

Notice of Annual General Meeting 2021

To be held at 9.00am (GMT)
on Thursday 25 February 2021

**THIS DOCUMENT IS IMPORTANT AND
REQUIRES YOUR IMMEDIATE ATTENTION**

This Notice of Annual General Meeting and the enclosed Proxy Form or CDI Voting Instruction Form should be read in their entirety. If you are in any doubt as to any aspect of the proposals referred to in this document and the Proxy Form or CDI Voting Instruction Form, or as to the action you should take, you should seek your own advice from a stockbroker, solicitor, accountant or other professional adviser.

If you have sold or otherwise transferred all of your shares or CDIs in Virgin Money UK PLC, please pass this document (but not the personalised Proxy Form or CDI Voting Instruction Form) to the purchaser or transferee, or to the stockbroker, bank or other agent through whom a sale or transfer was effected for transmission to the purchaser or transferee.

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Accessing the 2020 Annual Report and Accounts

A printed copy of the 2020 Annual Report and Accounts will only be sent to you if you have opted to receive a paper copy of that document. Otherwise, you may access the 2020 Annual Report and Accounts by visiting the Company's website www.virginmoneyukplc.com. If at any time you would like to change your preference on how you receive documents, please contact our Registrar, Computershare, whose contact details are set out on page 17. By choosing to receive communications electronically, by email and on our website, you will have access to Company information more quickly. In addition, reducing the need to print shareholder communications supports our commitment to managing our business' environmental impact and helps us grow our business in a sustainable way.

Chairman's letter



Dear shareholder/CDI holder

The Annual General Meeting (the 'AGM' or 'Meeting') of Virgin Money UK PLC (the 'Company') will be held on Thursday 25 February 2021 at 9.00am (GMT). This notice of the AGM ('Notice') contains important information about the AGM and the resolutions on which shareholders are asked to vote. These are set out on pages 3 to 6 and explanatory notes are provided on pages 7 to 12. It is important you read the entire document before deciding how to vote. All the resolutions are matters typically sought at an annual general meeting for a UK publicly listed company and, in accordance with the UK Corporate Governance Code, all Directors will be seeking re-election at the AGM.

AGM arrangements in light of the COVID-19 pandemic

The Board takes the health and well-being of the Company's shareholders, customers, colleagues and the broader community seriously and never more so than during the COVID-19 pandemic. The UK Government imposed measures currently in place to reduce the spread of COVID-19, including lockdown rules throughout the UK, significantly restrict our ability to follow our usual AGM format. In order to comply with the Government's stay at home measures, and to protect the health and safety of everyone, Virgin Money's 2021 AGM will be a closed meeting. This means that, regrettably, shareholders, holders of CHESS Depositary Interests ('CDIs'), third-party proxies and corporate representatives will not be able to attend the AGM this year and, instead, the AGM will be held with only the minimum number of attendees present as required to form a quorum under the Company's constitution and who are essential for the business of the AGM to be conducted. These attendees will be Company employees. The Board understands that the AGM is an important event in the corporate calendar and is committed to returning to a format that allows for shareholders and CDI holders to have the opportunity to engage with the Board in future years.

Your vote

Importantly, although you cannot attend the AGM this year, you can still exercise your voting rights and, regardless of the number of shares or CDIs you own, the Board strongly encourages you to vote on all resolutions by completing and returning a Proxy Form or CDI Voting Instruction Form to the Company's Registrar, Computershare, either in hard copy or online. Details on how to do this are on pages 14 to 16. There are different voting procedures depending on whether you hold shares listed on the London Stock Exchange or CDIs quoted on the Australian Securities Exchange. Please read the voting instructions on pages 14 to 16 carefully to ensure you are aware of the arrangements affecting you and the key dates and times set out below. As no shareholders, CDI holders, third-party proxies or corporate representatives will be able to attend the AGM in person, I encourage you to appoint the Chairman of the Meeting as your proxy to ensure your vote is counted. If you appoint another person as your proxy, that person will not be able to attend the AGM and your votes will not be cast.

Your questions

The Board places great importance on understanding the issues of concern to you as shareholders and CDI holders, so this year shareholders and CDI holders can ask questions on the business of the AGM by e-mailing AGM@virginmoneyukplc.com. Questions must be received by no later than 9.00am (GMT) on 11 February 2021. Please take care to include your name and shareholder or CDI holder reference number with your question. We will consider all questions received from verified shareholders and CDI holders and responses to frequently asked questions across key themes relevant to the business of the meeting will be posted on our website prior to the last day for the receipt of Proxy Forms and Voting Instruction Forms as specified below.

Key dates and times

Your Proxy Form or CDI Voting Instruction Form (either online or on paper) needs to be lodged so that it reaches Computershare by the time and date specified below:

Event	Date
Last time/day for receipt of Proxy Forms ⁽¹⁾	9.00am (GMT) on 23 February 2021
Last time/day for receipt of CDI Voting Instruction Forms ⁽²⁾	7.00pm (AEDT) on 23 February 2021
Annual General Meeting	9.00am (GMT) on 25 February 2021

(1) Proxy Forms received after 9.00am (GMT) on 23 February 2021 will be disregarded.

(2) CDI Voting Instruction Forms received after 7.00pm (AEDT) on 23 February 2021 will be disregarded.

If you have any enquiries about your shareholding or CDI holding, you can contact our Registrar, Computershare. Contact details are listed on page 17.

The results of voting on all the resolutions will be announced via the Regulatory News Service for the London Stock Exchange and the Australian Securities Exchange and published on the Company's website as soon as practicable after the AGM.

Chairman's letter

If a registered shareholder or CDI holder wishes to receive a post meeting confirmation of how their vote was applied at a poll then a request can be made to Computershare by emailing webqueries@computershare.co.uk, no later than 30 days following the date of the Meeting. In line with the requirements of the Companies Act 2006 the confirmation will be provided to the registered shareholder or CDI holder (as the case may be) no later than 15 days from the day following the announcement of the poll results or receipt of the request, whichever is the later. The confirmation will be provided to registered shareholders and CDI holders in the manner stipulated by Computershare. Requests for confirmations must include the registered shareholder's or CDI holder's (as the case may be) name, address, shareholder or CDI holder reference number and confirm the name of the issuer and the date of the meeting they wish to receive a confirmation for.

Recommendation

Your Board considers that all of the resolutions set out in the Notice are in the best interests of the Company and its shareholders and CDI holders as a whole. The Board intends to vote in favour of all of them in respect of their own beneficial holdings and unanimously recommends that you do so as well.

The Board very much regrets that shareholders and CDI holders will not be able to attend the AGM this year, however, it is important that we all do what we can to minimise the spread of the COVID-19 virus and act responsibly. Thank you for your understanding in these exceptional times. The Board looks forward to returning to an open AGM format in future years when COVID-19 restrictions are eased.

Yours faithfully



David Bennett

Chairman

15 January 2021

Registered office:

Virgin Money UK PLC

Jubilee House

Gosforth

Newcastle upon Tyne

NE3 4PL

Registered in England and Wales No. 09595911

Notice of Annual General Meeting

Notice is hereby given that the 2021 Annual General Meeting of Virgin Money UK PLC (the 'Company') will be held on Thursday 25 February 2021 at 9.00am (GMT). Shareholders will be asked to consider and, if thought fit, pass the resolutions below. Resolutions 1 to 12 (inclusive), 15, 19 and 20 will be proposed as ordinary resolutions. This means that for each of those resolutions to be passed, more than half of the votes cast must be in favour of the resolution. Resolutions 13, 14, 16, 17, 18 and 21 will be proposed as special resolutions. This means that for each of those resolutions to be passed, at least three-quarters of the votes cast must be in favour of the resolution.

Annual Report and Accounts

- 1 To receive the reports of the Directors and auditors and the audited financial statements of the Company for the year ended 30 September 2020.

