



People

# Gender Pay Gap Report 2017

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# Gender Pay Gap Report 2017

## Introduction

Employers with 250 or more relevant employees are required to publish gender pay gap information by April 2018, based on data from April 2017. The government will also encourage smaller organisations to report their gender pay gaps on a voluntary basis. This report satisfies the necessary metrics to meet the publication requirements.

Additionally, relevant benchmarks have been provided to enable how the gender pay gap for dnata Ltd compares with other similar organisations.

## Details

This report has been prepared in line with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 and Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017.

Snapshot date: 5 April 2017

## Our data

dnata Ltd analysed payroll data of which 2146 were categorised as "relevant employees" and used in the reporting of bonus pay gap statistics and were used in the reporting of hourly pay gap statistics.

## Mandatory metrics for your gender pay gap report

**This report has been produced by dnata Ltd. The metrics within the report are intended to help dnata Ltd to meet the gender pay gap reporting requirements.**

- The mean gender pay gap for dnata Ltd is 1.5%
- The median gender pay gap for dnata Ltd is 1.1%
- The mean gender bonus gap for dnata Ltd is -5.8%
- The median gender bonus gap for dnata Ltd is -16.8%
- The proportion of male employees in dnata Ltd receiving a bonus is 1.8%
- The proportion of female employees in dnata Ltd receiving a bonus is 1.3%

dnata Ltd pay quartiles percentages (number of employees in each band):

Band	Males	Females	Description
A	76.7% (411)	23.3% (125)	Includes all employees whose standard hourly rate places them at or below the lower quartile
B	80.2% (430)	19.8% (106)	Includes all employees whose standard hourly rate places them above the lower quartile but at or below the median
C	76.7% (412)	23.3% (125)	Includes all employees whose standard hourly rate places them above the median but at or below the upper quartile
D	83.2% (447)	16.8% (90)	Includes all employees whose standard rate places them above the upper quartile

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

dnata Ltd has provided an accurate picture of its gender pay gap and with external benchmarks to set the data in context.

## Benchmarks: introduction

These pages benchmark dnata Ltd data against benchmarks derived from participants in the XpertHR Gender Pay Gap Reporting Service:

- Whole sample - all organisations
- Sector - organisations in the same broad sector
- Industry - organisations in the same industry
- Turnover - organisations with a similar annual turnover
- Employees - organisations with a similar number of employees

Additionally, our results have been benchmarked against data from the Office for National Statistics Annual Survey of Hours and Earnings 2016:

- All organisations (UK average)
- Organisations in our industry

## Benchmarks: mean gender pay gap

The mean gender pay gap for dnata Ltd is 1.5%.

This figure is based on:

- A mean male hourly rate of £13.14
- A mean female hourly rate of £12.94

### How does this compare?

Group	Mean gender pay gap (%)	Mean gender pay gap (£)
dnata Ltd	1.5	0.20
Whole sample	17.5	4.79
Sector: Private sector services	20.6	6.10
Industry: Transport and storage	11.2	2.80
Turnover: £100 million to £999 million	20.7	6.15
Employees: 1000 - 4999	17.8	4.68
National Statistics (ASHE 2016)	All employees: 17.3; Transport and storage: 4.8	All employees: 2.95; Transport and storage: 0.73

### Summary

At 1.5%, the mean gender pay gap for dnata Ltd is significantly below the whole sample figure. It is significantly below the figure for organisations in the same sector and significantly below the figure for organisations in the same industry. It is significantly below the figure for organisations with a similar financial turnover and significantly below organisations that have a similar number of employees.

## Benchmarks: median gender pay gap

The median gender pay gap for dnata Ltd is 1.1%.

This figure is based on:

- A median male hourly rate of £12.20
- A median female hourly rate of £12.06

### How does this compare?

Group	Median gender pay gap (%)	Median gender pay gap (£)
dnata Ltd	1.1	0.14
Whole sample	14.5	3.20
Sector: Private sector services	14.6	3.44
Industry: Transport and storage	7.0	1.04
Turnover: £100 million to £999 million	15.8	3.46
Employees: 1000 - 4999	13.5	3.09
National Statistics (ASHE 2016)	All employees: 18.1; Transport and storage: 3.7	All employees: 2.41; Transport and storage: 0.46

### Summary

At 1.1%, the median gender pay gap for dnata Ltd is significantly below the whole sample figure. It is significantly below the figure for organisations in the same sector and significantly below the figure for organisations in the same industry. It is significantly below the figure for organisations with a similar financial turnover and significantly below organisations that have a similar number of employees.

## Benchmarks: mean gender bonus gap

The mean gender bonus gap for dnata Ltd is -5.8%.

