

12 January 2016

VIRGIN MONEY ANNOUNCES TWO NEW APPOINTMENTS TO SENIOR EXECUTIVE TEAM

- **Peter Bole to join as Chief Financial Officer**
- **Hugh Chater to join as Chief Commercial Officer**

Following a comprehensive market search Virgin Money is delighted to announce the appointment of Peter Bole as Chief Financial Officer (CFO).

Peter is CFO at Tesco Bank, where he has led the finance function since 2009. Peter has previously held senior roles in the finance function of RBS and as an Investment Director at Standard Life. He has extensive experience in UK retail banking, including the migration of Tesco Personal Finance from RBS. Given Peter's contractual position at Tesco Bank, it is expected he will join Virgin Money as CFO in 2017, following which he will be appointed as an Executive Director.

Hugh Chater will join Virgin Money by June 2016 as Chief Commercial Officer and will be responsible for the full range of Virgin Money products, including credit cards. Hugh's deep experience of retail banking includes 14 years at MBNA, where he became Managing Director of their UK Cards business. He is currently responsible for the commercial performance of core banking products and Retail Private Banking at RBS.

Subject to regulatory approval, both Peter and Hugh will join the Virgin Money Executive Team and will report to Jayne-Anne Gadhia, CEO.

Dave Dyer will remain as CFO until he hands over responsibilities to Peter, after which he will remain with the business in a part-time advisory role for a period of time. There are no further changes to the Virgin Money Executive Team. Both Richard Hemsley and Michele Greene continue to report to Jayne-Anne Gadhia. Richard will focus on the build out of operational capabilities and entry into the SME market and Michele will lead new product development including current account and digital capability.

Glen Moreno, Chairman of Virgin Money said: "After an extensive selection process I am delighted to announce that Peter Bole has been appointed as CFO of Virgin Money. He is an accomplished professional with first-class strategic financial management experience. I am very much looking forward to working with Peter as we continue to grow the business."

Jayne-Anne Gadhia, Chief Executive Officer said: "I am delighted to announce that Peter and Hugh will be joining the Virgin Money Executive Team. Their broad experience and knowledge of the financial services industry, including a strong customer focus in retail banking, will be invaluable to us as we continue to deliver on our strategy of delivering growth, quality and returns to all of our stakeholders. I am looking forward to working with them both."

ENDS

Notes:**Remuneration arrangements for Peter Bole**

Peter Bole will be paid an annual base salary of £500,000. In addition he will receive pension contributions of 20% of base salary, life cover, permanent health insurance and private medical cover. He will be eligible to receive an annual bonus and an annual award under the Virgin Money Long Term Incentive Plan, which together will not exceed 200% of fixed pay.

Peter will also receive one-off awards to compensate for remuneration forfeited as a result of leaving his current employer's share incentive arrangements. On joining Peter will receive (i) an award of Virgin Money shares with a value of £653,873, which is not subject to performance conditions; and (ii) an award of Virgin Money shares with a value of £472,914, subject to Virgin Money performance conditions. Both of these awards will vest in line with Peter's forfeited awards from his current employer.

Peter will also receive a one-off award to compensate for remuneration which he may forfeit in 2015/16 as a result of leaving his current employer, up to a maximum of £749,000. The final amount and terms of the award will be disclosed once awarded.

There is no further information to be disclosed under Listing Rule 9.6.13.

Biography for Peter Bole**Tesco Bank, 2009 – Present
Currently Chief Financial Officer, Executive Director**

Peter is a Chartered Accountant and has worked in accountancy and financial services for almost 25 years, most recently as CFO at Tesco Bank. At Tesco Bank, Peter is responsible for leading a team of finance professionals to deliver the finance and treasury strategy and contributes to the achievement of the overall business strategy.

Biography for Hugh Chater**Royal Bank of Scotland 2007 – present
Currently Group-level Executive**

Hugh has worked in financial services for 25 years, most recently as Commercial Director for RBS UK Retail Bank. At RBS, Hugh is responsible for delivering sustainable revenues, customer satisfaction and advocacy. Before RBS, Hugh held a range of senior roles at Bank of America (MBNA Europe Bank Ltd) including Director of Credit, Chief Marketing Officer, and Chief Operating Officer, before becoming Managing Director of the UK Cards business.

Forward looking statements

This document contains certain forward looking statements with respect to the business, strategy and plans of Virgin Money Group and its current goals and expectations relating to its future financial condition and performance. Statements that are not historical facts, including statements about Virgin Money Group's or its directors' and/or management's beliefs and expectations, are forward looking statements. By their nature, forward looking statements involve risk and uncertainty because they relate to events and depend upon circumstances that will or may occur in the future. Factors that could cause actual business, strategy, plans and/or results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward looking statements made by the Group or on its behalf include, but are not limited to: general economic and business conditions in the UK and internationally; inflation, deflation, interest rates and policies of the Bank of England, the European Central Bank and other G8 central banks; fluctuations in exchange rates, stock markets and currencies; changes to Virgin Money's credit ratings; changing demographic developments, including mortality and changing customer behaviour, including consumer spending, saving and borrowing habits; changes in customer preferences; changes to borrower or counterparty credit quality; instability in the global financial markets, including Eurozone instability and the impact of any sovereign credit rating downgrade or other sovereign financial issues; technological changes; natural and other disasters, adverse weather and similar contingencies outside Virgin Money's control; inadequate or failed internal or external processes, people and systems; terrorist acts and other acts of war or hostility and responses to those acts; geopolitical, pandemic or other such events; changes in laws, regulations, taxation, accounting standards or practices; regulatory capital or liquidity requirements and similar contingencies outside Virgin Money's control; the policies and actions of governmental or regulatory authorities in the UK, the European Union, the US or elsewhere; the implementation of the EU Bank Recovery and Resolution Directive and banking reform, following the recommendations made by the Independent Commission on Banking; the ability to attract and retain senior management and other employees; the extent of any future impairment charges or write-downs caused by depressed asset valuations, market disruptions and illiquid markets; market relating trends and developments; exposure to regulatory scrutiny, legal proceedings, regulatory investigations or complaints; changes in competition and pricing environments; the inability to hedge certain risks economically; the adequacy of loss reserves; the actions of competitors, including non-bank financial services and lending companies; and the success of Virgin Money in managing the risks of the foregoing.

Any forward-looking statements made in this document speak only as of the date they are made and it should not be assumed that they have been revised or updated in the light of new information of future events. Except as required by the Prudential Regulation Authority, the Financial Conduct Authority, the London Stock Exchange plc or applicable law, Virgin Money expressly disclaims any obligation or undertaking to release publicly any updates of revisions to any forward-looking statements contained in this document to reflect any change in Virgin Money's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

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About Virgin Money

- Virgin Money provides savings, mortgages, credit cards, current accounts, pensions, investment and insurance products.
- Virgin Money's business ambition is to make "everyone better off" – this philosophy underpins the approach to business by offering good value to customers, treating employees well, making a positive contribution to society and delivering a profit to shareholders.
- Virgin Money is the official sponsor of the London Marathon, the biggest annual one-day fundraising event in the world. Virgin Money has helped London Marathon runners raise over £1¼ billion, including funds raised through Virgin Money Giving its not-for-profit online fundraising service, since 2010.