

# UK Gender Pay Gap 2019

In accordance with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017, National Express is required to report annually on the gender pay gap. This review is based on a high-level snap-shot of pay as at 5 April 2019, and compares with data from previous years.

## Gender Pay Gap

	UK Total	
	Mean	Median
<b>2019</b>	-0.62%	7.55%
<b>2018</b>	3.4%	14.9%
<b>2017</b>	26.6%	15.06%

Overall, the average gender pay gap in 2019 across the entire UK organisation was -0.62%, with a median of 7.55%. This represents an improvement on 2018, and continues a positive trend since 2017. National Express is significantly ahead of the 2019 UK National average of 17.3% (according to ONS ASHE survey).

The gender pay gap varies significantly across the different UK business entities that are required to report under the Regulations:-

## Gender Pay Gap by legal entity

	National Express Ltd		West Midlands Travel		Tayside Public Transport Co.	
	Mean	Median	Mean	Median	Mean	Median
<b>2019</b>	26.06%	10.73%	-2.32%	6.75%	-5.97%	4.21%
<b>2018</b>	25.70%	8.19%	2.92%	11.86%	-2.40%	0.00%
<b>2017</b>	16.15%	14.91%	4.30%	13.48%	-0.83%	4.04%

The total UK workforce is 15% female, and when compared to the male workforce, a higher proportion of those women are in specialist, professional roles resulting in an average pay gap in favour of women. This is the key driver of the gender pay gap and is most evident in the UK bus business (WMT), where the female workforce is much smaller than the male workforce (4,752 male workers compared to 565 female workers). The majority of the male workforce is made up of drivers and roles that pay at or just above the Living Wage Foundation's Living Wage. This is in contrast to the majority of the female workforce being employed in more specialist, office based roles such as finance, human resources and communications – roles that attract higher salaries. National Express was the first UK private transport group to be officially accredited by the Living Wage Foundation. We are also the largest private employer in the West Midlands to have the Living Wage Foundation accreditation.

The gender split of the workforce varies across the different UK business units of the National Express Group.

	% Male workforce	% Female workforce
Tayside Public Transport Company Ltd (Dundee)	86% (279)	14% (44)
National Express Ltd (NEL)	51.5% (332)	48.5% (313)
West Midlands Travel (WMT)	89% (4,752)	11% (656)

In some of these business units, there has been a steady increase in the proportion of women employed, however, the gender make-up of these businesses remains on the whole male dominated, in keeping with the broader UK transport industry. When viewed by pay quartiles, the UK coach business in particular has seen the most significant changes in gender split especially in the upper pay quartiles, but it remains the case that the most senior roles are occupied by males.

#### Proportion of Male/Female by Quartile

		NEL							
		Q1 M	Q1 F	Q2 M	Q2 F	Q3 M	Q3 F	Q4 M	Q4 F
<b>2019</b>		45%	55%	38%	62%	54%	46%	69%	31%
<b>2018</b>		43%	57%	40%	60%	49%	51%	70%	30%
<b>2017</b>		50%	50%	62%	38%	89%	11%	81%	19%

		WMT							
		Q1 M	Q1 F	Q2 M	Q2 F	Q3 M	Q3 F	Q4 M	Q4 F
<b>2019</b>		82%	18%	90%	10%	94%	6%	90%	10%
<b>2018</b>		79%	21%	92%	8%	96%	4%	92%	8%
<b>2017</b>		78%	22%	92%	8%	96%	4%	93%	7%

		Dundee							
		Q1 M	Q1 F	Q2 M	Q2 F	Q3 M	Q3 F	Q4 M	Q4 F
<b>2019</b>		77%	23%	90%	10%	89%	11%	89%	11%
<b>2018</b>		81%	19%	91%	9%	85%	15%	91%	9%
<b>2017</b>		73%	27%	90%	10%	90%	10%	89%	11%

		UK Total							
		Q1 M	Q1 F	Q2 M	Q2 F	Q3 M	Q3 F	Q4 M	Q4 F
<b>2019</b>		77%	23%	81%	19%	96%	4%	85%	15%
<b>2018</b>		74%	26%	84%	16%	96%	4%	87%	13%
<b>2017</b>		55%	45%	60%	40%	90%	10%	82%	18%

The same factors impact the gender bonus pay gap, most evident in the Dundee business. The bonus pay gap in this business is the result of one of the most senior executive roles being occupied by a female.

#### Gender Pay Gap BONUS

	NEL		WMT		Dundee	
	Mean	Median	Mean	Median	Mean	Median
<b>2019</b>	88%	68%	-92%	0%	-141%	-303%
<b>2018</b>	90%	57%	-55%	14%	-395%	-395%
<b>2017</b>	82%	68%	30%	-34%	-122%	-122%

Across the business units, we see a higher proportion of women being in bonus eligible roles. As with pay and bonus pay, the number of female employees is the key driver – more of the smaller female population occupy professional, office-based roles that attract bonus. The significantly higher proportion of female bonus eligibility in the coach business is because the role of customer service advisor carries a commission scheme, and the majority of the roles are occupied by women (commission is included in the definition of bonus within the Regulations).

	Bonus Eligibility					
	NEL		WMT		Dundee	
	Men	Women	Men	Women	Men	Women
<b>2019</b>	63%	75%	13%	19%	1%	2%
<b>2018</b>	27%	19%	2%	5%	1%	2%
<b>2017</b>	12%	14%	1%	4%	1%	4%

## Actions to address the gender pay gap

National Express has adopted a set of strong values, including a People value to drive the development of talent, reward performance and respect the rights of all employees. A Diversity & Inclusion Council has been established to co-ordinate and oversee initiatives encouraging all employees to be confident in bringing their true selves to work. The Council’s specific aims are:-

- To increase the numbers of those in under-represented groups in all levels of the workforce, with a key emphasis on those in management roles, in order that we better reflect the communities we operate in.
- To create an inclusive and accessible working environment where people respect and value each other’s diversity and the contribution they can make.
- To equip National Express leaders at all levels to take effective ownership of diversity and inclusion.

There are a number of measures being trialled to address the gender balance in parts of the organisation including the use of language technology to ensure no gender bias in recruitment adverts towards, and featuring profiles of current female employees on the careers website to encourage female applicants. We have also recently had an all-female intake of graduates in 2019.

Other activities include developing and encouraging more female applicants for senior posts through our high potential programme, providing robust career development programmes with role model mentoring. The leadership team is supportive of family-focussed options such as flexible working, and across the organisation there is a willingness to raise awareness of unconscious bias and challenge any inappropriate behaviours.