

ESG

Product Fact Sheet

Virgin Money (UK) PLC ('Group') is a public company operating solely in the UK. This document outlines the description and eligibility criteria of sustainable products available for customers and key sustainable metrics.

VIRGIN  MONEY UK

Environmental

Product/metric Name	Product/metric Description	Eligibility and Exclusions
Agri E Fund	<p>Fund providing lending to support farmers adapting to environmental changes.</p> <p>Offers 0% arrangement fees for customers who complete a carbon audit and are borrowing over £50k to invest in emission reducing initiatives.</p>	<p>Eligibility criteria:</p> <ol style="list-style-type: none"> 1. Customers must complete a carbon audit. 2. Borrowing application for >£50k. 3. Loan purpose must be aligned to the Loan Market Association (LMA) Green Loan Principles (i.e. investment in emission reducing initiatives, like renewable energy, energy efficiency initiatives or activities that reduce greenhouse gases. Full list of eligible activities can be found on the LMA Website (Green Loan Principles).
Energy & environment lending	<p>Business related lending to projects or companies who are advancing energy & environmental causes in the UK.</p> <p>All Energy & Environment lending align to Loan Market Association (LMA) Green Loan Principles. This includes but is not limited to initiatives such as wind farms, solar energy, hydro-electric energy as well as known customers where we've provided cleaner energy financing.</p>	<ol style="list-style-type: none"> 1. The customer is assigned an eligible sector code in alignment with the LMA Green Loan Principles; or 2. The facilities are managed by the dedicated Energy & Environment team whose purpose is to facilitate the energy transition through Project Finance; or 3. All loans within the Agri E Fund; or 4. Have been identified by the Relationship Manager or Business Performance team as a customer who aligns to the LMA Green Loan Principles, but not assigned an eligible sector code, per item 1 above. <p>We do not currently include the 'Green Buildings' category in this metric.</p>

Product/metric Name	Product/metric Description	Eligibility and Exclusions
Green Reward	<p>Reward scheme for customers who take additional mortgage borrowing, either stand-alone borrowing or as part of a mortgage Product transfer and spend at least £2,500 on energy-efficient home improvements.</p> <p>Customers who take additional borrowing and spend at least £2,500 on making green home improvements will be rewarded with a one-off £250 cashback payment.</p>	<p>Eligibility criteria:</p> <ol style="list-style-type: none"> 1. At least £2,500 of additional borrowing must have been used to fund energy-efficient home improvements. 2. Funds must be used for energy-efficient home improvements; full list can be found at Green Reward Scheme Terms and Conditions (virginmoney.com).
Greener Mortgage	<p>Product offering a lower rate than the core range of Mortgage products for customers purchasing a new build property with an energy performance rating, or predicted energy assessment rating of A or B.</p>	<p>Eligibility criteria:</p> <ol style="list-style-type: none"> 1. Customers purchasing a new build home . 2. The home must have an energy efficiency rating of A or B, as evidenced by a valid EPC certificate or predicted energy assessment. 3. Deposit must be 10% or greater. <p>Exclusions:</p> <ol style="list-style-type: none"> 1. Not available for remortgage customers. 2. Not available for Buy to Let customers.
Sustainability Changemaker	<p>Sustainability Changemakers are a cohort of lending customers whose core activities (>50% revenue) drive social or environmental change, as determined by the Sustainable Business Coach methodology.</p>	<p>Eligibility criteria:</p> <ol style="list-style-type: none"> 1. Business whose core goods or services (>50% of business revenue) enable others to operate in a more economically and environmentally sustainable way. 2. This is determined by 'Positive Impacts' within the Sustainable Business Coach, which are derived from the Future-Fit Business Benchmark.

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Sustainable Business Coach	<p>An interactive tool developed through our relationship with Future-Fit, a non-profit organisation whose mission is to help the transition to a society that is environmentally, socially and economically fair.</p> <p>A free-to-use digital coaching tool that helps businesses assess their sustainability credentials and support and guide them through the key stages of their sustainability journey, helping them identify high-priority issues, set goals and measure progress against their sustainability targets.</p>	<p>Freely available for both customers and non-customers of Virgin Money.</p> <p>To find out more about the underpinning methodology, see FutureFit Business Benchmark (futurefitbusiness.org).</p>
Sustainability-Linked Loan (SLL)	Offers low or no arrangement fees (maximum arrangement fee discount to our normal pricing for a comparable loan is 1.50%) for customers who complete the Sustainable Business Coach and meet an eligibility threshold score and whose core activities help the economy move to a more sustainable model.	<p>Eligibility criteria:</p> <ol style="list-style-type: none"> 1. For borrowing >£250k. 2. Completion of the Sustainable Business Coach. 3. Terms loans or revolving credit facilities only.

Social

Product/metric Name	Product/metric Description	Our approach to improving outcomes
<p>Poverty Premium 2030 Aspiration: Work towards the eradication of poverty premium for our customers</p> <p>FY24 target: Support 51k individuals with financial and digital wellbeing resources</p>	<p>Poverty Premium is the extra cost that those on low incomes pay to access essential services including utilities, access to credit and insurance. Research by Fair by Design and Centre for Social Justice shows that those who are digitally excluded are more likely to be impacted by the Poverty Premium.</p> <p>Virgin Money is therefore taking a two-track approach to improving outcomes for those potentially impacted by the Poverty Premium; focusing on Digital Inclusion and Financial Education whilst encouraging individuals to maximise their income.</p> <p>We have set a target to 'Support 51k individuals with financial and digital wellbeing resources throughout FY24'. Our intention is to then deliver a refreshed strategy and commitment to the 2030 Aspiration: data driven and concentrating on our areas of influence and expertise and create longevity in the aspiration.</p>	<ol style="list-style-type: none">1. Working with Good Things Foundation, every Virgin Money store (and Banking Hubs where we have a presence) in the UK has been setup as a "databank" providing free data for those in need for up to 12 months. We are also supporting a recycling programme for those who are in need of devices.2. Our specially trained colleagues help customers navigate support tools to better support their financial situations through our 'Cost of Living' support hub.3. We are partnered with Turn2us - a national poverty charity – signposting their benefits calculator which enables people to check their eligibility for welfare benefits and grants. Turn2us estimates that those who use the calculator and find out they are entitled to unclaimed benefits then go onto receive an average of £5,300 in additional funds each year.4. Virgin Money has commissioned granular research into the Poverty Premium to establish triggers within our own customer base. This is centred around the aspects of Poverty Premium articulated by Fair by Design and has an initial focus on Access to Cash, Unsecured lending and energy pre-payment meters.