This figure is based on:

- A mean annual male bonus of £3,280.77
- A mean annual female bonus of £3,471.33

### How does this compare?

Group	Mean gender bonus gap (%)	Mean gender bonus gap (£)
dnata Ltd	-5.8	-190.56
Whole sample	23.4	2,806.41
Sector: Private sector services	30.9	3,957.03
Industry: Transport and storage	23.3	896.49
Turnover: £100 million to £999 million	18.2	1,847.85
Employees: 1000 - 4999	28.8	2,313.38
National Statistics (ASHE 2016)	All employees: 71.1; Transport and storage: 43.6	All employees: 1,625.00; Transport and storage: 578.00

### Summary

At -5.8%, the mean gender annual bonus gap for dnata Ltd is significantly below the whole sample figure. It is significantly below the figure for organisations in the same sector and significantly below the figure for organisations in the same industry. It is significantly below the figure for organisations with a similar financial turnover and significantly below organisations that have a similar number of employees.

## Benchmarks: median gender bonus gap

The median gender bonus gap for dnata Ltd is -16.8%.

This figure is based on:

- A median annual male bonus of £2,684.00
- A median annual female bonus of £3,134.00

### How does this compare?

Group	Median gender bonus gap (%)	Median gender bonus gap (£)
dnata Ltd	-16.8	-450.00
Whole sample	15.9	81.00
Sector: Private sector services	23.0	245.50
Industry: Transport and storage	8.5	63.00
Turnover: £100 million to £999 million	16.3	63.00
Employees: 1000 - 4999	14.5	140.50
National Statistics (ASHE 2016)	All employees: 45.4; Transport and storage: -21.2	All employees: 664.00; Transport and storage: -114.00

### Summary

At -16.8%, the median gender annual bonus gap for dnata Ltd is significantly below the whole sample figure. It is significantly below the figure for organisations in the same sector and significantly below the figure for organisations in the same industry. It is significantly below the figure for organisations with a similar financial turnover and significantly below organisations that have a similar number of employees.

## Benchmarks: proportion of men and women receiving a bonus

The proportion of male employees in dnata Ltd receiving a bonus is 1.8%

The proportion of female employees in dnata Ltd receiving a bonus is 1.3%

### How does this compare?

Group	Males with bonus (%)	Females with bonus (%)
dnata Ltd	1.8	1.3
Whole sample	45.3	44.5
Sector: Private sector services	53.4	53.1
Industry: Transport and storage	49.9	48.9
Turnover: £100 million to £999 million	53.4	50.5
Employees: 1000 - 4999	46.3	45.7

### Summary

At 1.8%, the proportion of men receiving a bonus in dnata Ltd is significantly below the whole sample figure. At 1.3%, the proportion of women receiving a bonus is significantly below the whole sample figure.

## Benchmarks: gender pay quartiles

dnata Ltd pay quartiles,percentage in each band (number of employees in each band)

Band	Males	Females	Description
A	76.7% (411)	23.3% (125)	Includes all employees whose standard hourly rate places them at or below the lower quartile
B	80.2% (430)	19.8% (106)	Includes all employees whose standard hourly rate places them above the lower quartile but at or below the median
C	76.7% (412)	23.3% (125)	Includes all employees whose standard hourly rate places them above the median but at or below the upper quartile
D	83.2% (447)	16.8% (90)	Includes all employees whose standard rate places them above the upper quartile

### How does this compare?

Group	Band A (lowest paid)	Band B	Band C	Band D (highest paid)
dnata Ltd	Male: 76.7% Female: 23.3%	Male: 80.2% Female: 19.8%	Male: 76.7% Female: 23.3%	Male: 83.2% Female: 16.8%
Whole sample	Male: 51.5% Female: 48.5%	Male: 58.6% Female: 41.4%	Male: 63.6% Female: 36.4%	Male: 69.6% Female: 30.4%
Sector: Private sector services	Male: 47.4% Female: 52.6%	Male: 53.9% Female: 46.1%	Male: 59.1% Female: 40.9%	Male: 67.3% Female: 32.7%
Industry: Transport and storage	Male: 71.8% Female: 28.2%	Male: 77.8% Female: 22.2%	Male: 79.6% Female: 20.4%	Male: 84.2% Female: 15.8%
Turnover: £100 million to £999 million	Male: 51.5% Female: 48.5%	Male: 59.7% Female: 40.3%	Male: 65.6% Female: 34.4%	Male: 71.1% Female: 28.9%
Employees: 1000 - 4999	Male: 54.4% Female: 45.6%	Male: 62.9% Female: 37.1%	Male: 66.5% Female: 33.5%	Male: 72.9% Female: 27.1%

## Causes of the gender pay gap

Many people are taken by surprise when they discover that their organisation has a gender pay gap. Their reaction is often to question the calculation because they know that they pay men and women equally. But this is to confuse two ideas.

It has been against the law to pay men and women differently for doing the same or similar jobs for decades. So while unequal pay rates can cause a gender pay gap, this is **NOT** the case with dnata Ltd.

