Gender Pay Gap Report 23/24

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Introduction

Southeastern is committed to becoming an inclusive and diverse organisation across all levels of the business. Our gender pay gap continued to narrow in the year to 31 March. We remain determined to do everything we can to progress further meaningful change within our valued workforce.

The year ahead represents a fabulous opportunity to combine a significant recruitment agenda with our comprehensive D&I strategy and activity to have a positive impact on gender pay and inclusion. We want our entire workforce to join us on this journey. A diverse and equitable workforce will help us to attract and retain talent, reduce risk, improve decision making and generate the best ideas for the benefit of our people and our passengers. We recognise that change will not happen overnight but we will not allow our focus or commitment to waver on this multi-year journey.

We know there is much more that we need to do to be as diverse as the community we serve. Our pay gap remains influenced by the salaries and gender makeup of our train driver community but the reduction in the mean pay gap tells us that we are heading in the right direction. We have had some success in promoting and recruiting females into more senior management roles, with 31 per cent of these roles now filled by females (last year it was 27 per cent). This has contributed to the reduction in the mean pay gap.

Whilst the rail industry remains male-dominated, every diverse new joiner helps us to change the narrative. We are making strides towards a culture where inclusion and diversity are part of our DNA. This has been recognised on a national level, through accreditations and awards most recently the Work180 Equitable Workplace Award for Transport where we were recognised as performing the best overall in regards to diversity, equity and inclusion.

We are restless for change as we continue our journey as a purposeful employer, working to secure a thriving future for our railway and the communities we serve.



Steve White Managing Director



What is the Gender Pay Gap?

The gender pay gap is the difference between the average hourly pay and bonuses of all men and all women in a company, regardless of the type of work they do. The government requires all businesses with 250 or more employees to publish their gender pay gap each year.

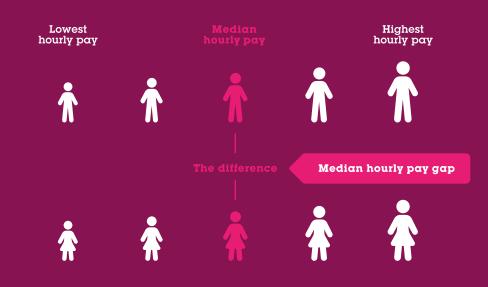
A gender pay gap is created because different jobs within the business pay differently and the number of women and men performing these jobs varies. There are two main ways of measuring the gender pay gap – the mean pay gap and the median pay gap. It's worth mentioning that the gender pay gap should not be confused with the equal pay gap, which compares the pay of a man and a woman carrying out the same or equivalent work.

Mean pay gap

The mean (average) is the calculation most people will be familiar with when calculating the average of something – essentially this adds the total of the constituent parts and then divides by the number of the constituent parts to calculate the average for each. The mean pay gap is subsequently the difference between the average female hourly pay compared against the average male's hourly pay. The mean figure can be skewed by say, a small number of highly paid individuals, which lifts the average higher.

Median pay gap

The second measure is the median pay gap and this is often deemed to be more representative when there are greater variations in pay. To calculate the median pay gap, we line up the hourly pay for all female employees from the highest to the lowest. We do the same for all our male employees and calculate the difference between the two midpoints on each line to work out our median pay gap.



Our Corporate commitment

At Southeastern we are committed to all our 4,500 employees, so everyone can thrive. We are dedicated to recruiting, retaining and developing women at every level across the rail and our wider operations.

This commitment will help to improve our gender balance, which is predominantly male (79 per cent of colleagues). One of the most visible demonstrations of our commitment to tackling the issue of gender imbalance is around recruiting and retaining female train drivers, with a 10 per cent increase in the number of female Drivers in the year to 31 March 2023. In Southeastern in 2023, the mean gender pay gap narrowed to 17.16 per cent compared to 17.84 per cent in 2022. The median gender pay gap reduced from 16.22 per cent to 14.78 per cent.

Our commitment is to continue to work with our colleagues, partners at Network Rail, and the wider rail industry to ensure we work together to attract and retain more women at all levels right across our industry.



A trailblazer for women

We want women to see rail as an industry where they can thrive. We are acutely aware that the rail industry has been a predominantly male industry. We pride ourselves on being a pioneer for women in rail – from encouraging more women to join our organisation to creating an inclusive culture that will help them work with us for longer and setting a positive example for other train operating companies.

We aim to inspire inclusivity and diversity through our dedicated diversity and inclusion (D&I) team and our six Colleague Network Groups, which include the Women's Network group (WIRE). WIRE continues to build momentum and makes a significant impact; its mission is to create a better workplace for everyone, regardless of gender, by amongst other things, identifying barriers to inclusion.

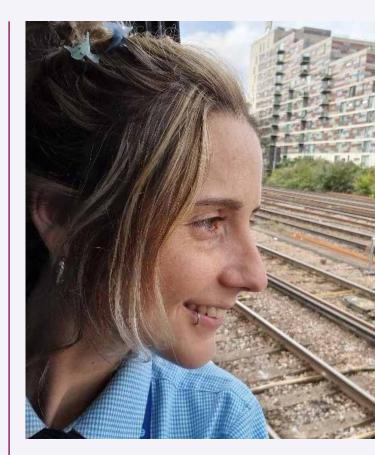
Recruitment

Over the past 12 months, we have increased the number of female employees to 20.83 per cent of our workforce and have seen improved representation of gender balance in our new hires. We have also been able to improve female representation in leadership positions as senior management grades from 25.49 per cent to 31.15 per cent. This is the result of our orchestrated strategy to reach out to potential female applicants.