Directors' Annual report on remuneration

- 2 To approve the Directors' annual report on remuneration set out on pages 84 to 104 (inclusive) (excluding the Directors' remuneration policy set out on pages 92 to 95) of the Company's Annual Report and Accounts for the year ended 30 September 2020.

Re-election of the Directors

- 3 To re-elect David Bennett as a Director of the Company.
- 4 To re-elect Paul Coby as a Director of the Company.
- 5 To re-elect David Duffy as a Director of the Company.
- 6 To re-elect Geeta Gopalan as a Director of the Company.
- 7 To re-elect Darren Pope as a Director of the Company.
- 8 To re-elect Amy Stirling as a Director of the Company.
- 9 To re-elect Tim Wade as a Director of the Company.

Re-appointment of the auditors

- 10 To re-appoint Ernst & Young LLP as auditors of the Company from the conclusion of this meeting until the conclusion of the next general meeting at which accounts are laid before the Company.

Remuneration of auditors

- 11 To authorise the Audit Committee for and on behalf of the Board to determine the remuneration of the auditors.

Directors' general authorities to allot shares

- 12 That, in addition to any power granted under resolutions 15 and 20 and all other existing authorities to allot equity securities which remain in full force and effect, the Directors be generally and unconditionally authorised in accordance with section 551 of the Companies Act 2006 (the 'Act') to exercise all the power of the Company to allot shares in the Company and/or to grant rights to subscribe for or to convert any security into shares in the Company:

- A. up to an aggregate nominal amount of £47,958,731 (such amount to be reduced by the aggregate nominal amount of any shares allotted or grants made under paragraph (B) below in excess of such sum); and
- B. comprising equity securities (as defined in section 560(1) of the Act) up to an aggregate nominal amount of £95,917,463 (such amount to be reduced by the aggregate nominal amount of any shares allotted or grants made under paragraph (A) above) in connection with an offer by way of a rights issue:
 - i. to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
 - ii. to holders of other equity securities as required by the rights of those securities or, subject to such rights, as the Directors otherwise consider necessary,

and so that the Directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter,

such authorities to apply until the end of the next AGM of the Company (or, if earlier, until the close of business on 31 March 2022) (unless previously revoked or varied by the Company in a general meeting) but, in each case, so that the Company may make offers and enter into agreements before the authority expires which would, or might, require shares to be allotted or rights to subscribe for or convert securities into shares to be granted after the authority expires and the Directors may allot shares or grant rights to subscribe for or convert securities into shares under any such offer or agreement as if the authority had not expired. References in this resolution 12 to the nominal amount of rights to subscribe for or to convert any security into shares (including where such rights are referred to as equity securities as defined in section 560(1) of the Act) are to the nominal amount of shares that may be allotted pursuant to the rights.

Notice of Annual General Meeting

General disapplication of pre-emption rights

13 That, in addition to the powers granted under resolutions 14, 16 and 21, and all other authorities, and subject to the passing of resolution 12, the Directors be generally empowered pursuant to section 570 of the Companies Act 2006 (the 'Act') to allot equity securities (as defined in section 560(1) of the Act) for cash pursuant to the authority granted by resolution 12 and/or pursuant to section 573 of the Act to sell ordinary shares held by the Company as treasury shares for cash, in each case, as if section 561 of the Act did not apply to any such allotment or sale, such power to be limited:

- A. to the allotment of equity securities and/or sale of treasury shares for cash in connection with an offer of, or invitation to apply for, equity securities (but in the case of an allotment pursuant to the authority granted under paragraph (B) of resolution 12, such power shall be limited to the allotment of equity securities in connection with an offer by way of a rights issue only):
 - i. to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
 - ii. to holders of other equity securities, as required by the rights of those securities or, subject to such rights as the Directors otherwise consider necessary,

and so that the Directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter; and

- B. in the case of the authority granted under paragraph (A) of resolution 12 and/or in the case of any sale of treasury shares for cash, (in each case, otherwise than under paragraph (A) above), to the allotment of equity securities or sale of treasury shares up to a nominal amount of £7,193,809 calculated, in the case of equity securities which are rights to subscribe for, or to convert securities into, ordinary shares by reference to the aggregate nominal amount of relevant shares which may be allotted pursuant to such rights,

such power to apply until the end of the next AGM of the Company (or, if earlier, until the close of business on 31 March 2022) (unless previously revoked or varied by the Company in a general meeting) but, in each case, so that the Company may make offers, and enter into agreements before the authority expires, which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the power expires and the Directors may allot (or sell) equity securities under any such offer or agreement as if the power had not expired.

14 That, in addition to any powers granted under resolutions 13, 16 and 21 and subject to the passing of resolution 13, the Directors be generally empowered pursuant to section 570 of the Companies Act 2006 (the 'Act') to allot equity securities (as defined in section 560(1) of the Act) for cash pursuant to the authority granted by resolution 12 and/or pursuant to section 573 of the Act to sell ordinary shares held by the Company as treasury shares for cash, in each case as if section 561 of the Act did not apply to any such allotment or sale, such power to be:

- A. limited to the allotment of equity securities and/or sale of treasury shares for cash up to an aggregate nominal amount of £7,193,809 calculated, in the case of equity securities which are rights to subscribe for, or to convert securities into, ordinary shares by reference to the aggregate nominal amount of relevant shares which may be allotted pursuant to such rights; and
- B. used only for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the Directors determine to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-emption Rights most recently published by the Pre-emption Group prior to the date of this Notice,

such power to apply until the end of the next AGM of the Company (or, if earlier, until the close of business on 31 March 2022) (unless previously revoked or varied by the Company in a general meeting) but, in each case, so that the Company may make offers and enter into agreements before the power expires which would, or might, require equity securities to be allotted or rights to subscribe for or to convert any security into shares to be granted (or treasury shares to be sold) after the power ends and the Directors may allot equity securities or grant such rights (or sell treasury shares) under any such offer or agreement as if the power conferred hereby had not ended.

Directors' authorities to allot equity securities in connection with AT1 Securities

15 That, in addition to any power granted under resolutions 12 and 20, and all other existing authorities to allot equity securities which remain in full force and effect, the Directors be generally and unconditionally authorised, in accordance with section 551 of the Companies Act 2006 (the 'Act'), to exercise all powers of the Company to allot shares in the Company or grant rights to subscribe for, or convert any security into, shares in the Company up to an aggregate nominal amount of £25,300,000, provided that this authority shall be only used in connection with the issue of further Additional Tier 1 securities (the 'AT1 Securities'): (a) where the Directors consider that such an issuance of AT1 Securities would be necessary or desirable, including in connection with, or for the purposes of complying with or maintaining compliance with, the regulatory requirements applicable to the Company and its subsidiaries from time to time; and (b) subject to applicable law and regulation, at such conversion prices (or such maximum and minimum conversion price methodologies) as may be determined by the Directors from time to time, such authority to expire at the end of the next AGM of the Company (or if earlier, at the close of business on 31 March 2022) (unless previously renewed, varied or revoked by the Company in a general meeting), but, in each case, the Company may, before the authority expires, make an offer or agreement which would, or might, require shares to be allotted or rights to be granted after it expires and the Directors may allot shares or grant rights in pursuance of any such offer or agreement as if the authority had not expired. References in this resolution 15 to the nominal amount of rights to subscribe for or to convert any security into shares (including where such rights are referred to as equity securities as defined in section 560(1) of the Act) are to the nominal amount of shares that may be allotted pursuant to the rights.

Disapplication of pre-emption rights in connection with AT1 Securities

- 16 That, in addition to any powers granted under resolutions 13, 14 and 21, and all other existing authorities to allot equity securities which remain in full force and effect, and subject to the passing of resolution 15, and in accordance with section 570 of the Companies Act 2006 (the 'Act'), the Directors be generally empowered to allot equity securities (as defined in section 560(1) of the Act) wholly for cash pursuant to the authorities conferred in resolution 15, up to an aggregate nominal amount of £25,300,000 in connection with any issue of further Additional Tier 1 securities, as if section 561 of the Act did not apply to any such allotment, such authority to expire at the end of the next AGM of the Company (or if earlier, at the close of business on 31 March 2022) (unless previously renewed, varied or revoked by the Company in a general meeting), but the Company may, before the power expires, make an offer or agreement which would, or might, require equity securities to be allotted after it expires and the Directors may allot equity securities in pursuance of any such offer or agreement as if this power had not expired.

