

# **DB Cargo UK:**Gender Pay Report 2019/2020

Gender Pay Analysis

Bonus Pay Gap

Understanding DB Cargo's

Gender Pay Gap

Reducing the Gap

#### **Our business**

DB Cargo UK is the largest rail freight company in Great Britain, maintaining and operating a fleet of around 260 modern locomotives and over 7,700 wagons.

Our 2,500 employees take great pride in the role we play in keeping Britain's businesses and industries running.

Our core markets are metals, waste, automobiles, chemicals and aggregates and through our intermodal services we connect ports, terminals and distribution centres, ensuring the speedy delivery of some of Britain's biggest High Street brands to Britain's consumers.

In addition, we also provide world-class track maintenance to Network Rail and a unique rail breakdown and recovery service to other operators.

It's not just freight we transport; we carry people too operating some unique charter and steam services, including the Royal Train.



### Welcome to the DB Cargo (UK) Ltd Gender Pay report

This is the third annual Gender Pay report since the introduction of the reporting requirements in 2018.

We are pleased to report on this important subject and provide information on how our business is tackling the imbalance in gender pay.

Sadly, the Rail freight industry continues to show bias in its gender balance; a legacy that will take some years still to completely eradicate.

Males continue to represent the greater proportion of the workforce, with around 9% of the total population working at DB Cargo UK, being female.

Some 39% (41.5% of males) of our working population are train drivers who earn proportionally higher rates of pay. Considering then that this also covers 41.5% of all males in the business, it is clear that the gender pay gap we experience in our business can be, in part, attributed to this.

Despite this it is pleasing that we have seen a continued downward trend in the mean pay gap since the first reporting in 2017 resulting in a decrease of 1.1% overall.

The change that is required across the industry will not be achieved overnight and so we are pleased to report the positive progress made by the company, in the face of continued market challenges.

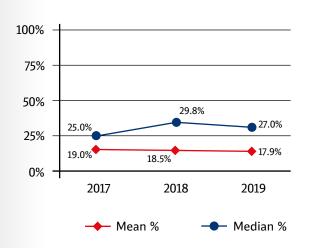
We value our people and know that they hold the key to our continued success. As we continually refine our recruitment and development activities, we expect to continue to demonstrate the strongest commitment to ensuring gender bias in all areas of our business is eradicated.

Over the coming years we will continue to take positive steps to provide equal opportunities for all as well as playing a wider role in the rail freight industry, where we can.

Hans-Georg Werner CEO, DB Cargo UK



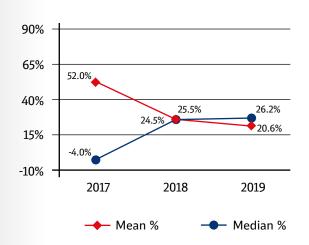
#### Year on Year Mean and Median Pay Gap 2019



We are pleased to see that our mean gender pay gap has decreased over the last 3 years. Whilst this is in part as a result of a shifting demographic across the business, we are in no doubt that our continued focus on best practice recruitment and development activities has played a part in ensuring equality of opportunity becomes embedded in our business.

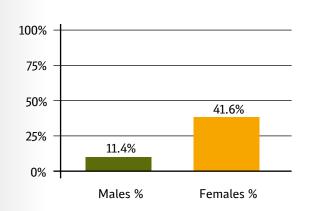
The median pay gap has reduced this year but shows an overall increase across the three years. Whilst disappointing, we attribute this largely to the fact that bonuses tend to be in the higher pay quartiles, where there is a greater proportion of males. It is evident however that a greater proportion of the female workforce received a bonus for the third year running than the male population.

#### Bonus Pay Gap % Mean/Median Year on Year



Bonuses are awarded and paid based on performance. Of the job types within our business, there are more males in roles where bonuses can be awarded and therefore proportionately more males could be awarded bonuses than females at DB Cargo UK.

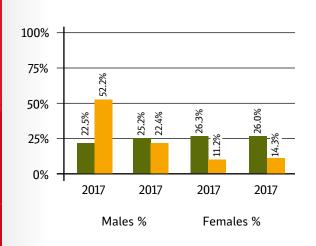
#### **Bonus received by Gender**



Within the overall population a considerable proportion of male employees are not eligible to receive bonuses.

Proportionately more males than females are in the higher salary quartiles and consequently receive higher bonuses, but there remains a greater proportion of females who receive a bonus.

#### Pay Quartiles - % of Gender per quartile



It remains no surprise that female employees occupy the greatest percentage of the lowest quartile, given that they are underrepresented in Train Driver roles, which pay proportionately higher and make up a greater proportion of our roles.

2018 2019

Quartile	Male %	Female %	Male %	Female %
Q1	83.1%	16.9%	81.9%	18.1%
Q2	91%	9.0%	92.2%	7.8%
Q3	97.3%	2.7%	96.1%	3.9%
Q4	94.8%	5.2%	95.0%	5.0%

However, we continue to see variations in female representation in all of the quartiles, with increases seen in Q1 and Q3 and reductions in Q2 and Q4. Whilst disappointing, we will continue to work hard on ensuring that opportunities to earn more are more readily available to all employees and strongly believe that such activity will only continue to benefit our company.



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#### Understanding Gender Pay Reporting

This report is produced under the requirements of The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017

The gender pay gap shows the difference in the average pay between all men and women in our workforce.

There is a clear difference between this and Equal pay, which deals with the pay differences between men and women who carry out the same jobs, similar jobs or work of equal value. It is unlawful to pay people unequally because they are a man or a woman.

## **Gender Pay**@ DB Cargo

It is evident from the Gender pay reporting carried out by all businesses that there remains an imbalance in the workplace when it comes to gender pay. The Office for National Statistics (ONS) reported that the mean Gender Pay Gap across the country stands at 17.3% with a gentle decline over recent years and so it is helpful to know that with DB Cargo standing at 17.9% we remain comparable with the wider business world.

Notwithstanding the challenges generally in relation to inequality in pay, we will continue to assess the best way in which we can reduce this gap, particularly within the confines of the very traditional railway environment.



There remains much work to be done to better understand this issue and the company will undertake an assessment of all areas of under representation in its workforce, ensuring that a diverse and inclusive employment demographic continues to help drive our business forward

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