



Gender and Ethnicity pay report 2022

Virgin Atlantic Airways Limited



Estelle Hollingsworth Chief People Officer

Our people have always been at the heart of Virgin Atlantic. It's the reason we remain committed to being a fair, diverse, and inclusive employer that attracts the best talent in the industry, irrespective of gender.

As we are moving past the impact of the pandemic, we are looking ahead at our future initiatives and ensuring we continue to take action to support women to thrive and develop their careers. We firmly believe this will create a fairer workplace, where our people can flourish and truly be themselves, regardless of gender or background.

For the first time ever, in the interests of transparency and to demonstrate our commitment to driving racial equality across Virgin Atlantic in the UK, we will reflect best practice in voluntarily publishing our ethnicity pay gap.

We remain determined to have the right measures in place to continue building a diverse workforce for the future through supporting existing colleagues as well as broadening how we attract and retain diverse talent.

Estelle Hollingsworth
Chief People Officer

Looking behind our numbers

Gender Pay Gap

2020 and 2021 were heavily skewed by the impact of the global pandemic and do not reflect the full picture with respect to our Gender Pay Gap.

As well as the impact of furlough under the regulations requirement to exclude colleagues whose pay is reduced by a "reason of leave", Virgin Atlantic Airways Limited is a structurally a very different company. In July 2020, our people working for Virgin Holidays were transferred to Virgin Atlantic Airways Limited and we first reported joint statistics for 2021.

Our gender pay gap results from the number of pilot and senior management roles in the upper pay quartile that are currently held by men. 6% of our pilots are women, which is in line with the gender diversity of the UK pilot workforce. The under-representation of women in the pilot workforce is an issue across industry and is one that we will continue to address in readiness for when we next begin pilot recruitment. Our median gender pay gap reduces by 16% down to 18% when we exclude pilots from the calculations. At present 44%

of leadership roles are held by women. We are committed to increase the number of women in leadership to 46% by 2025.

Ethnicity Pay Gap

For the first time, we will be reporting a mean hourly ethnicity pay gap of 42% and a median pay gap of 13.8%. Our ethnicity pay gap is predominantly caused by the prevalence of ethnic minorities in entry level roles, combined with a low representation of ethnic minority pilots. Aside from this, there is a relatively even distribution of minority colleagues across our various grades.

10% of our workforce chose not to disclose their ethnicity data therefore have been excluded from the calculation.



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Gender pay gap 2022

🕒 Hourly Rate Differential

Median

34%

Mean

64.8%

£ Annual Bonus Differential

Median

58.8%

Mean

72.3%

The median represents the middle point of a population. If you lined up all the women and all the men in a company, the median pay gap is the difference between the hourly pay rate of the middle man compared to the middle woman.

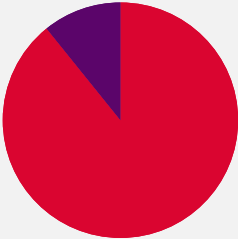
The mean pay gap is the difference in the average hourly pay for women, compared to men, within a company.

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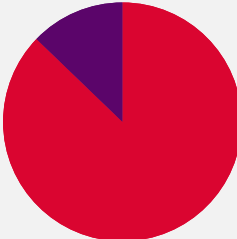
Percentage of men and women receiving a bonus



89.2%



87.2%



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Our gender proportions across pay quartiles



72.9%

Q1 (upper)

27.1%



39.6%

Q2 (upper middle)

60.4%

28.4%

Q3 (lower middle)

71.6%

22.2%

Q4 (lower)

77.8%

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Ethnicity pay gap 2022

🕒 Hourly Rate Differential

Median

13.8%

Mean

42%

£ Annual Bonus Differential

Median

5%

Mean

20%

The median represents the middle point of a population. If you lined up all the White colleagues in a company, and all those in an Ethnic Minority Group, the median pay gap is the difference between the hourly pay rate of the middle White colleague compared to the middle Minority Ethnic Group colleague.

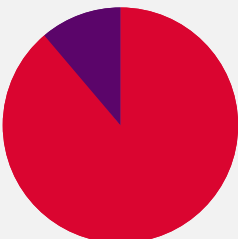
The mean pay gap is the difference in the average hourly pay for White colleagues, compared to Ethnic Minority Colleagues, within a company.

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Percentage of White and Minority Ethnic Group receiving a bonus

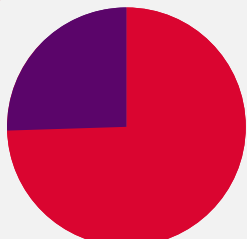
White

88.8%



Minority Ethnic

74.5%



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Our Ethnicity proportions across pay quartiles

Minority Ethnic		White
4.7%	Q1 (upper)	95.3%
7.8%	Q2 (upper middle)	92.2%
8.3%	Q3 (lower middle)	91.7%
14.1%	Q4 (lower)	85.9%



We remain committed to reducing our gender and ethnicity pay gap

At Virgin Atlantic, we have a rich history and a strong culture of embracing the human spirit without prejudice or boundaries. We remain committed to being a fair, diverse, and inclusive employer that attracts the best talent in the industry. We want our people to proudly be themselves, regardless of gender identity, backgrounds, beliefs, race, physical ability, or sexual orientation. After all, it's our people that make us Virgin Atlantic.

We have continued our focus on improving the diversity of representation across all levels of our organisation this year. Alongside the refresh of our Diversity, Equity and Inclusion strategy in 2022, which we refer to as 'Be Yourself', we revised our Leadership Women at D+ target and ethnic diversity workforce target, to ensure they remain relevant and purposeful.