Make market purchase of own shares

- 17 That the Company be generally and unconditionally authorised for the purposes of section 701 of the Companies Act 2006 (the 'Act') to make one or more market purchases (as defined in section 693(4) of the Act) of its ordinary shares of 10 pence each ('ordinary shares'), provided that:
- A. the maximum aggregate number of ordinary shares authorised to be purchased is 143,876,195 (representing approximately 10% of the issued ordinary share capital) minus the number of ordinary shares purchased pursuant to the contingent purchase contract proposed to be approved under resolution 18; and
 - B. the minimum price (exclusive of expenses) which may be paid for an ordinary share is 10 pence (being the nominal value of an ordinary share) and the maximum price (exclusive of expenses) which may be paid for an ordinary share is the highest of:
 - i. an amount equal to 5% above the average middle-market value of an ordinary share as derived from The London Stock Exchange Daily Official List for the five business days immediately preceding the day on which that ordinary share is contracted to be purchased; and
 - ii. the higher of the price of the last independent trade and the highest current independent bid for an ordinary share on the trading venue where the purchase is carried out,

such power to apply until the end of the next AGM of the Company (or, if earlier, until the close of business on 31 March 2022) (unless previously revoked or varied by the Company in a general meeting) but, in each case, so that the Company may enter into a contract to purchase ordinary shares under this authority which will or may be completed or executed wholly or partly after the expiry of the authority and the Company may purchase ordinary shares pursuant to any such contract as if the power had not expired.

Contingent purchase contract

- 18 That the terms of a contingent purchase contract between the Company and Citigroup Global Markets Australia Pty Limited ('Citi') as identified in the contract (a draft of which is produced to the Meeting and initialled by the Chairman for the purposes of identification) ('CP Contract'), providing for off-market purchases (as defined in section 693(2) of the Companies Act 2006) by the Company of its ordinary shares of 10 pence each from Citi, those ordinary shares having being transmuted from CHESS Depositary Interests ('CDIs'), purchased by Citi at the direction of the Company, be and are hereby approved, provided that:
- A. the maximum aggregate number of ordinary shares authorised to be purchased pursuant to the CP Contract is 143,876,195 (representing approximately 10% of the issued ordinary share capital) minus the number of ordinary shares purchased pursuant to the authorities granted by resolution 17; and
 - B. the minimum price (exclusive of expenses) which may be paid by Citi for each CDI is the Australian dollar equivalent of 10 pence per CDI and the maximum price (exclusive of expenses) which may be paid by Citi for each CDI is the highest of:
 - i. an amount equal to 5% above the average closing prices for CDIs for the previous five business days preceding the day on which the Company instructs Citi to purchase CDIs on which sales of CDIs were recorded on the Australian Securities Exchange; and
 - ii. the higher of the price of the last independent trade and the highest current independent bid for a CDI on the trading venue where the purchase is carried out;
 - C. the price to be paid by the Company for such ordinary shares is the price paid by Citi for the relevant CDI plus expenses; and
 - D. the authority to purchase CDIs pursuant to the CP Contract shall only apply until the end of the next AGM of the Company (or, if earlier, until the close of business on 31 March 2022) (unless previously revoked or varied by the Company in a general meeting), provided that Citi may purchase CDIs under this authority wholly or partly after the expiry of the authority as if the authority had not expired pursuant to an instruction validly given by Virgin Money under the CP Contract before the expiry of the authority.

Notice of Annual General Meeting

Authority to make political donations

19 That in accordance with sections 366 and 367 of the Companies Act 2006 (the 'Act') the Company and all companies that are subsidiaries of the Company at any time during the period commencing on the date of the meeting at which this resolution is passed and ending at the conclusion of the next AGM of the Company or, if earlier, until the close of business on 31 March 2022, be and are hereby authorised:

- A. to make political donations to political parties and/or independent election candidates (as such terms are defined in sections 363 and 364 of the Act), not exceeding £100,000 in total;
- B. to make political donations to political organisations other than political parties (as such terms are defined in sections 363 and 364 of the Act), not exceeding £100,000 in total; and
- C. to incur political expenditure (as such term is defined in section 365 of the Act), not exceeding £100,000 in total,

and provided that the aggregate of (A), (B) and (C) shall not exceed £100,000 and provided that the maximum amounts referred to in (A), (B) and (C) may comprise sums in different currencies which shall be converted at such rate as the Directors may in their absolute discretion determine to be appropriate.

All existing authorisations and approvals relating to political donations or expenditure under Part 14 of the Act are hereby revoked without prejudice to any donation made or expenditure incurred prior to the date hereof pursuant to such authorisations or approvals.

Authority to allot shares in connection with Conduct Indemnity Deed

20 That, in addition to the authorities sought at resolutions 12 and 15 the Directors be unconditionally authorised in accordance with section 551 of the Companies Act 2006 (the 'Act') to exercise all the powers of the Company to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company up to an aggregate nominal amount of £200,000,000 in so far as such shares are to be allotted and issued or such rights are to be granted by the Company pursuant to the terms of the conduct indemnity deed dated 2 December 2016 and made between the Company and National Australia Bank Limited (the 'Conduct Indemnity Deed'), such authority to expire on the date that is five years from the date of the meeting at which this resolution is passed (unless previously revoked or varied by the Company in a general meeting) but, in each case, so that the Company may make offers and enter into agreements before the authority expires which would, or might, require shares to be allotted or rights to subscribe for or convert securities into shares to be granted after the authority expires and the Directors may allot shares or grant rights to subscribe for or convert securities into shares under any such offer or agreement as if the authority had not expired. References in this resolution 20 to the nominal amount of rights to subscribe for or to convert any security into shares (including where such rights are referred to as equity securities as defined in section 560(1) of the Act) are to the nominal amount of shares that may be allotted pursuant to the rights.

Disapplication of pre-emption rights in connection with Conduct Indemnity Deed

21 That, in addition to the authorities sought at resolutions 13, 14 and 16, and subject to the passing of resolution 20, the Directors be generally empowered pursuant to section 570 of the Companies Act 2006 (the 'Act') to allot equity securities (as defined in section 560(1) of the Act) for cash pursuant to the authority granted by resolution 20 and/or pursuant to section 573 of the Act to sell ordinary shares held by the Company as treasury shares for cash, in each case as if section 561 of the Act did not apply to any such allotment or sale, such authority to expire on the date that is five years from the date of the meeting at which this resolution is passed (unless previously revoked or varied by the Company in a general meeting) but, in each case, so that the Company may make offers, and enter into agreements before the authority expires, which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the power expires and the Directors may allot (or sell) equity securities under any such offer or agreement as if the power had not expired.

15 January 2021

By order of the Board

For and on behalf of Virgin Money UK PLC

Registered in England and Wales – No. 09595911



Lorna McMillan

Group Company Secretary

Registered office: Virgin Money UK PLC
Jubilee House Gosforth
Newcastle upon Tyne
NE3 4PL

Explanatory notes

Resolution 1 (Ordinary Resolution)

Annual Report and Accounts

The Board asks that shareholders receive the Company's Annual Report and Accounts for the financial year ended 30 September 2020.

Resolution 2 (Ordinary Resolution)

Directors' Annual report on remuneration

This resolution seeks shareholder approval for the Directors' Annual report on remuneration (including the annual statement of the Committee Chair) which can be found on pages 84 to 104 (inclusive) of the 2020 Annual Report and Accounts. The Directors' Annual report on remuneration (pages 96 to 104) gives details of the implementation of the Company's payments and share awards made to the Directors in connection with their performance during the year ended 30 September 2020. This vote is advisory in nature and will not affect the way in which the remuneration arrangements have been implemented.