A gender pay gap is much more frequently the result of structural issues - about where men and women are most often found within an organisation, and the sorts of salaries those roles attract.

So, across the whole UK economy:

- Men are more likely than women to be in senior roles - especially very senior roles at the top of the organisation. Although at dnata Ltd we are above the average for the Company as a whole.
- Women are more likely than men to be found in front-line roles at the bottom of the organisation in some types of organisation. However at dnata Ltd we have more females in higher paid band level roles for the industry sector.
- Women are more likely than men to work part time, or to have had breaks which can sometimes affect their career progression and long-term earnings.

Sometimes, though relatively rarely, an organisation may have a negative gender pay gap – that is to say, the typical hourly rate paid to women is higher than the typical hourly rate paid to men. But the type of organisation where this is found may come as a surprise. Dnata Ltd has this in terms of the Bonus Gap Analysis.

Data from the Office for National Statistics' Annual Survey of Hours and Earnings shows that the mining industry as a whole has a negative gender pay gap. Some companies in other industries with a high volume of manual workers are in a similar position.

This is because they employ relatively few women, but their female employees are concentrated in relatively well-paid professional roles. Having a high proportion of men in manual roles, meanwhile, tends to depress the average male pay rate.

The most common explanation for both positive and negative gender pay gaps, therefore, is not that men and women are paid differently, but that women are often absent from certain areas of the workforce.

## How to understand our gender pay gap figures

Now that we know the headline gender pay gap figures for our organisation, you will probably want to understand the scale of the gender pay gap in your organisation and its causes.

Let us go through the main metrics in the order they appear in the report.

### **Mean gender pay gap**

This metric shows the percentage gap in the average salaries (including bonus payments, if applicable) of men and women based on standard hourly rates of pay during the pay period in which 5 April fell this year. The pay period is commonly a single week or single month. It is likely to become the default metric when comparisons are made between organisations because it is most easily understood. It is important to remember that almost half of all organisations will have a gender pay gap on this measure that is higher than the average. Our report flags where our figure is close to the average (within 5% either side), higher or lower than the average (between 5.1% and 10% either side) or considerably higher or lower than the average (more than 10% either side). We also show where dnata Ltd falls on the distribution curve of all organisations, enabling you to gauge how we compare against others.

### **Median gender pay gap**

This shows the percentage gap in the median salaries (including bonus payments if applicable) of men and women based on standard hourly rates of pay during the pay period in which 5 April fell his year. The median is the middle value when all the values are ranged from highest to lowest. The median is more representative than the mean of typical pay differences because it is less affected by a handful of considerably higher (or lower) salaries.

### **Mean gender bonus gap**

Both the mean and median gender bonus gaps are calculated from data for the full 12 months to April 2017. In addition to bonus payments, this includes commission and other types payments based on individual, group or whole company performance. The data excludes employees who either are not eligible for a bonus or who are eligible but did not receive a bonus. The gender bonus gap is typically higher than the gender pay gap because bonus payments are frequently skewed towards senior roles in which men make up a higher proportion of the workforce.

## Median gender bonus gap

This provides an alternative way of looking at the difference in bonuses paid to men and women. It is important when reviewing both the mean and median gender bonus gaps to keep in mind that these figures are based purely on the data for that subset of employees who received a bonus. If a higher proportion of men than women receive a bonus, and the average or median bonus paid to men is higher than that awarded to women, then this exacerbates the gender divide.

## Proportion of men and women receiving a bonus

Based on a broad definition of bonus which includes commission (not applicable at this time in dnata Ltd) and other payments related to individual, group or company performance, this metric reports solely on those employees who were both eligible for a bonus payment and who received one. It therefore excludes those who may have been eligible but did not qualify for a payment. To understand this metric further, it is important to investigate not just whether there is a gender disparity but why. Possible causes could include a greater proportion of men than women in senior roles, or the existence of bonus schemes in functions where there are more men than women.

## Pay quartiles by gender

Of all the metrics, this is the one most likely to shed light on the underlying causes of any gender pay gap in your organisation. This section of the report divides the workforce into four equally sized groups based on their hourly pay rate, with Band A including the lowest paid 25% of employees (the lower quartile) and Band D covering the highest paid 25% of employees (the upper quartile). In order for there to be little or no gender pay gap, there would need to be the same ratio of men to women in each quartile band. An organisation with a high ratio of men to women in Band D is likely to have a gender pay gap, as is an organisation with a high ratio of women to men in Band A. It may be the case in historically male-dominated industries that women are found mostly in Bands B and C.

## Commentary / Further analysis

Due to **NO** disparity in pay between men and women in the same job roles at dnata Ltd Gender Pay Gap is very small, and only apparent due to gender mix. This follows the lack of attraction of females to enter some job role areas of the organisation.