Gap change of 1.15% to 25.77% favouring males.

To help improve our pay gap, we will continue to provide access to training and development opportunities to encourage and promote progression of women into more senior roles. We have proactively hired women into leadership roles since the last report. In 2016, 61% of new hires employed were men and 39% were women. In 2017, 57% of new hires employed were men 43% were women. We know that there is still more work to do to encourage more women to apply for roles here as we strive towards a more gender balanced organisation.

We continue to ensure our HR policies encourage and support flexible working within the organisation. Our HR team actively supports our diversity message across the organisation by positively influencing and challenging our hiring managers to ensure they recognise how their individual behaviours and actions impact our overall ability to create an open, fair and inclusive workplace culture.

As of the 5<sup>th</sup> April 2018, we are pleased to see a slight reduction in our pay gap this year, although we note the increase across our bonus gap. The mean gender gap stood at 22.49% and the median gender pay gap at 25.77%. Our gender pay gap is explained by the current under representation of women in senior leadership roles within our business. We remain confident as a business that we do not have any processes or practices in place that see people conducting the same role, being paid differently to do so.

By analysing the data across our eight band internal grading structure, we see that the senior level witnessed the most significant narrowing of the pay gender gap over the 12 months. The pay gap is generally low with only one pay band with a pay gap greater than 10%.

**Simon Kington**  
Managing Director



Vauxhall Finance is committed to promoting an inclusive and diverse working environment and seeks to provide development opportunities for everyone regardless of gender, age, background and nationality. We promote flexible working, and are actively endorsing a more agile working environment to allow employees to take ownership of where they choose to work through our new working from home approach. We are fully committed to achieving our goal of a truly inclusive workforce, building on and extending beyond the many programmes already in motion. At Vauxhall Finance, we are continuing our successful journey through living our values of Customer Focus, Agility, Collaboration, Accountability and Integrity.

**Sue Gunning**  
HR Director



This is our second annual gender pay gap report and we are pleased to see some progress in the year-on-year narrowing of our gender pay gap and have seen an improvement on our internal metrics compared to our first disclosure. As a business, we are committed to equal opportunities for all our employees. We seek to provide an environment that recognises the importance of providing a wide range of flexible and agile working options to enable all our employees to have a better work life balance. In 2018, alongside the launch of our Vision and Strategic Priorities for the company, we promoted our new Values of Customer Focus, Agility, Collaboration, Accountability and Integrity; and fostering a diverse, rewarding work environment to become an employer of choice.

Within our non-management employees, we note that the pay gap is even narrower, falling below 1% in two of our pay bands. There was a reduction in the number of males and an increase in females, leading to a lower mean average and parity in median. 6% of the workforce is part time and whilst our policies are aimed at encouraging both men and women to work flexibly, all of our part time employees are women.

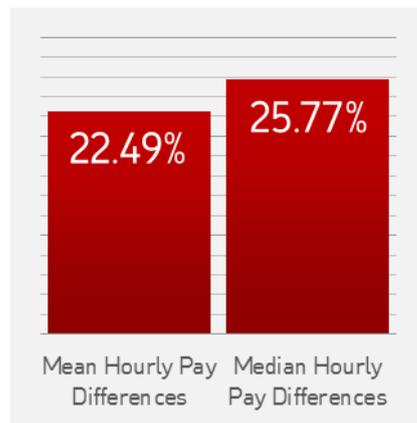
We recognise that we have fewer women in senior leadership roles and the associated higher levels of pay. Whilst female employees account for 42% of Vauxhall Finance overall workforce in the UK, only 22% of our senior leadership positions are currently held by women.

Female representation continues to be positive in quartiles one and two, although we continue to work on representation and the resulting gaps in the upper quartiles. When we look at our internal structure, we recognise that these trends are closely aligned with industry standards.

We are aware this year that we have seen an increase in our bonus pay gap. The bonus pay gap relates to the structure of our bonus arrangements, where bonus potential is set as a percentage of salary, which increases with grade. The higher number of men in the higher grades, and therefore earning higher bonus values, has a significant effect on our bonus pay gap. When considering the reasons for the gender bonus pay gap it is important to note that the payments in this category are not solely related to bonus pay. The category also captures payments made for reasons of spot awards, sales incentive commission, lump sum awards, legacy contractual payments and the executive long term incentive plan payments. The amount of lump sum awards increased this year and the percentage of awards for males also increased but it is important to note that the average value of the award given to females was higher than to males. Executive long term incentive plan payments and sign on bonus were predominantly paid to males as males occupy the majority of senior management positions within the company. Therefore, these long term incentive awards contribute to the gender bonus pay gap given they are generally of high value. There is a positive pay gap in favour of females receiving spot awards. The average value of a spot award was 20% higher for females when compared to the value awarded to males.

Taking all these factors into account, we are confident that men and women are paid equally for doing equivalent jobs.