The Company's auditors during the year, Ernst & Young LLP, have audited those parts of the Directors' remuneration report that are required to be audited and their Report may be found on pages 183 to 190 (inclusive) of the 2020 Annual Report and Accounts.

Resolutions 3 to 9 (Ordinary Resolutions)

Re-election of the Directors

In accordance with the provisions of the UK Corporate Governance Code, all Directors will retire at this year's AGM and will submit themselves for re-election under resolutions 3 to 9 (inclusive).

In the case of David Bennett, the Board is of the opinion that his significant and in-depth knowledge and experience of the Company and its subsidiaries (the 'Group'), combined with his external business experience, enables him to provide effective leadership of the Board and to continue to make a positive contribution to the Group's ongoing business.

In the case of each of Paul Coby, Geeta Gopalan, Darren Pope and Tim Wade, the Board considers that they are each independent in character and judgement and each provides a strong, non-executive presence on the Board. Amy Stirling is not considered by the Board to be independent as her appointment as a Non-Executive Director is pursuant to the right of Virgin Enterprises Limited to nominate a director under the terms of a brand licence agreement between the Company and Virgin Enterprises Limited.

The Governance and Nomination Committee has concluded that each Director is able to continue to perform effectively and demonstrate substantial commitment to their roles.

Further information about the Board's collective achievements during the year is given in the Corporate governance report contained within the 2020 Annual Report and Accounts on pages 54 to 64 (inclusive). Brief biographies and details of the skills, experience and contribution of each of the Directors seeking re-election are given overleaf.

The Board unanimously recommends the re-election respectively of each of these Directors.

Resolution 3 (Ordinary Resolution)

David Bennett, Chairman

Joined the Group

October 2015 and became Chairman May 2020

Skills, experience and contribution

- Deep experience gained over 35 years in retail banking and financial services
- Extensive experience in strategic planning and implementation
- Significant board governance experience including at Chairman level
- Credibility with stakeholders
- Strong leadership qualities

David is an experienced Chairman and Non-Executive Director. He brings extensive experience of retail banking, strategy, corporate activity and organisation, operational and structural change gained from his long career in financial services. He has the governance expertise and external insight required to lead an effective Board which is critical to the long-term success of the Group. Prior to becoming Chairman in 2020, David had been Deputy Chairman since 2015 and therefore has the experience of the Group and track record needed to support the Board and executive in delivering the medium and longer-term strategy. His extensive business career includes time as Group Finance Director of Alliance & Leicester plc for six years before becoming its Group Chief Executive. Following the acquisition of Alliance & Leicester plc by Banco Santander he was Executive Director on the Board of Abbey National plc. He was formerly Chairman of Homeserve Membership Limited and Together Financial Services Limited, was a Non-Executive Director on the Board of Bank of Ireland (UK) PLC and has significant Non-Executive Director experience in listed environments which has included easyJet plc and CMC Markets PLC.

External appointments

Chairman of Ashmore Group plc and Non-Executive Director of PayPal (Europe) S.a.r.l et Cie, S.C.A and David Bennett Advisory Ltd.

Explanatory notes

Resolution 4 (Ordinary Resolution)

Paul Coby, Independent Non-Executive Director

Joined the Group

June 2016

Skills, experience and contribution

- Extensive information technology, e-commerce and digital transformation experience
- Deep experience as a chief information officer
- Strong board governance experience across diverse industries
- Significant experience in IT strategy development and implementation

Paul's extensive experience as a Chief Information Officer, gained over 20 years at Johnson Matthey, John Lewis and BA is highly relevant to the Group's digital strategy. His experience in leading digital transformation, delivering technology-enabled change, cyber defence and IT operational excellence, enables him to bring invaluable specialist insight to the Board. Paul is currently Chief Information Officer at Johnson Matthey, a FTSE 100 global leader in sustainable technologies and prior to that was the first John Lewis partnership CIO responsible for creating a unified IT function and an integrated cybersecurity programme. He spent 15 years at BA accountable for the design, development and operation of BA's IT strategy. The Board also benefits from Paul's strong board governance experience, his previous roles having included Chairman of the Société Internationale de Télécommunications Aéronautiques, Non-Executive Director at Pets at Home Group plc and P&O Ferries Limited, Chairman of the eSkills UK CIO Board and Chairman of the oneworld CIO Group.

External appointments

Chief Information Officer of Johnson Matthey PLC.

Resolution 5 (Ordinary Resolution)

David Duffy, Executive Director and Chief Executive Officer

Joined the Group

June 2015

Skills, experience and contribution

- Extensive retail and commercial banking experience in the UK and internationally, built over a period of more than 30 years
- Significant strategic and financial leadership experience including strategic planning and development, business and cultural transformation
- Proven ability to build and lead strong management teams
- Deep industry understanding and credibility with key stakeholders

David has over three decades of extensive experience in banking and financial services in both the UK and internationally. He brings deep industry understanding to the Board as well as strong executive leadership which is critical to his role as CEO. His drive, energy and commitment to customers as well as his proven ability to build and lead strong management teams and transform businesses brings significant value to all of Virgin Money's stakeholders. Prior to joining the Group, David was Chief Executive Officer at Allied Irish Banks plc and previously of Standard Bank International where he had responsibility for operations in the UK, Europe, Latin America and Asia. He was also previously Head of Global Wholesale Banking Network with ING Group and President and Chief Executive of the ING wholesale franchises in the United States and Latin America. David is a past president of the Banking and Payments Federation of Ireland and a past Director of the European Banking Federation.

External appointments

Senior Independent Director of UK Finance Limited, the industry body representing leading firms providing finance, banking, markets and payments-related services in or from the UK; HM Treasury Fintech Envoy for England and a Board member of The Northern Powerhouse Partnership.

Resolution 6 (Ordinary Resolution)

Geeta Gopalan, Independent Non-Executive Director

Joined the Group

October 2018

Skills, experience and contribution

- Extensive business leadership, management and board experience
- Experience in the UK and internationally across a range of industries including financial services, retail banking, payments, digital innovation and the social sector
- Deep understanding of the digital economy and interest in emerging technologies
- Strong strategic, risk and governance experience

Geeta's extensive financial services, retail banking and payments industry experience gained over more than 25 years strengthen the Board. Her understanding of the digital economy and interest in emerging technologies including the use of data and analytics in financial services enhance Board discussions with respect to the Group's digital strategy in particular. Her extensive experience in the retail banking and payments industries mean she has a strong focus on customer conduct and fairness considerations and in delivering customer-focused outcomes. Her broader risk and governance experience is highly relevant to her role as Chair of the Risk Committee. Geeta was formerly Executive Chair of Monitise Europe, a non-executive director at Vocalink and Vice Chair of the Big Lottery Fund England. Among the many roles in her career, Geeta was Director of Payment Services with HBOS plc and previously Managing Director, UK Retail Bank and Business Development Head EME at Citigroup. She is a chartered accountant.

External appointments

Non-Executive Director and Chair of the Audit Committee of Funding Circle Holdings Plc, Non-Executive Director of Ultra Electronic Holdings Plc and Non-Executive Director and Chair of the Risk Committee at Wizink Bank S.A.

Resolution 7 (Ordinary Resolution)**Darren Pope, Independent Non-Executive Director****Joined the Group**

October 2018

Skills, experience and contribution

- Extensive retail banking and financial services background
- Significant board level strategic and financial leadership experience including investor relations, strategy, corporate development and strategy, treasury and finance
- Governance and deep regulatory experience
- Strong experience of boards at both executive and non-executive level

Darren brings considerable and highly relevant experience in retail banking and financial services from a career spanning more than 30 years during which he held senior and Board level positions as a chief financial officer and finance director. His in-depth understanding of financial and risk matters and experience of managing relations with investors and regulators provides an excellent foundation for his role as Chair of the Remuneration Committee. Darren has strong experience of board governance including as a senior independent director and as chair of audit committees. His previous appointments include Chief Financial Officer of TSB Bank plc where he took the lead role in the divestment of the TSB business from Lloyds Bank plc and its subsequent IPO and takeover. Prior to that he held several executive and senior retail banking and finance roles at Lloyds Banking Group plc.

