



DB Cargo UK

Gender Pay Report 2018/19

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 DB Cargo UK's 2018/19 Gender Pay Report.

This is the second annual report we have produced which highlights the positive activities we are taking to address this important issue.

Inside, you will find facts and figures showing how we have performed over the past 12 months and details about some of the proactive initiatives our people are getting involved in.

Females still only represent 8% of our total workforce, which can be attributed, in part, to the legacy we inherited on privatisation. The rail freight industry has for decades had a male gender bias; an imbalance which we are committed to addressing.

While this figure of 8% has remained unchanged over the past year, I am pleased to report that we have started to see some improvement in the gap in pay between the average earnings of men and women at DB Cargo UK. This is a positive shift and one the UK Board is determined to maintain.

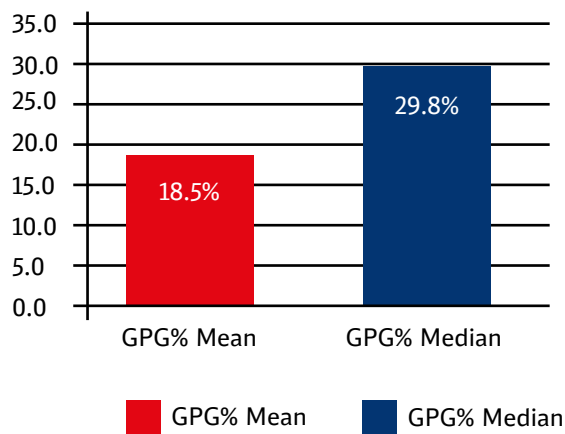
One of the ways we will do this is to ensure that the pools of talent from which we draw from in future include as broad a range of applicants as possible.

The UK Board of DB Cargo UK is committed to providing equal opportunities for all and I see no reason in this day and age why one gender should be treated any differently from another.

Hans-Georg Werner
CEO, DB Cargo UK

Our Gender Pay Analysis

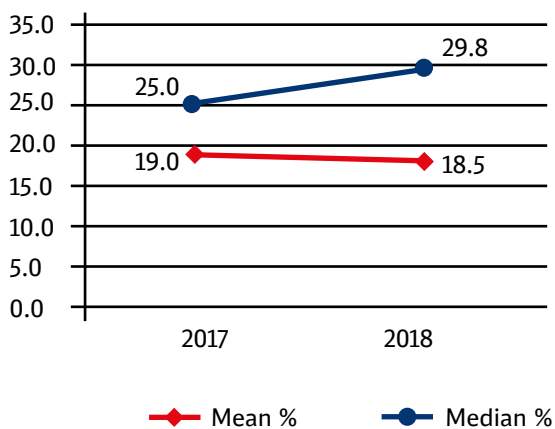
Gender pay gap (GPG) %



Characteristics of the gender pay gap at DB Cargo UK for relevant employees:

- i. Gender pay gap is measured by calculating the two average hourly rates of pay for male and female populations.
- ii. Males represent 92% of the total population working at DB Cargo UK. Some 39% of this population are train drivers who earn proportionally higher rates of pay, which partly influences the gender pay gap.

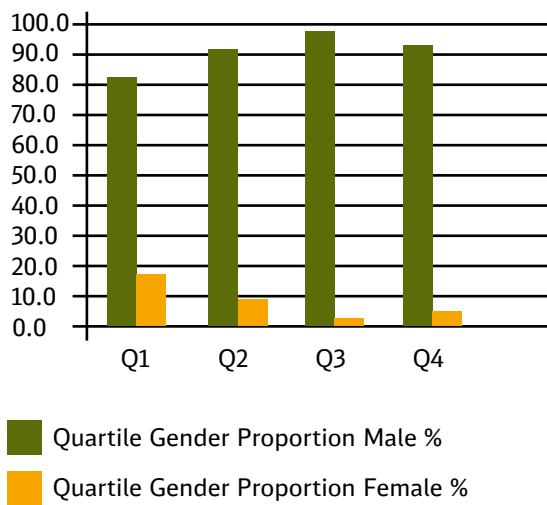
Year on Year Mean/Median Pay Gap %



Year on Year figures show:

- i. That the median pay gap has increased which was primarily due to discretionary bonuses which were awarded in 2018, based on eligibility criteria and performance. Bonuses tend to be in the higher salary quartiles and a higher male population is in this quartile.
- ii. That the mean pay gap has decreased slightly, again primarily due discretionary bonuses which were awarded in 2018. The female population are predominantly in the lower and lower middle quartiles, therefore, whilst bonuses have been awarded these would be lower than those in the upper middle and upper quartiles. A greater proportion of the female workforce received a bonus in 2017 and 2018 than the male population.

