

DB Schenker Gender Pay Gap Report 2020 - (April 2019)

DB Schenker, along with all employers with 250 or more employees, are required by the Government to report on gender pay gap data in a consistent format using employee pay data captured on 5th April 2019.

We want to ensure all our employees have equal opportunities to achieve their ambitions and reach their full potential. We have begun to explore what more we can do to ensure we embed equality, diversity and inclusion in everything we do.

We are confident that our gender pay gap is not an equal pay issue. Equal pay is where men and women are paid differently to do the same job, which is not an issue at DB Schenker. We believe our gender pay gap is instead being driven by several factors, one of which is a historical factor surrounding our industry. For example, our industry has historically been male dominated, and as such when recruiting for management and senior management roles (including roles with a global or regional scope) we have found that many suitable applicants are male.

Gender Pay Gap

At 19%, our mean gender pay gap is disappointingly higher than our reported figure in 2018 of 10.8%

However our median gender pay gap of 2% is significantly lower than the national average for all employees of 17.3%, as identified by the Office for National Statistics.

Women continue to be under-represented at more senior levels in our business which is the primary contributor to our gender pay gap.

Gender Pay Gap

The below outlines the difference between men and women

	Mean	Median
Hourly Pay Gap	19.0%	2.0%

In last year's report we committed to an action plan to become a more diverse employer. We've started to do this, but we also want to make sure we take the right steps for a long-term approach, rather than react to what appears to be the immediate issue. We are committed to DB Schenker being an inclusive employer and supporting a working environment that allows all genders, ethnicities, disabilities and lifestyles to bring their whole selves to work and embraces people's differences, for our collective advancement.

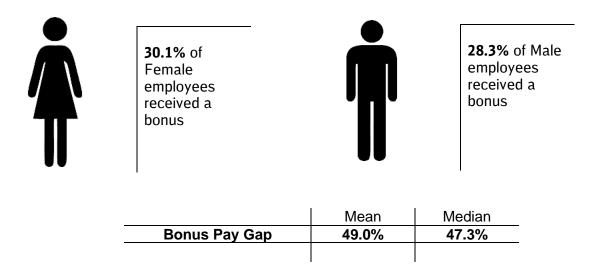
Bonus Gap

Bonus pay for this report includes any bonus that was paid in the preceding 12 months to April 2019. This will include payments through our senior manager bonus scheme which is paid at a percentage of salary, as well as any payments for commission or incentives.

National data for bonus gender gaps varies a great deal; where organisations have a senior manager bonus scheme, and their senior manager population is more male than female, then gaps are expected, particularly where bonus is paid as a percentage of salary.

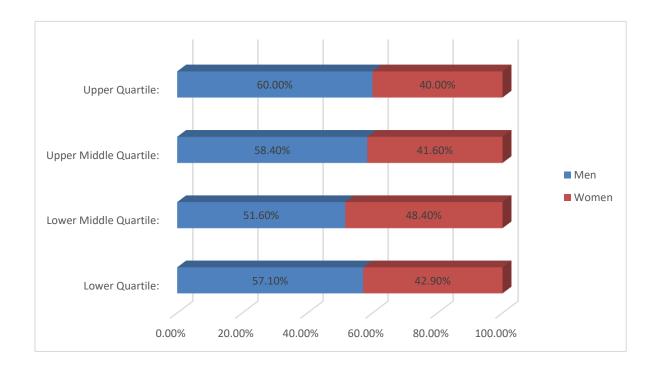
Our Bonus Gap has improved from 2018 and our mean bonus gap is 49% and our median bonus gap is 47.3% and this shows that the industry under- representation of women in senior roles plays out in our bonus gap.

The below outlines the percentage of employees who received a bonus, and the difference between men and women relating to the bonus payments received.



Proportion of male and females in each pay quartile

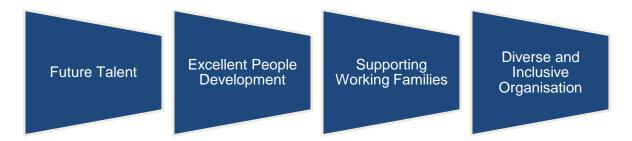
As part of the gender pay gap reporting we are publishing below the proportions of men and women in the lower, lower middle, upper middle and upper quartile.



The figures set out above have been calculated using the standard methodologies used in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Our Actions

Last year we committed to take action in the following **four key areas** to address the gender pay gap, to ensure balance across the business, to support our workforce in achieving their career goals and to attract future talent.



Highlights for 2019

• Leadership Development

Throughout 2019 we ran several successful development workshops for senior leaders to develop their management and supervisory skills focusing on three areas; Managing Self, Managing Others and Managing the Business.

• Enhanced Maternity Pay

In 2019 we significantly enhanced Maternity and Parental leave policies, to provide a market leading benefit to employees that wish to have a family. Our research suggested that our new benefit was above average for the freight industry.

New Recruitment Platform

In November 2019 we launched a new recruitment software platform. The evidence is clear that companies that can effectively recruit and manage a diverse workforce have a clear competitive advantage. During 2020, we will start to utilize the software to collect demographics and create job postings that attract diverse candidates.

• Apprenticeship Programmes

DB Schenker continues to run several national apprenticeship programmes in partnership with reputable and experienced programme providers such as Seetec Outsource, QA and others, to develop and nurture new entrant employees on the route of an apprenticeship attracting a diverse population of applicants.

We are confident that we will see a long-term positive impact on our gender pay gap as a result of our focus in these **four key areas**, as we work towards building a strong future for women within the Freight industry.

The company confirms that the data provided in this report, and the master data upon which this report is based is accurate and in accordance with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Debbie Mansfield CHRO