Estelle Hollingsworth
Chief People Officer

Communicate our Purpose with Love

Creating a truly inclusive culture within Virgin Atlantic and beyond is critical to the long-term success of our Company. To drive change and foster an inclusive workplace, it is essential we create the right levels of diversity, equity and inclusion awareness and education.

To support our ambitions, we launched new group wide Be Yourself learning which all our people undertake annually. This digital learning focuses on curiosity, awareness and recognising the value of difference and diversity, creating a true sense of belonging.

We made a commitment over the next four years to view all our policies through a Be Yourself lens, to ensure that they encompass the many different aspects of society and civilisation. We took bold action this year on some of these policies. We relaxed our tattoo restrictions at the beginning of 2022 for customer-facing roles, allowing our people to celebrate their unique cultures and backgrounds. We introduced our new Gender Identity Policy, removing gendered uniforms and allowing our people to choose the uniform that best reflect their identities.

We understand the difference our 'Be Yourself' mindset can have, which is why we will continue to review our family friendly policies to ensure they're best meeting the needs of current and future workforce.

We have four Belonging Networks: Pride (LGBTQ+), Disability Engagement Network (DEN), Scarlet (Women's), and VALUED (ethnicity), which are all fundamental to elevating voices and providing a platform for understanding and change here at Virgin Atlantic. Together with our networks, we build inclusive policies that break down barriers and ensure that everyone is supported to be at their best.

Over 6,700 of our people are now a member of our networks, following a 120% uplift in network membership throughout 2022. Each network has an executive sponsor, plus hands on senior leadership, who support, guide and champion them throughout the year. This year, we look forward to working with our people to introduce our new Family and Carers network, to support our people with balancing life outside of work.

For the first time in 2022, we added questions relating to inclusion in our colleague happiness survey, providing us with an inclusion index which we can measure going forward. We measured this twice in 2022 and saw a six-point uplift in the score between surveys.



Driving Sustainable Profitability

Aviation remains an exciting and dynamic sector to work in, but still retains a historic gender imbalance in certain highly paid roles, such as pilots and engineering, which has a greater effect on the pay gap. There remains an industry-wide challenge to improve gender diversity and we're playing our role to tackle this.

To deliver on this commitment, we have worked hard to remove barriers to entry and widen our talent pools. We invested in specialist job boards, and actively promoted vacancies on them. We focused on enhancing our external narrative, redesigning our careers page with a renewed focus on diversity, equity and inclusion. We transformed our volume hiring assessment process. To do this we reviewed every stage in detail, challenging ourselves and ensuring we removed any unnecessary barriers. We put ourselves in the candidate's shoes and thought carefully about the changes we could make to enable better representation.

We're pleased to see the positive impact this is having on our workforce, including our new Engineering Apprenticeships, which had an equal gender balance for the 2022 co-hort.

Succession planning and identification of talent are essential to ensure a balanced pipeline of talent from a diverse range of backgrounds.

Using this insight, we are able to deepen our understanding of our workforce and where additional efforts are most needed. This has been delivered through a multi-dimensional approach including career development, coaching, and sponsorship programmes that target specific areas of need.

This includes programmes like our Springboard Female Development Programme, which support both professional and personal development. At the beginning of 2021, we relaunched our Springboard programme and supported six people in successfully achieving their Springboard coaching accreditation. As a result, we now have eight qualified Springboard facilitators at Virgin Atlantic. We successfully completed our first programme last year, with over 25% of participants having since progressed their careers and moved into a new role. In 2023, our aim is to run an additional four programmes.

In addition to our internally run development programmes, we work with external partners to strengthen our commitment to career development. We are a signatory of the Women in Hospitality, Tourism & Leisure (WiHTL) charter, and have continued to maximise our partnership with them, supporting our people to take part in programmes including the Global Female Leaders programme and Ethnic Minorities Future Leaders programme.





Leading as a force for Good

Through using our business as a force for good, we want to make a tangible impact on the communities we serve. Through our pioneering Passport to Change programme, we are aiming to bridge the learning and diversity gaps within STEM and inspire young people to know that the aviation sector, or STEM industries in general, is for them to aspire to.

Last year, in partnership with Speakers for Schools, more than 384 students successfully took part in our refreshed Passport to Change programme, where we delivered over 6,500 learning hours of inspiring career talks, interactive activities and mentoring. Of those students who graduated, 49% of them were young women, and 39% of them were ethnically diverse. By electing diverse young people from our programme, we want to improve social mobility, raise aspirations, and empower young people with experiences that help them set their heights higher.

We work closely with Fantasy Wings whose pioneering course brings together aviation professionals, to create opportunities and connections for ethnically diverse individuals aspiring to a career in aviation.

In addition to our partnership with Speakers for Schools, we work closely with two other charity partners: UNHCR and The Smallpeice Trust.

The Smallpeice Trust are our STEM charity partner, using its educational resources to focus on increasing student engagement in STEM subjects, in particular engineering.

In turn, Virgin Atlantic Airways Limited will sponsor scholars in The Smallpeice Trust's Arkwright Scholarship programme and sponsor a four-day residential programme in 2022, which explores the world of STEM. To date 42% of participants on these programmes have been women.

Alongside our final charity partner, UNHCR, we want to ensure that education is a basic right for all young people. So far, we have supported more than 4,000 young refugees in Delhi sustain access to education through the funding of bridge learning centres, admission fees for school enrolment, and educational kits.