External appointments

Senior Independent Non-Executive Director and Chair of the Audit Committee of Equiniti Group plc, Senior Independent Non-Executive Director and Chair of the Audit and Risk Committees at Network International Holdings plc and adviser at Silicon Valley Bank (UK branch).

Resolution 8 (Ordinary Resolution)**Amy Stirling, Non-Executive Director****Joined the Group**

October 2018

Skills, experience and contribution

- Extensive financial leadership, management and board experience
- Experience across a range of sectors including telecommunications, financial services and commerce
- Significant experience in strategic planning and implementation
- Chartered accountant and experienced Chief Financial Officer

Amy's extensive strategic and financial leadership experience gained over a number of years and recent and relevant financial experience as a chief financial officer strengthen the Board and enables her to provide key input on the development of the Group's strategy. She also brings invaluable brand and consumer perspectives and insights from her role as Chief Financial Officer at Virgin Group which spans a broad range of industries and core consumer sectors including travel and leisure; telecommunications and media; music and entertainment; health and wellness; and financial services. Amy has considerable experience of boards at both executive and non-executive level. Her previous appointments include non-executive director and chair of the Audit & Risk Committee at the UK Cabinet Office; non-executive director and chair of the Audit Committee at Pets at Home Group plc; Chief Financial Officer of The Princes Trust and Chief Financial Officer at TalkTalk Telecom Group Plc.

External appointments

Chief Financial Officer of the Virgin Group and Non-Executive Director of RIT Capital Partners plc where she chairs the Audit and Risk Committee.

Resolution 9 (Ordinary Resolution)**Tim Wade, Senior Independent Non-Executive Director****Joined the Group**

September 2016

Skills, experience and contribution

- Deep financial services experience including banking and insurance
- Considerable board experience including as an audit committee chair
- Deep knowledge of accounting, auditing and associated regulatory issues
- Chartered accountant and experienced Chief Financial Officer

Tim's background as an experienced Chief Financial Officer, his breadth of financial services experience and the industry knowledge he has gained from over 20 years at both executive and non-executive director level is excellent grounding for his role as Chair of the Audit Committee. His extensive accounting, financial services audit, prudential oversight and corporate governance knowledge, including considerable experience as an audit committee chair, strengthen the Board. His previous non-executive director roles include Macquarie Bank International Limited, Friends Life Group Limited, Monitise plc and The Access Bank UK Limited. He was a Managing Director at AMP Group, responsible for both its Bank and the Virgin Direct (now Virgin Money) joint venture. Earlier in his career he was Group Chief Financial Officer at Colonial Limited in Melbourne, Australia where he oversaw the company's IPO and was involved in its acquisition by Commonwealth Bank.

External appointments

Non-Executive Director and Chair of the Audit Committee of RBC Europe Limited and Non-Executive Director and Chair of the Audit Committee of Chubb Underwriting Agencies Limited.

Resolution 10 (Ordinary Resolution)**Re-appointment of Auditors**

The Company is required at each general meeting at which accounts are presented to shareholders to appoint auditors to hold office until the next such meeting. The Audit Committee has assessed the effectiveness, independence and objectivity of the auditors, Ernst & Young LLP, and concluded that the external auditors were in all respects effective. Resolution 10, which has been recommended to the Board by the Audit Committee, seeks the re-appointment of Ernst & Young LLP as auditors of the Company to hold office until the next general meeting at which accounts are presented.

Resolution 11 (Ordinary Resolution)**Remuneration of Auditors**

Resolution 11 will, if passed, authorise the Audit Committee to set the remuneration of the external auditors.

Resolution 12 (Ordinary Resolution)**Directors' general authorities to allot shares**

Paragraph (A) of resolution 12 seeks authority for the Directors to allot ordinary shares or grant rights to subscribe for or convert any securities into ordinary shares up to an aggregate nominal amount equal to £47,958,731 (representing 479,587,317 ordinary shares of 10 pence each) less any shares or rights granted pursuant to paragraph (B) of resolution 12. Paragraph (B) of resolution 12 seeks authority for the Directors to allot ordinary shares up to a nominal amount of £95,917,463 (representing 959,174,635 ordinary shares of 10 pence each) provided that these shares are allotted for cash only to existing shareholders pursuant to a rights issue less any shares or rights granted pursuant to paragraph (A) of resolution 12.

The aggregate nominal value of the shares for which authority to allot under resolution 12 is sought is equivalent to two-thirds of the nominal issued ordinary share capital of the Company as at 15 January 2021, being the latest practicable date prior to publication of the Notice.

This authority being sought renews the authority given to Directors at last year's AGM and is in line with the Share Capital Management Guidelines ('IA Guidelines') issued by the Investment Association (IA). The IA is a UK body which represents institutional investors and the guidelines it issues represents the expectations of its members.

The IA Guidelines state that, in addition to Directors' requests for authorisation to allot new shares in an amount up to one-third of a Company's existing issued ordinary share capital (as proposed in paragraph (A) of resolution 12), IA members will regard as routine any requests to authorise the allotment of shares in an amount up to a further one-third (as proposed in paragraph (B) of resolution 12), provided that any shares allotted in an amount exceeding one-third are used solely for a rights issue and that the authority is only valid until the next AGM.

The authorities sought under paragraphs (A) and (B) of resolution 12 will expire on the earlier of 31 March 2022 and the conclusion of the next AGM of the Company (unless otherwise varied, revoked or renewed).

The Directors have no present intention to exercise either of the authorities sought under resolution 12, and are requesting it only to ensure that the Company maintains the maximum flexibility permitted to manage its capital resources.

If passed, the authorities granted pursuant to resolution 12 will exist in addition to the allotment authorities relating to the issuance of shares in connection with the conversion of the Existing AT1 Securities (the 'Existing AT1 Securities Authority').

If each of resolutions 12, 15 and 20 are passed, the authorities granted pursuant to resolution 12 will also exist in addition to the authorities granted pursuant to resolutions 15 and 20.

The 'Existing AT1 Securities' referred to above comprise the following obligations of the Company: (i) the £450,000,000 8 per cent fixed rate reset perpetual subordinated contingent convertible notes; (ii) the £250,000,000 9.25 per cent fixed rate reset perpetual subordinated contingent convertible notes; and (iii) the £230,000,000 fixed rate resettable Additional Tier 1 securities originally issued by Virgin Money Holdings (UK) PLC (in relation to which the Company was substituted as issuer pursuant to a resolution of the security holders passed on 15 August 2019).

The conversion of the Existing AT1 Securities at their current conversion prices would result in the issue of ordinary shares of an aggregate nominal value of approximately £68,200,000.

As at 15 January 2021 (being the latest practicable date prior to publication of the Notice), the Company did not hold any ordinary shares in treasury.

Resolutions 13 and 14 (Special Resolutions)**General disapplication of pre-emption rights**

The Pre-emption Group's Statement of Principles, as updated in March 2015, supports the annual disapplication of pre-emption rights in respect of allotments of shares and other equity securities and sales of treasury shares for cash representing no more than 5% of the issued ordinary capital (exclusive of treasury shares), without restriction as to the use of proceeds of those allotments.

Accordingly, resolution 13 allows the Directors to allot shares and sell treasury shares for cash on a non-pre-emptive basis, i.e. without first having to offer them to existing shareholders in proportion to their holdings, up to a nominal value of £7,193,809 (representing 71,938,097 ordinary shares of 10 pence each). This aggregate nominal amount represents approximately 5% of the total issued ordinary share capital of the Company as at 15 January 2021, being the latest practicable date prior to publication of the Notice. On that date the Company did not hold any shares in treasury.

