



DHL GLOBAL FORWARDING UK GENDER PAY GAP REPORT

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At DHL Global Forwarding UK, we believe that it is important to have a diverse and balanced workforce. We believe that success comes from the commitment and energy of our people, and through creating an inclusive working environment where everyone can give their best and make a difference.

Legislation now requires public and private companies with more than 250 employees to publish the average hourly pay difference between male and female employees. The regulations, which were introduced in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017, offer an opportunity for businesses to benchmark their pay structures against others and to analyse them in detail.

This report focuses on full-pay relevant employees ('relevant employees') who work for DHL Global Forwarding across the UK. Our analysis is based on data as at 5 April 2017 and covers 1,138 employees who are classified as relevant employees. Any relevant employees who were on any form of leave or reduced pay at the snapshot date were excluded from the analysis, as per legislative guidelines.

I confirm that DHL Global Forwarding UK's data has been calculated in accordance with the requirements of the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.



Michael Young
Chief Executive Officer
DHL Global Forwarding UK & Ireland



OVERVIEW

At DHL Global Forwarding UK, the difference between our mean hourly rate of pay for male full-pay relevant employees and that of female full-pay relevant employees is 17% or £20.03 per hour paid to males, versus £16.67 per hour to females. This represents a £3.36 difference in the hourly rate between the genders.

The gap has narrowed slightly, representing a 1% reduction when compared to analysis using 2016 data, which showed that at 18%, the DHL Global Forwarding UK gender pay gap was on par with the national average.

The difference between our median hourly rate of pay for male full-pay relevant employees and that of female full-pay relevant employees is 9%, or £14.70 per hour paid to males, versus £13.35 per hour to females.

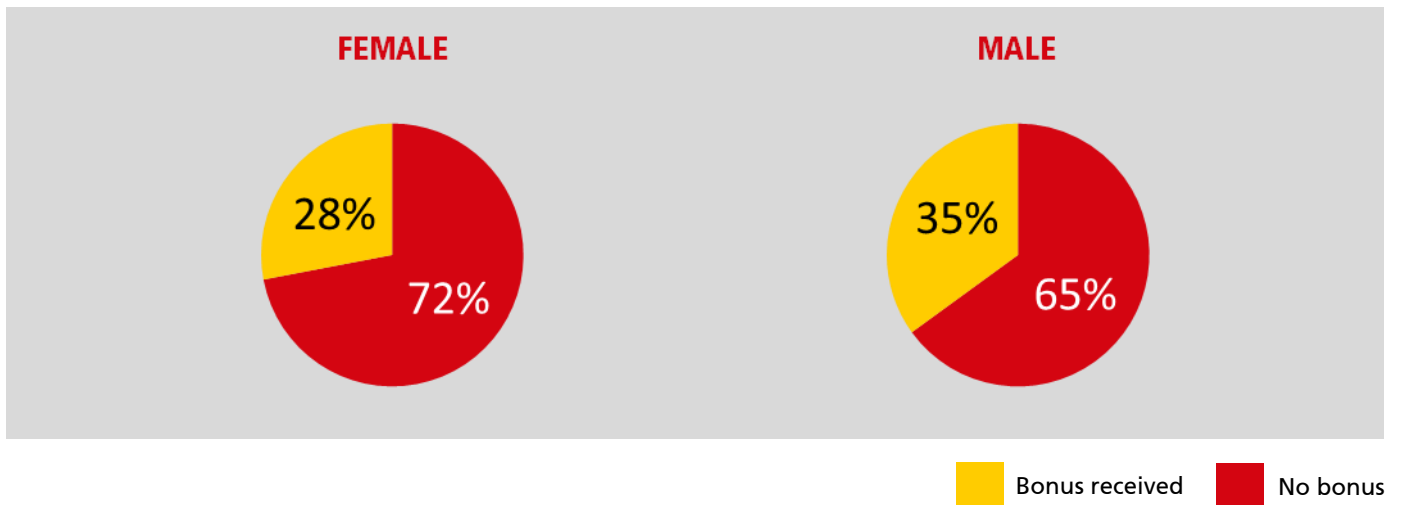
This demonstrates a positive trend when compared to analysis performed on our 2016 data, which showed a 14% difference in our median hourly rate of pay.

GENDER PAY AND BONUS GAP

Difference between males and females	Mean average	Median middle
Gender pay gap	17%	9%
Gender bonus gap	13%	9%



PROPORTION OF EMPLOYEES RECEIVING A 2016 BONUS



The number of female relevant employees who we paid a bonus to, versus the total number of female employees, is 27%. The number of male relevant employees who we paid a bonus to, versus the total number of male employees, is 35%.

The difference between the **mean** bonus that we paid to male relevant employees and that we paid to female relevant employees is 13%, or £9,872.73 versus £8,627.18.