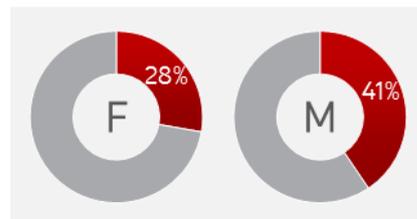
### Pay Gap for Full Pay Employees



### Bonus Difference

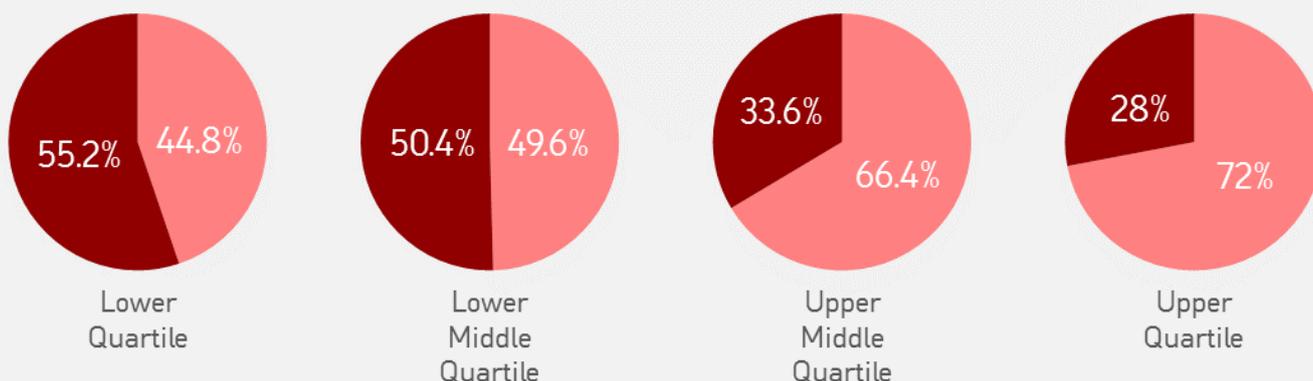


### Bonus Distribution



### Gender Distribution by Pay Quartiles

Key: F M





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## Our Company Philosophy

The compensation philosophy at Vauxhall Finance is to ensure our pay is internally equitable, externally competitive and reflective of an individual's performance towards the company's success. We ensure roles are internally graded based on a job profile and externally benchmarked, enabling us to obtain accurate market rates for each role. We acknowledge pay differentials may still remain in certain cases due to factors such as length of service, seniority and performance. Where pay differentials exist due to gender and are not justified by length of service, seniority or performance we ensure that every effort is made to bridge these gaps.

Our Talent Management policy is intended to ensure we have a robust, rigorous effective and fair process which is integral to building and sustaining success for our organisation. Our integrated Talent Management practices enable us to take a consistent approach in attracting, selecting, appraising, identifying, rewarding, developing, planning for succession and retaining the best people. We undertake regular reviews to ensure succession planning, performance management, and Talent all support a culture of diversity and inclusion.

We aim to ensure women are not only better represented within Vauxhall Finance but most importantly supported. Our Women's Inspiration Network (WIN) established in 2016, is an employee-driven empowerment group which seeks to support the recruitment, retention and development of talented women across our organisation and to create a fair, balanced work environment, with equal opportunity and respect for all. Our Women's Inspirational Network (WIN) has had many accomplishments over the last year and continues to support the development of women in our business. On International Women's Day 8<sup>th</sup> March 2018, our Chief Executive was joined by a female motivational speaker to encourage all employees, regardless of gender, to strive for success.

The launch of our Personal Impact Program has started our employees on a path to improve their growth mindset, resilience and coaching skills. With topics such as positive psychology, the art of rapport and creative problem solving, we aim to prepare our employees for their future growth and personal development. Our senior leaders are committed to supporting those who wish to develop and actively participate in mentoring opportunities. Through WIN we support internal campaigns to promote wellbeing, work life balance and ways to boost productivity and creativity. Our commitment to WIN continues and aligns to our company cultural aspirations and values.

Striving to put our people at the heart of everything is being driven by our cultural transformation and our commitment to improving the employee experience of what it's like to work here as part of Vauxhall Finance. In 2018, alongside the launch of our Vision and Strategic Priorities for the company, we refreshed our Values towards becoming a workplace of choice.



We also formally launched an Equality, Diversity and Inclusion policy, along with regular tracking and reporting to our leadership team. To provide a pulse check on where the company was, we completed an Employee Cultural Survey in 2018 which has provided us with a robust view of our culture and how employees perceive we are changing. This has provided us with insights which will be further developed based on the results of an employee engagement survey during 2019, to enhance the employee experience and support our business goals.

Learning & development opportunities are available to all employees through e-learning platforms such Lynda.com and getAbstract, Learning at Work Weeks and traditional classroom based programmes. We provide structured programmes for our new and existing manager's, as well as a core curriculum offering for all employees whether it be personal development, business specific skills or keeping up to date with regulation and compliance. Our e-learning is accessible remotely through Apps so that employees can get the most of their learning experience 24/7, 365 days per year, whenever they need it. We encourage everyone to take ownership and accountability for their learning experience and we are working hard this year on supporting the development of communities of practise, encouraging employees to learn collectively from each other.

We continue to focus our recruitment activities on platforms and channels that seek to deliver a diverse range of external candidates from different backgrounds. We are committed to hiring the best talent for roles across our organisation and as part of this, we continue to actively create an environment where everyone is motivated to develop and progress through innovative HR policies and practices and an encouraging environment. While we continue to make real strides in this area, we recognise that we need to actively ensure our hiring managers reflect our strategic approach to diversity.



## Closing Statement

This is our second Gender Pay Gap report and we are pleased that there has been a narrowing in both mean and median pay gap. Analysis against our internal grading has shown an improvement on internal metrics compared to our first disclosure.

We constantly develop and improve our HR policies and practices to encourage and promote the development and progression of all our employees and ensure that our culture actively supports our female employees in being well-represented and championed across our organisation.

Promoting our values of Customer Focus, Agility, Collaboration, Accountability and Integrity, we will continue to work with all of our employees, and regardless of ethnicity, gender, age, disability, religion or sexual orientation, provide them with opportunities to build their confidence and help them reach their full potential.

I confirm that the gender pay gap data reported is accurate, in accordance with the requirements of the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Signed

A handwritten signature in black ink that reads "Denise Buckley".

Denise Buckley  
Chief Financial Officer