The Pre-emption Group's Statement of Principles also supports the annual disapplication of pre-emption rights in respect of allotments of shares and sales of treasury shares for cash representing no more than an additional 5% of issued ordinary share capital (exclusive of treasury shares), to be used in connection with an acquisition or specified capital investment.

The Pre-emption Group's Statement of Principles defines 'specified capital investment' as meaning one or more specific capital investment related uses for the proceeds of an issue of equity securities, in respect of which sufficient information regarding the effect of the transaction on the Company, the assets the subject of the transaction and (where appropriate) the profits attributable to them is made available to shareholders to enable them to reach an assessment of the potential return.

Accordingly, and in line with the template resolutions published by the Pre-emption Group in May 2016, the purpose of resolution 14 is to authorise the Directors to allot new shares pursuant to the allotment authority given by resolution 13, or sell treasury shares for cash up to a further nominal amount of £7,193,809 (representing 71,938,097 ordinary shares of 10 pence each) equivalent to 5% of the total issued ordinary share capital of the Company as at 15 January 2021, only in connection with an acquisition or specified capital investment which is announced contemporaneously with an allotment or sale, or which has taken place in the preceding six-month period and is disclosed in the announcement of the allotment or sale. If the authority given in resolution 14 is used, the Company will publish details of the allotment or sale in the next Annual Report and Accounts.

If passed, the authorities granted pursuant to resolutions 13 and 14 will exist in addition to the disapplication of pre-emption rights authorities currently in existence relating to the Existing AT1 Securities Authority. If each of resolutions 13, 14, 16 and 21 are passed, the authorities granted pursuant to resolutions 13 and 14 will also exist in addition to the authorities granted pursuant to resolutions 16 and 21.

The Board intends to adhere to the provisions in the Pre-emption Group's Statement of Principles and not to allot shares or other equity securities or sell treasury shares for cash on a non-pre-emptive basis in an amount exceeding 7.5% of the total issued ordinary share capital of the Company (excluding treasury shares) within a rolling three-year period, other than with prior consultation with shareholders or in connection with an acquisition or specified capital investment which is announced contemporaneously with the allotment or which has taken place in the preceding six-month period and disclosed in the announcement of the allotment or sale.

The authorities sought under resolutions 13 and 14 will expire on the earlier of 31 March 2022 or the conclusion of the next AGM of the Company (unless otherwise varied, revoked or renewed).

Resolution 15 (Ordinary Resolution)

Directors' authorities to allot equity securities in connection with AT1 Securities

Resolution 15 seeks authority for the Directors to allot ordinary shares or grant rights to subscribe for or convert any securities into ordinary shares up to an aggregate nominal amount equal to £25,300,000 (representing 253,000,000 ordinary shares of 10 pence each) in connection with the issue of further Additional Tier 1 securities where the Directors consider these necessary or desirable including in connection with, or for the purposes of complying with or maintaining compliance with the regulatory requirements applicable to the Company and its subsidiaries, and subject to applicable law and regulation, at conversion prices or in accordance with conversion methodologies determined by the Directors.

The authority sought under resolution 15 will expire at the end of the next AGM of the Company (or if earlier, at the close of business on 31 March 2022) (unless previously renewed, varied or revoked by the Company in a general meeting).

If passed, the authorities granted pursuant to resolution 15 will exist in addition to the allotment authorities currently in existence relating to the Existing AT1 Securities Authority and, if passed, the authorities granted pursuant to resolutions 12 and 20.

Resolution 16 (Special Resolution)

Disapplication of pre-emption rights in connection with AT1 Securities

Resolution 16 allows the Directors to allot shares or grant rights to subscribe for, or to convert any security into, shares on a non-pre-emptive basis pursuant to the authorities granted by resolution 15 up to a nominal value of £25,300,000 (representing 253,000,000 ordinary shares of 10 pence each) in connection with any issue of additional AT1 securities, in each case as if section 561 of the Act (existing shareholders' right of pre-emption), to the extent applicable, did not apply to any such allotment.

The authorities sought under resolution 16 will expire at the end of the next AGM of the Company (or if earlier, at the close of business on 31 March 2022) (unless previously renewed, varied or revoked by the Company in a general meeting).

If passed, the authorities granted pursuant to resolution 16 will exist in addition to the disapplication of pre-emption rights authorities relating to the Existing AT1 Securities Authority, and if passed, the authorities granted pursuant to resolutions 13, 14 and 21.

Resolution 17 (Special Resolution)

Authority to make market purchases of own shares

The authority being sought renews the authority given to Directors at last year's AGM and pursuant to that authority there have been no ordinary shares that have been repurchased during the year. Resolution 17, which will be proposed as a special resolution, seeks

shareholders' approval of the purchase by the Company of a maximum number of shares which, taken together with any ordinary shares purchased by the Company pursuant to resolution 18 is 143,876,195 ordinary shares representing approximately 10% of the issued share capital of the Company as at 15 January 2021 (being the latest practicable date prior to the publication of the Notice).

The Directors have no present intention of exercising the authority to make market purchases. However, the authority provides the flexibility to allow them to do so in the future.

The Directors will exercise this authority only when to do so would be in the best interests of the Company and of its shareholders generally and would lead to an increase in the Company's earnings per share.

Any purchase of ordinary shares would be by means of market purchases.

Ordinary shares purchased by the Company pursuant to this authority may be held in treasury or may be cancelled. The Directors will consider holding any ordinary shares the Company may purchase as treasury shares. The minimum price, exclusive of expenses, which may be paid for an ordinary share is 10 pence, its nominal value. The maximum price, exclusive of expenses, which may be paid for an ordinary share is the highest of (i) an amount equal to 5% above the average middle market value for an ordinary share as derived from The London Stock Exchange Daily Official List for the five business days immediately preceding the date on which that ordinary share is contracted to be purchased and (ii) the higher of the price of the last independent trade and the highest current independent bid on the trading venue where the purchase is carried out.

The Company has no options or warrants outstanding and has only granted conditional awards. Further details on the Company share schemes are included in the Annual Report and Accounts.

This authority will expire at the end of the next AGM of the Company (or if earlier, until the close of business on 31 March 2022) (unless previously renewed, varied or revoked by the Company in a general meeting).

Resolution 18 (Special Resolution)

Contingent Purchase Contract ('CP Contract')

The Company is not able to purchase CDIs directly on the Australian Securities Exchange and so the authority sought at resolution 17 cannot be used for market purchase of CDIs. In order to purchase CDIs, the Company would need to make off-market purchases in accordance with section 694 of the Act.

The authority being sought by resolution 18 will allow the Company to make off-market purchases of ordinary shares implemented by entering into the CP Contract with Citigroup Global Markets Australia Pty Limited ('Citi'). It is proposed that Citi would buy CDIs on the Australian Securities Exchange and then convert those CDIs into ordinary shares ('Converted Shares').

The Company would then have an obligation to buy any Converted Shares from Citi up to a maximum as explained below.

Section 694 of the Act provides that the terms of any off-market buy-back contract must be approved by shareholders. Resolution 18, which will be proposed as a special resolution, seeks shareholders' approval of the terms of the CP Contract pursuant to which the Company will purchase a maximum number of Converted Shares which, taken together with any ordinary shares purchased by the Company pursuant to resolution 17, would be limited to 143,876,195 ordinary shares representing approximately 10% of the issued share capital of the Company as at 15 January 2021 (being the latest practicable date prior to the publication of the Notice).

The Directors have no present intention of exercising the authority to make off-market purchases. However, the authority provides the flexibility to allow them to do so in the future. The Directors will exercise this authority pursuant to this resolution and resolution 17 only when to do so would be in the best interests of the Company and of its shareholders generally and would lead to an increase in the Company's earnings per share.