We review adverts using a gender decoding tool to ensure wording is gender-neutral/ female-coded to encourage applications from underrepresented groups. We promote job opportunities to underrepresented groups, such as women, using targeted social media advertising with partners such as Socially Recruited. We hold online recruitment webinars and attend job fairs to give female candidates an insight into the roles on offer. Our focus is not just on drivers and apprentices. We are also proactively looking at how we support and develop women in management grades.

Female train drivers have increased to 9.78 per cent (in 2022 it was 8.64 per cent). Over the past three years, we have aimed to recruit more female train drivers. Last year (April 2022 to March 2023) 29 per cent of new starters in train driver roles were female and year to date, 28 per cent of new starters in trainee conductor roles have been female.

We are a significant adopter of the Apprentice Levy and provide equal access to qualifications for new entrants to our business. Of the 380 apprentices Southeastern currently has in training, 100 identify as women – 26 per cent of the total. The focus on developing diverse apprentices has seen great success, and 16 per cent of our engineering apprentices are women.



Positive female engagement

Our colleague pulse surveys consistently show that women are engaged and having a positive experience. Female colleagues continue to be the most positive group with a higher score in every single category asked, compared to the overall score for the question asked.

Surveys show improving scores in gender and ethnic origin. Some 79 per cent of female colleagues feel that they can be themselves at work and 81 per cent of our female colleagues feel that their manager supports their efforts to balance work and personal life.

Meanwhile, employees with primary caring responsibilities for a child/children feel well supported at Southeastern, with 77 per cent saying they had a good work-life balance and 74 per cent feeling that they can be themselves at work.



First for women

Southeastern was ahead of the curve when it launched its 'Menopause in the Workplace programme to remove the taboo around menopause in 2019.

In April 2023, Southeastern became the first transport company to become an independently accredited Menopause Friendly Employer. We also became the first 'certified endometriosis employer'. Another initiative saw the expansion of our workplace's 'Take One If You Need One' (free period products) initiative to support women's well-being, while we continue to create awareness via policies of the 'taboo subjects' including baby loss, fertility and period poverty.

National recognition for diversity

As a WORK180, (the globally recognised sign of a great workplace for women) endorsed employer of women, we are constantly making improvements to our people policies and practices to build a workplace where everyone feels comfortable and confident to be themselves. We recently completed a D&I Assessment with WORK180 and were ranked in the top 15 per cent of the employers they partner with.

We were ranked in Financial Times Diversity Leaders 2023 (comprising 850 companies across Europe), were named as a top 8 menopausefriendly employer by The Sun while and came top of the Women in Transport Equity Index, a non-profit organisation dedicated to promoting diversity and equity in the transport sector.



Future Commitments

We are triple gold accredited by Investors in People (IiP) as the gold standard under its Apprentices, People and Wellbeing frameworks that demonstrate our dedication to people management and development. We continue to develop our talented women through succession planning and talent development programmes such as Women in Rail Mentoring and Reverse Mentoring.

Become a Disability Confident Committed Employer

Leverage our recruitment partnerships to further develop diverse talent pools and promote opportunities for women. Improving the workplace which inspires our people to foster a culture of inclusion.

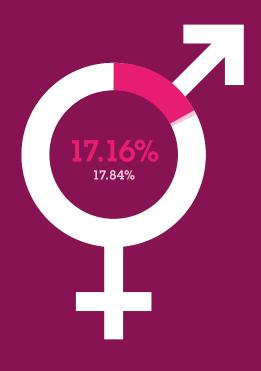
Our Results

Mean Gender Pay Gap

In 2023, the mean gender pay gap narrowed to **17.16%** compared to 17.84% in 2022.

The monetary amounts behind this figure are:
A mean male hourly rate of £30.16
A mean female hourly rate of £24.98

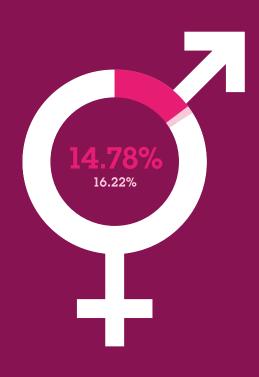
The 17.16% mean gap (£5.17) can be attributed to the large number of male train drivers in the upper and upper middle pay quartiles.



Median Gender Pay Gap

The median gender pay gap for Southeastern is 14.78%.

The median represents the middle point of a population. If you lined up all the women in a company and all the men in order of hourly pay rate, the median pay gap is the difference between the hourly pay rate for the middle woman compared to that of the man in the middle.



Bonuses

As in 2022, no performance-based senior manager or director bonuses were paid in 2023. The figures are based on sales commission only, which is earned by on-board staff, selling tickets to passengers. Commission sales were impacted by strike action in the reference month for the report when such payments would not have been paid to staff on strike.

Improvements since last year are driven by more passengers travelling and our focus on ensuring that all passengers travel with a valid ticket for their journey.

Key results:

- The proportion of male employees receiving a bonus is 11.59% (in 2022 it was 9.4%).
- The proportion of female employees receiving a bonus is 13.47% (in 2022 it was 9.5%).

Median Gender Bonus Gap

The median gender bonus gap for Southeastern is **66.34%**.