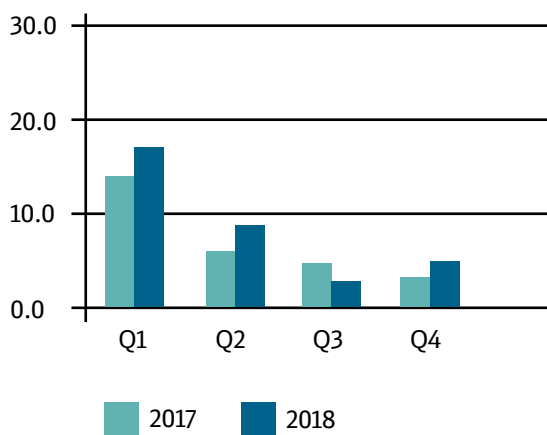
Gender analysis by quartile



Characteristics of the gender population defined by pay rate at DB Cargo UK for relevant employees:

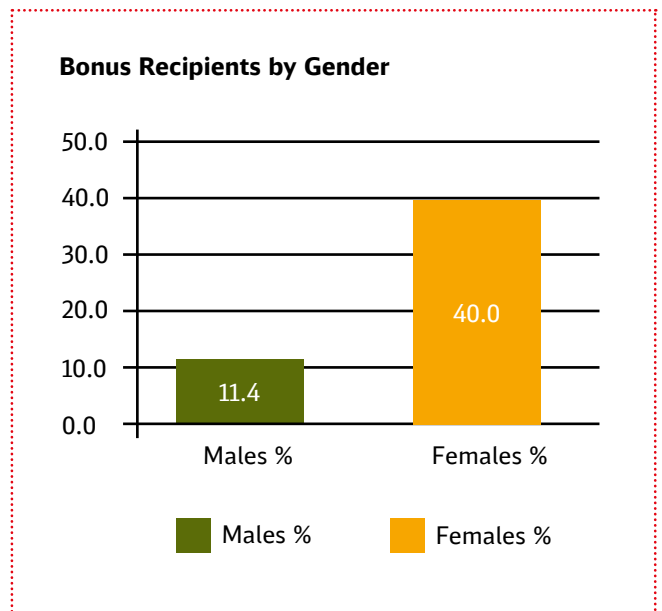
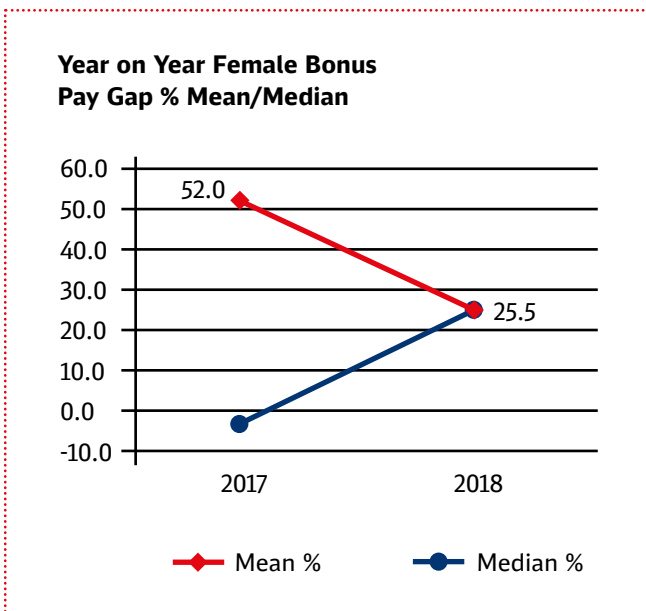
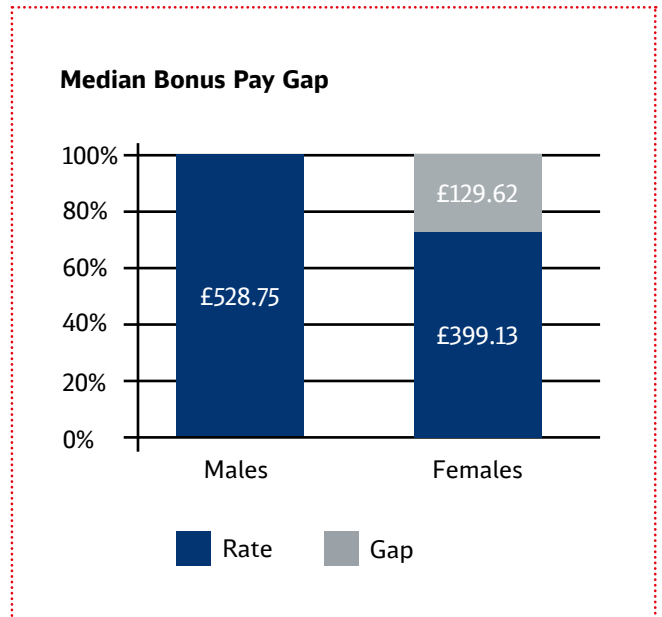
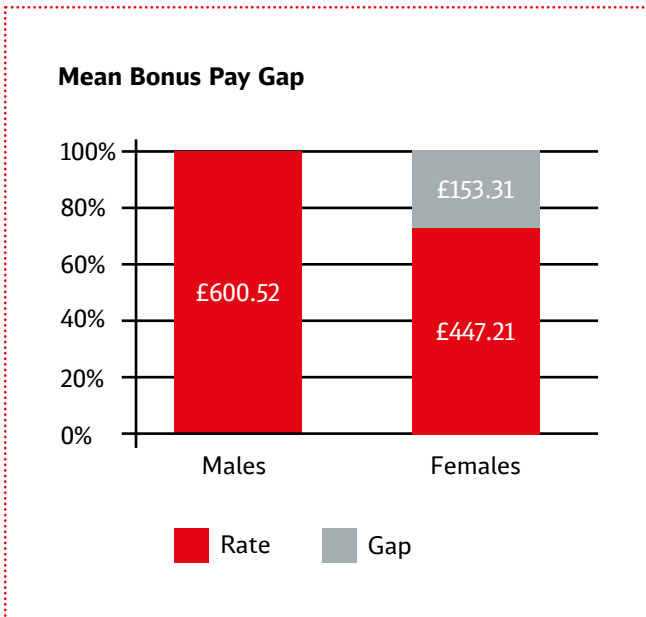
- i. Females represent 8% of our total workforce.
- ii. Quartile 1 (Q1) includes the percentage of male and female colleagues in the lowest hourly pay rates at DB Cargo UK. This contains the highest proportion of females.
- iii. Q2 and Q3 are the lower middle and upper middle hourly pay rates. This contains the lowest proportion of females.
- iv. Q4 is the highest quartile with the highest hourly rates.