Under the terms of the CP Contract, the minimum price (exclusive of expenses) which may be paid by Citi for a CDI is the Australian dollar equivalent of 10 pence per CDI. The maximum price (exclusive of expenses) which may be paid by Citi for a CDI is the highest of (i) an amount equal to 5% above the average closing price for a CDI for the previous five business days preceding the day on which the Company instructs Citi to purchase CDIs on which sales of CDIs were recorded on the Australian Securities Exchange and (ii) the higher of the price of the last independent trade and the highest current independent bid for a CDI on the trading venue where the purchase is carried out. The price to be paid by the Company for a Converted Share is the price paid by Citi for the relevant CDI plus expenses.

Converted Shares purchased under this authority may be held in treasury or they may be cancelled. The Directors will consider holding any Converted Shares the Company may purchase as treasury shares.

The authority to purchase shares under the CP Contract will expire on the earlier of 31 March 2022 and the conclusion of the next AGM of the Company (unless otherwise varied, revoked or renewed).

A draft of the CP Contract referred to in this resolution is available for inspection by members of the Company at the Company's registered office at Jubilee House, Gosforth, Newcastle upon Tyne, NE3 4PL, United Kingdom and also the Company's office at 15th Floor, 122 Leadenhall Street, London, EC3V 4AB, United Kingdom during office hours from the date of this notice up to and including 25 February 2021 until the conclusion of the AGM.

Resolution 19 (Ordinary Resolution)

Authority to make political donations

It is the Company's policy not to make any donations to political parties or incur political expenditure within or outside of the EU within the ordinary meaning of those words. However, given the wide definition of donations and expenditure within the Act, activities which form part of the regular operations of the Company such as communicating with government at local, national and European level and funding events to which politicians are invited, may be covered.

Part 14 of the Act requires companies to obtain shareholders' authority for donations to registered parties and other political organisations totalling more than £5,000 in any 12-month period and for any political expenditure, subject to limited exceptions.

The Board seeks to obtain authority in accordance with sections 366 and 367 of the Act for the Group to make political donations or incur political expenditure, as defined in sections 364 and 365 of the Act respectively, not exceeding £100,000 in aggregate during the period from the date of the Meeting to the conclusion of the Company's next AGM or 31 March 2022, whichever is earlier.

This authority is similar to that given by shareholders at the AGM in January 2020 and is a precautionary measure to ensure that the Group does not inadvertently breach the Act. This authority is being sought for prudence and will not be used to make political donations within the normal meaning of that expression.

Resolution 20 (Ordinary Resolution)

Directors' authority to allot shares in connection with the Conduct Indemnity Deed

At a general meeting of the Company on 20 November 2015, a resolution was passed to authorise the allotment of shares up to an aggregate nominal amount of £200,000,000 in so far as such shares are to be allotted and issued pursuant to the terms of the Conduct Indemnity Deed with such authority expiring five years after the date the resolution was passed.

The authority granted by that resolution expired on 20 November 2020 and therefore it is proposed that the authority be renewed to provide for any issuance of shares required under the Conduct Indemnity Deed.

The authority sought under resolution 20 will expire on the date that is five years from the date of the AGM (unless previously renewed, varied or revoked by the Company in a general meeting).

If passed, the authority granted pursuant to resolution 20 will exist in addition to the allotment authorities currently in existence relating to the Existing AT1 Securities Authority and, if passed, the authorities granted pursuant to resolutions 12 and 15.

Resolution 21 (Special Resolution)

Disapplication of pre-emption rights in connection with the Conduct Indemnity Deed

Resolution 21 allows the Directors to allot shares or grant rights to subscribe for, or to convert any security into, shares on a non-pre-emptive basis up to a nominal value of £200,000,000 (representing 2,000,000,000 ordinary shares of 10 pence each) in connection with any issue of shares pursuant to the terms of the Conduct Indemnity Deed, in each case as if section 561 of the Act (existing shareholders' right of pre-emption), to the extent applicable, did not apply to any such allotment.

The authority sought under resolution 21 will expire on the date which is five years from the date of the AGM (unless previously renewed, varied or revoked by the Company in a general meeting).

If passed, the authorities granted pursuant to resolution 21 will exist in addition to the disapplication of pre-emption rights authorities relating to the Existing AT1 Securities Authority, and if passed, the authorities granted pursuant to resolutions 13, 14 and 16.

General information

Publication of audit concerns

Under section 527 of the Companies Act 2006 (the 'Act'), shareholders meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the Meeting; or (ii) any circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with section 437 of the Act. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with sections 527 or 528 (requirements as to website availability) of the Act.

Where the Company is required to place a statement on a website under section 527 of the Act, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the Meeting includes consideration of any statement that the Company has been required under section 527 of the Act to publish on a website.

Electronic publication

A copy of this Notice, and other information required by section 311A of the Act, can be found at www.virginmoneyukplc.com.

Webcast

Given the closed meeting format, and the need to keep attendees to a minimum, no AGM webcast will be provided this year.

Electronic addresses

Shareholders and CDI holders are advised that they may not use any electronic address provided in this Notice or any related documents (including the Proxy Form or CDI Voting Instruction Form) to communicate with the Company for any purpose other than those expressly stated.

Documents on display

The following documents will be available for inspection during usual business hours on any weekday (Saturdays, Sundays and public holidays excluded) at the registered office of the Company at Jubilee House, Gosforth, Newcastle upon Tyne, NE3 4PL, United Kingdom until conclusion of the AGM: (i) copies of the Executive Directors' service agreements; (ii) copies of the Non-Executive Directors' letters of appointment; and (iii) a copy of the CP Contract between the Company and Citi.

Total voting rights

As at 15 January 2021 (being the latest practicable date prior to the publication of this Notice) the Company's issued share capital consisted of 1,438,761,953 ordinary shares of 10 pence, carrying one vote each. There were no shares held in treasury.

Listing Rule 9.8.6 updates to disclosures

The Company provided details on page 104 of the Company's Annual Report and Accounts 2020 (ARA) of ordinary shares beneficially owned by Directors as at 30 September 2020. As required pursuant to Listing Rule 9.8.6, the table below provides updated details of ordinary shares beneficially owned for the period from 30 September 2020 to 15 January 2021 being the date of this Notice.

Director	Ordinary shares beneficially owned as at 30 September 2020	Transactions during period from 30 September 2020 to 15 January 2021	Number of shares	Notes	Ordinary shares beneficially owned as at 15 January 2021
David Duffy	906,592	27-Nov-20	39,192	Share purchase	962,619
		18-Dec-20	2,191	Net number of shares from vesting of 2017 LTIP	
		21-Dec-20	14,644	Net number of shares from vesting of 3 year deferral DEP award	
David Bennett	16,386	27-Nov-20	23,952	Share purchase	40,338
Paul Coby	–	27-Nov-20	11,928	Share purchase	11,928
Geeta Gopalan	–	27-Nov-20	7,932	Share purchase	7,932
Darren Pope	–	27-Nov-20	11,785	Share purchase	11,785
Amy Stirling	–	–	–	–	–
Tim Wade	50,000	–	–	–	50,000

Voting information for holders of ordinary shares other than CDI holders

Entitlement to vote at the AGM

Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, as amended, and section 360B of the Act, to be entitled to attend and vote at the AGM (and for the purpose of the determination by the Company of the votes they may cast), shareholders must be registered in the Register of Members of the Company at 11.00pm (GMT) on 23 February 2021 (or, in the event of any adjournment at 11.00pm (GMT) on the date which is two working days before the time of the adjourned AGM). Changes to entries on the Register of Members after the relevant deadline will be disregarded in determining the rights of any person to attend and vote at the AGM.

Voting ahead of the AGM

Despite not being able to attend the AGM, you are strongly encouraged to vote on all resolutions by completing and returning a Proxy Form to the Company's Registrar, Computershare either in hard copy or online as set out below.

Voting on all resolutions will be conducted by way of a poll. A poll reflects the number of voting rights exercisable by each member and so the Board considers it a more democratic method of voting.