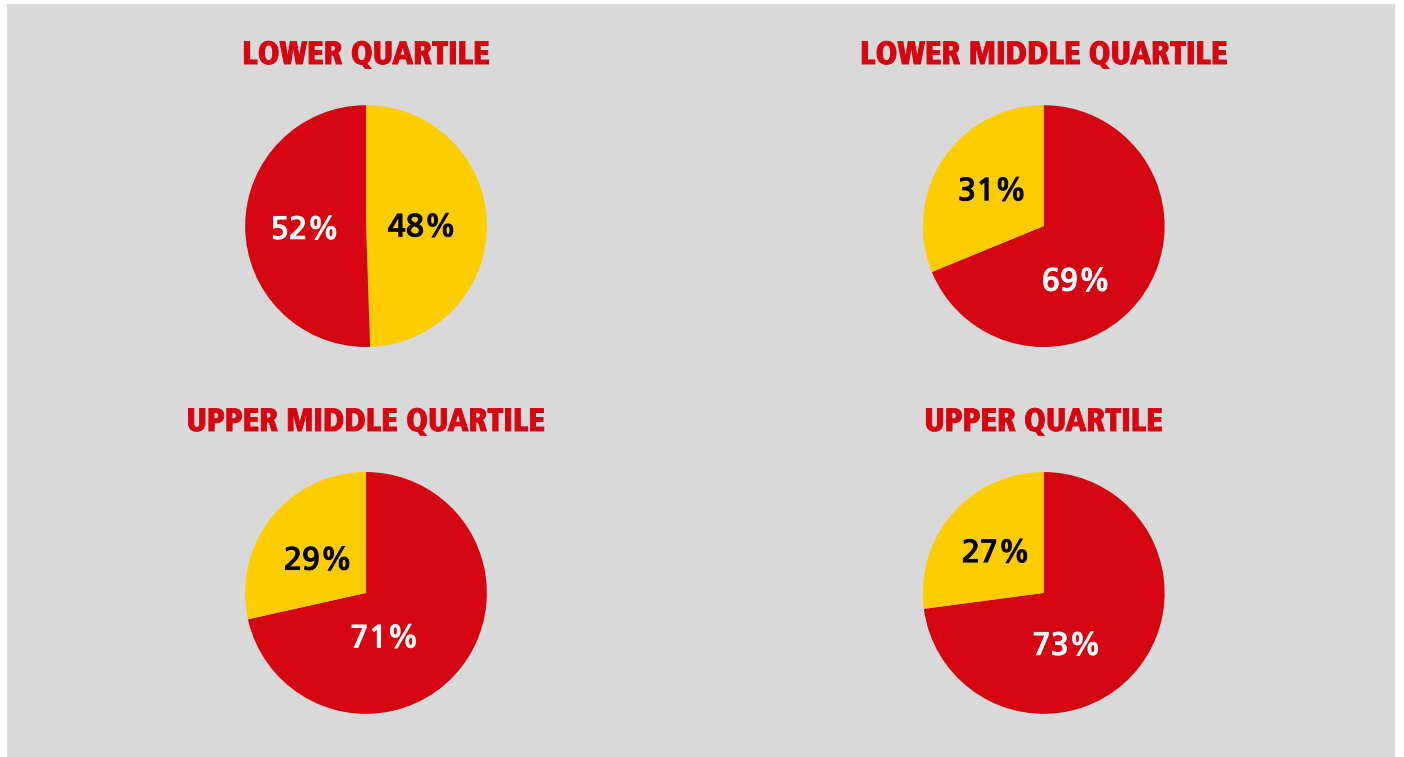
The difference between the **median** bonus that we paid to male relevant employees and that we paid to female relevant employees is 9%, or £4,300.00 versus £3,902.00.

When compared to data from 2016, the gap has considerably decreased between the genders; notably there has been an increase in the median bonus that we paid to relevant female workers.



PAY QUARTILES – MEDIAN

The charts below show the proportion of males and females in each pay quartile. Each quartile contains either 284 or 285 employees.



Female Male



KEY FINDINGS

- The majority of DHL Global Forwarding UK employees occupying positions at all levels are male (739 male employees versus 399 female employees).
- The overall gender pay gap (GPG) is significantly smaller in the lower paid quartiles; the biggest pay gap is in the upper quartile, which represents the highest paid group.
- Men occupy the majority of senior roles at DHL Global Forwarding UK, therefore the top earners, who dominate the upper quartiles, are male. This also affects the number of females eligible for bonus.



CLOSING THE GENDER PAY GAP

The Freight Forwarding industry remains, in many ways, a traditional lifetime career industry. Many employees in senior roles have longevity in post and are male.

This unbalance of the genders at senior levels undoubtedly affects the GPG and the bonus gap for our whole business. However, we are not content with this situation at DHL Global Forwarding UK. We are, therefore, focusing on both long term and short term steps to close the pay gap.

The overall GPG in the lower three quartiles is significantly smaller than the overall gap, with a median gap of 2% in the lower three quartiles and a mean gap of 1.2%. In the short term we will be focusing on closing this small gap.

This will be achieved by driving more transparency and measures of the GPG in reward processes, such as annual reviews, plus reviewing reward data by branch location and grouping different, but similar, roles with a generic role title to enable more comparisons to take place in order to ensure equality. We will also focus on the take up of additional pay elements at more junior levels, such as standby and call out payments.

Longer term, and affecting the upper quartiles, we will be focusing on developing our female employees to prepare them for stepping up into senior roles. For example, we have used a DHL Top Women programme and will continue with programmes designed to develop females.

We are also focusing on mentoring females in Station Manager roles in order to support their career progression.

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