Year on Year Analysis of % Female by quartile



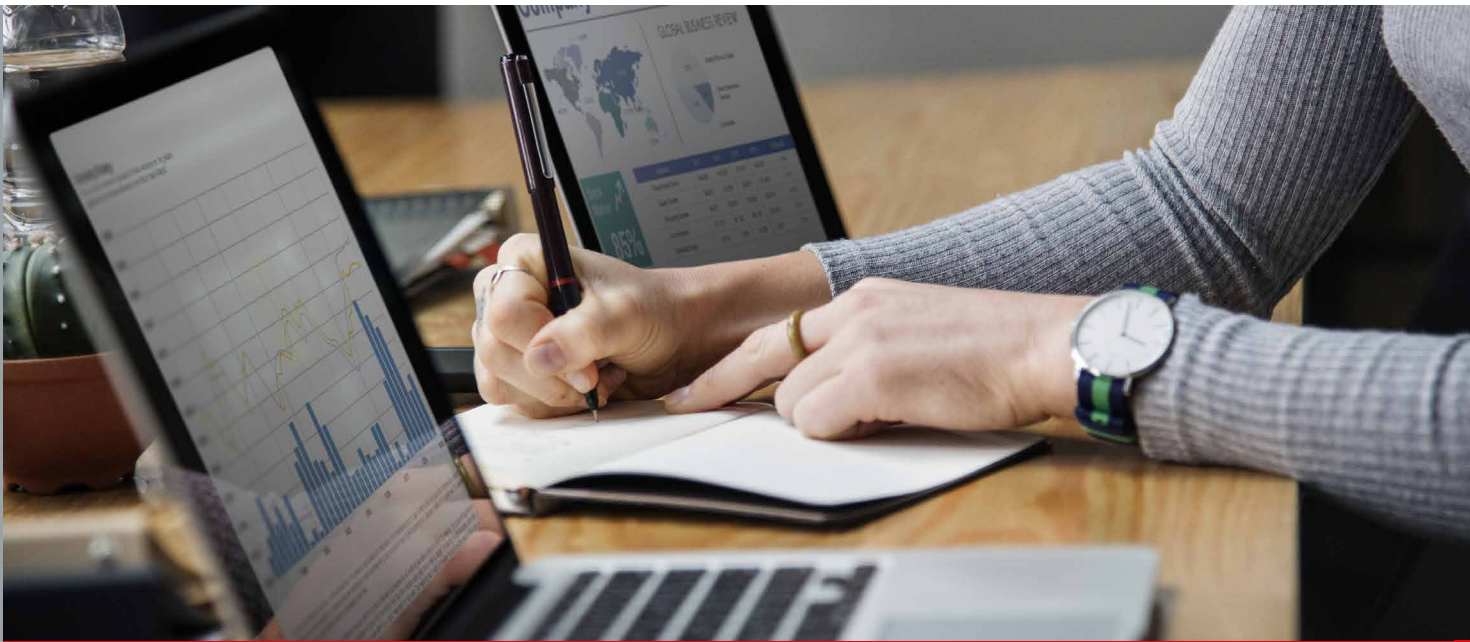
- i. Q1 based on the previous year there has been a 2.9% increase in the percentage of female colleagues in the lowest hourly paid rates.
- ii. Q2 and Q3 (combined) there has been a 0.7% increase in the percentage of female colleagues in the middle and upper middle hourly rates.
- iii. Q4 based on the previous year has increased by 2.2%. In 2017 this was our lowest proportion of females.