Proxy voting

Although you are not able to attend the AGM you are strongly encouraged to appoint the Chairman of the Meeting as your proxy to ensure your vote is counted rather than a named individual who also will not be able to attend. You can do this either by:

- Completing and returning the Proxy Form enclosed with this Notice to the Company's Registrar, Computershare Investor Services PLC, at The Pavilions, Bridgwater Road, Bristol, BS99 6ZY, United Kingdom as soon as possible, but in any event so as to arrive no later than 9.00am (GMT) on 23 February 2021; (or, in the event of any adjournment, so as to arrive no later than two working days before the time appointed for the meeting).
- Registering your proxy vote electronically by logging on to the Registrar's website, www.investorcentre.co.uk/eproxy using your Control Number, the Shareholder Reference Number (SRN) and PIN (printed on the Proxy Form) or by using the CREST electronic proxy appointment service. Electronic appointments and/or voting instructions must be received by Computershare Investor Services PLC no later than 9.00am (GMT) on 23 February 2021. Please note that any electronic communication sent to the Company or the Registrar that is found to contain a computer virus will not be accepted. The use of the internet service in connection with the AGM is governed by Computershare Investor Services PLC's conditions of use set out on the website <https://www.investorcentre.co.uk/eproxy> and may be read by logging on to that site.

The number of shares you hold as at 11.00pm (GMT) on 23 February 2021 will determine how many votes you or your proxy will have.

If a shareholder appoints the Chairman of the Meeting as proxy and does not direct the Chairman how to vote on a resolution, then when the Chairman votes as proxy on a poll, his current intention is to vote in favour of each of the proposed resolutions. The Chairman will also have discretion as to how to vote on any other resolution which may properly come before the Meeting (e.g. a request for an adjournment). The Chairman's intention necessarily expresses his intention at the date this Notice was printed and prior to circulation to shareholders and therefore, in exceptional circumstances, the Chairman's intention may change subsequently.

CREST proxy voting

CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the AGM to be held on 25 February 2021 and any adjournment(s) thereof by using the procedures described in the CREST Manual by logging on to the website www.euroclear.com/CREST. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications, and must contain the information required for such instructions as described in the CREST Manual (available via www.euroclear.com/CREST). The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID 3RA50) by 9.00am (GMT) on 23 February 2021. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider, to procure that his/her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members (and, where applicable, their CREST sponsors or voting system providers) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001, as amended.

Proxy appointed under power of attorney or other authority

Proxy instructions given under authority on behalf of a holder of ordinary shares must be submitted by mailing a Proxy Form. If the Proxy Form is signed under a power of attorney or other authority on behalf of a shareholder, then the attorney must make sure that either the original power of attorney or other authority or a certified copy is sent to the Company's Registrar, Computershare Investor Services PLC, by 9.00am (GMT) on 23 February 2021 (or, in the event of any adjournment of the AGM, so as to arrive no later than two working days before the time of the adjourned meeting). Persons voting under a power of attorney must do so by using the hard copy Proxy Form.

Indirect investors

Any person to whom this Notice is sent who is a person nominated under section 146 of the Act to enjoy information rights (a 'Nominated Person'), may, under an agreement between them and the shareholder by whom they were nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the AGM. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, they may under any such agreement have a right to give instructions to the shareholder as to the exercise of voting rights.

The statement of the rights of shareholders in relation to the appointment of proxies above does not apply to Nominated Persons. The rights described in that paragraph can only be exercised by shareholders of the Company.

Voting information for CDI holders

Entitlement to vote at the AGM

Only those CDI holders entered in the register of CDI holders of the Company as at 11.00pm (AEDT) on 23 February 2021 (or, in the event of any adjournment on the date which is two working days before the time of the adjourned AGM) are entitled to provide voting instructions to CHESS Depositary Nominees Pty Limited ('CDN') in respect of the number of CDIs registered in their name at that time. Changes to entries on the register of CDI holders after the relevant deadline will be disregarded in determining the rights of any person to provide voting instructions to CDN in regard to the AGM.

Voting by poll

Despite not being able to attend the AGM, you are strongly encouraged to vote on all resolutions by completing and returning a CDI Voting Instruction Form to the Company's Registrar, Computershare or by registering your voting instruction online as set out below.

Voting on all resolutions will be conducted by way of a poll. A poll reflects the number of voting rights exercisable by each member and so the Board considers it a more democratic method of voting.

Exercising your voting rights

To exercise your voting rights you must complete and return the CDI Voting Instruction Form. There are two different options on the CDI Voting Instruction Form and you must choose one if you want to exercise your voting rights:

Option A: Appoint CDN to exercise your voting rights

Appoint CDN to exercise the voting rights attached to the ordinary shares it holds on your behalf. If you choose this option, you must direct CDN how to vote on each of the resolutions by completing Section C of the CDI Voting Instruction Form.

Option B: Instruct CDN to appoint another person as its proxy

Instruct CDN to appoint another person (i.e. the Chairman of the Meeting) as its proxy in respect of the ordinary shares it holds on your behalf. You are strongly encouraged to appoint the Chairman of the Meeting as your proxy to ensure your vote is counted rather than a named individual who will not be able to attend.

If you instruct CDN to appoint the Chairman of the Meeting as its proxy but do not direct the Chairman how to vote on a resolution, then when the Chairman votes as proxy on a poll, his current intention is to vote in favour of each of the proposed resolutions. The Chairman will also have discretion as to how to vote on any other resolution which may properly come before the Meeting (e.g. a request for an adjournment). The Chairman's intention necessarily expresses his intention at the date this Notice was printed and prior to circulation to security holders and therefore, in exceptional circumstances, the Chairman's intention may change subsequently.

CDI Voting Instruction Forms can be submitted:

- By mail by sending the enclosed CDI Voting Instruction Form to Computershare Investor Services Pty Limited, GPO Box 242, Melbourne, Victoria 3001, Australia.
- By internet at www.investorvote.com.au. Please note that any electronic communication sent to the Company or the Registrar that is found to contain a computer virus will not be accepted.

To be valid, your CDI Voting Instruction Form must be received by Computershare Investor Services Pty Limited no later than 7.00pm (AEDT) on 23 February 2021 (or, in the event of any adjournment, on the date which is two working days before the time appointed for the meeting). If your CDI Voting Instruction Form is not received by then, it will be disregarded.

The number of CDIs you hold as at 11.00pm (AEDT) on 23 February 2021 will determine how many votes you can exercise.

Voting instructions provided under power of attorney or other authority

Voting instructions given under authority on behalf of a holder of CDIs must be submitted by mailing a CDI Voting Instruction Form. If the CDI Voting Instruction Form is signed under a power of attorney or other authority on behalf of a CDI holder, then the attorney must make sure that either the original power of attorney or other authority or a certified copy is sent to Computershare Investor Services Pty Limited, by 7.00pm (AEDT) on 23 February 2021 (or, in the event of any adjournment of the AGM on the date which is two working days before the time of the adjourned meeting).

Additional information

Shareholders' queries

If you have any queries about your shareholding or CDI holding please contact the Company's Registrars, details of which are below:

Australia

Holders of CDIs quoted on the Australian Securities Exchange please contact:

Phone:

(within Australia) – 1800 764 308

(outside Australia) – +61 3 9415 4142

Online:

www.investorcentre.com/contact

Post:

Computershare Investor Services Pty Limited
GPO Box 2975
Melbourne
Victoria 3001 Australia

United Kingdom

Holders of ordinary shares listed on the London Stock Exchange please contact:

Phone:

+44 (0)370 707 1172

Online:

www.investorcentre.co.uk/contactus

Post:

Computershare Investor Services PLC
The Pavilions
Bridgwater Road
Bristol
BS99 6ZZ
United Kingdom

Virgin Money UK PLC

Registered number 09595911
(England and Wales)

ARBN 609 948 281
(Australia)

Registered Office:

Jubilee House
Gosforth
Newcastle upon Tyne
NE3 4PL

Head Office:

30 St. Vincent Place
Glasgow
G1 2HL

London Office:

15th floor
The Leadenhall Building
122 Leadenhall Street
London
EC3V 4AB

www.virginmoneyukplc.com