Bonus pay gap



Characteristics of the bonus gender pay gap at DB Cargo UK:

- i. Bonus is awarded and paid based on performance. Of the job types within our business, there are more males in roles where bonuses can be awarded. Therefore proportionately more males could be awarded bonuses than females at DB Cargo UK.
- ii. Within the overall population a considerable proportion of male employees are not eligible to receive bonuses.
- iii. Proportionately more males than females are in the higher salary quartiles and consequently receive higher bonuses.



Understanding DB Cargo's gender pay gap

Our 2018 gender pay data highlights that overall there still is an imbalance within our business. There has been a 2.2% improvement in our upper quartile from last year, resultant in a decline in our upper middle quartile of 2.3%. Both lower and lower middle have seen an increase.

Consequently, there still is a legacy of a fixed demographic characterised by proportionately more males who are long serving and occupy the greater proportion of jobs in the higher quartiles.

Men and women have equal opportunities, access to all roles and pay for roles within DB Cargo UK. However, more men than women take up management, engineering and operational roles.

Through our recruitment practices we will continue our efforts to broaden the appeal of DB Cargo UK to attract a greater mix of applicants and create a more diverse workforce.

Gender pay vs equal pay

There are important differences between gender pay and equal pay. **Equal pay** is the measure of whether a person of one gender receives less pay for carrying out the same or similar job. It compares the remuneration of individuals performing the same or similar work.

The measure of **gender pay**, however, is much broader as it is the difference between the average earnings of the total number of each gender population, based on hourly rates of pay.

“...we will continue our efforts to broaden the appeal of DB Cargo UK to attract a greater mix of applicants and create a more diverse workforce”.



Reducing the Gap

Celebrating success

DB is very proud to have numerous talented and experienced women working across all its grades. We aim to increase the number of women working in operational grades by collaborating with trade unions, supporting current employees to progress and using targeted recruitment for external recruiting. We also celebrate success with one of our Senior Managers winning an award at the 2018 FTA Everywoman in Transport and Logistics Awards.

Women in Rail Mentor Scheme

DB Cargo UK works closely with Women in Rail, the national charity which works towards creating greater gender equality in the rail industry. One of DB Cargo UK's employees leads the Yorkshire branch of Women in Rail

and recently organised an event at the National College for High Speed Rail in Doncaster during Apprenticeship week in order to motivate young women to consider a career in rail. Moreover, a number of female DB Cargo UK employees participate in the free Women in Rail mentoring programme (as both mentors and mentees). Through this programme women, and men, support one another in informal mentoring sessions. This scheme is particularly vital for women in rail as it is a largely male-dominated industry. Working closely with Women in Rail DB Cargo UK aims to change industry perceptions and make rail more diverse for future generations. DB Cargo UK also offers 1-2-1 coaching to employees in Leadership positions. This is particularly useful for supporting future female leaders in the business.

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Working with apprentices

In order to deliver and improve the railways performance we need to attract a new generation of people to work in rail and also upskill our existing workforce. DB Cargo UK is utilising the Apprenticeship Levy to invest in its existing workforce and also encourage new people into the industry. It is also actively collaborating with other industry leaders to develop more apprenticeships within the sector. In January 2019 we launched our new Street to Seat Trainee Driver Apprenticeship. This new form of training train drivers gives them a formal qualification and includes topics in their training such as Customer Service and Commercial Awareness. We aim to bring in a more diverse demographic into our driver pool as a result of this new initiative and targeted marketing. In our first cohort of Apprentice drivers we had a female and three BAME trainees.

Supporting the Women's Engineering Society

For the third year running DB Cargo UK supported the Tomorrow's Engineers Week run by the Women's Engineering Society (WES).

As part of the initiative, companies were encouraged to post photographs of Lottie Dolls on social media to highlight the huge range of careers available in engineering. During the week, DB cargo UK posted photos on Twitter and LinkedIn with the hashtag [#LottieTour](#).

The aim of the project was to present images of what a career in engineering might look like by use of a Lottie Doll, to help capture the imagination of young girls and boys. The plan was for parents, grandparents and other family members to share the online photos with the young people in their lives to spark an interest in engineering.

Lottie Dolls have sought to fill a gap in the toy market with their real-life child inspired dolls and an ambition to disrupt gender stereotyping in the toy aisles.

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