

Gender Pay Gap report 2017

Introduction



We are a leading transport operator in the UK and North America. Each year, two billion passengers rely on us to get to work, school or college, to visit family and friends and much more.

In our increasingly urban and global world, the transport links we provide are more essential than ever.

The unique scale and the breadth of FirstGroup's global expertise is our key strength. But to truly capitalise on this, and provide the best services for our customers, we recognise that the diversity between and within all the communities we serve must be reflected in our workforce.

We recognise that women have traditionally been under-represented in the UK transport sector, but as the industry evolves to meet rising customer expectations, and environmental challenges like congestion and air pollution, we need a much broader range of skills. This transformation is creating many more opportunities for women with backgrounds outside the transport sector to bring a variety of skills and experience from different industries and ways of doing things. I am delighted that already, women with skills from other sectors such as retail, energy, telecoms, media and consulting have joined FirstGroup and are making a real difference. You can read more about their career journeys and experiences as part of FirstGroup later in this report.

While we are proud of our overall gender pay gap figure, which reflects our absolute commitment to ensuring fairness in pay and progression regardless of gender, there is still much more to do; in order to close gender pay gaps where they do exist in some of our individual businesses, we are determined to accelerate our progress, increasing the number of women at all levels, and supporting them to take advantage of the wide range of career opportunities and interesting roles we can offer.

Tim O'Toole
Chief Executive



"FirstGroup is committed to equality of opportunity, diversity and inclusion at every level, both in our Boardroom and across our wider business.

We have made this commitment because we believe diverse experiences and attitudes help us better understand the needs of our customers and communities, and deliver more creative and innovative solutions."

Wolfhart Hauser Chairman

Our headline figures

Our median gender pay gap is _9_1%

This means women's median hourly pay is 9.1% higher than men's.

Our mean gender pay gap is -2.2%

Explaining our results

The number of UK employees covered by our report at 5 April 2017 is 22,236.

This comprises 19,407 men and 2,829 women.

Although only 13% of UK employees are female, more than 61% of these women are in the upper and upper middle pay quartiles, whereas 52% of men are in the lower and lower middle quartiles. As a result, both the mean average and the median (midpoint) hourly pay for women are higher than that for men.

85% of our companies had a gender pay gap below the UK national average

Understanding our gender pay gap

At 5 April 2017 our overall median gender pay gap was -9.1%. Of our 20 operating companies in the UK with more than 250 employees, 17 of them (85%) had a median gender pay gap below the national average of 18.4%; five either had a gender pay gap of zero or women's average pay was higher than that for men.

The gender pay gap shows the difference between the average hourly rate of pay of all men and all women in the organisation as a percentage of the average hourly rate of pay of men. This is different from 'equal pay' which considers whether men and women receive the same pay for work of equal value. Although our overall UK figure shows that women's median hourly pay is higher than men's, we recognise that this is not the case for all of our operating companies. Analysis shows this is typically due to women being under-represented in our higher-paid leadership and professional roles such as engineering and operational management. These roles are also more likely to be eligible for a bonus. The number of women in these roles has been driven by a number of historical factors, including the low proportion of females studying STEM subjects (science, technology, engineering and maths) at school and university, which are required in many of our higher-paid jobs.

The UK transport industry has traditionally attracted more men than women, with 85% of transport workers being male. The majority of our front-line employees are men, and because historically many of our managers have been promoted from front line operational and technical roles, this also contributes to the under-representation of women in management positions.

You can access the gender pay information for each of our businesses on pages 12-13.

What actions are we taking?

We recognise some of the issues we face are societal, and change will take time to achieve.

Across our operating companies, we are taking action to:

- Increase the number of female applicants for all roles, given that in many of our operating companies, women make up less than 20% of the workforce
- Encouraging women to stay and progress, through employment policies which encourage them to return from maternity leave and make it easier to combine a career with family life
- Support and develop more women to move into higher paying roles
- Ensure men are more aware and equipped to play their part in creating an inclusive workplace which is welcoming to women

Attracting more women applicants

We have refreshed our recruitment advertising photography and video content to ensure women are strongly represented and we now use the software tool 'Textio' to check the language of all our recruitment advertising material to ensure it is not unconsciously biased towards male candidates.

We are piloting new approaches to the way we describe roles which have traditionally attracted many more male than female candidates; in TransPennine Express, this has already resulted in 38% of new hires to conductor roles being female, compared with 18% of the existing conductor workforce.

We are also thinking more broadly about where to promote our job opportunities to female students on relevant higher education courses who may not previously have considered a career in transport.

Our graduate and apprentice programmes are important routes into higher paid technical and management roles, and we are looking at ways to ensure we promote these opportunities to more women. For example, in 2017 we ran a specific initiative to highlight our graduate vacancies to 15,000 female undergraduates studying STEM subjects across the UK, using a targeted email campaign.

In the coming year, our Group Engineering and IT leaders will be launching an ambitious programme to attract more female candidates into engineering, maintenance and IT jobs; these are some of our best paid roles and offer good career progression opportunities which will help close the gender pay gap.

Our external recruitment partners and agencies are now required to demonstrate what they have done to deliver a diverse shortlist of candidates when making external hires.

Encouraging women to stay and progress

Across our operating businesses we have a variety of maternity pay and parental leave arrangements, backed by family-friendly and flexible working policies. Following a recent review, we made changes to some of our policies to ensure they continue to compare well with the external market and encourage existing female talent to return from maternity leave.

Many of our companies provide 24/7 service to customers; in response to feedback from employees, we are reviewing some of our shift designs in First Bus to explore how we can provide working patterns which enable both male and female employees to better combine their job at FirstGroup with family life. We anticipate this will help us attract and retain more women, and because many of our managers are promoted from frontline roles, it should also, over time, increase the number of women available for promotion to management roles.

We're launching programmes designed to help more women prepare for and attain their first management and senior management roles, and to equip men to play their part in creating an inclusive workplace which is welcoming to women.

Women making a difference



Jenny Saunders
Head of Stations, South Western Railway

"You certainly don't need to be an engineer to work in rail as there is so much variety – you can be anything you want to be."

As Head of Stations, Jenny is responsible for the delivery of safety, performance and customer experience at 188 stations. She began her career at retailer Gap before joining SWR in 2008. Jenny's strong customer service ethos brought her success as Area Manager in several locations before being promoted to her current role in early 2014. During this time she had two children and believes that a good maternity policy, coupled with a supportive team and line manager, has made the transition to full time working mother much easier.

Libby Scourse Divisional Financial Controller, Greyhound

"It was great to have the opportunity to move with my family and further my career in the US with Greyhound. I'm proud to be part of really first-rate teams at FirstGroup."

Libby is currently on international assignment to our Greyhound business based in Dallas, where she is the Financial Controller. Following training at Ernst & Young LLP, where she qualified as a Chartered Accountant, Libby worked for several companies before joining First Bus in 2013. She managed the financial operations for the Wales and South of England Region before promotion to Divisional Director of Financial Operations. In 2017, she seized the opportunity to broaden her experience in one of our North American businesses.



Women making a difference



Evie Carroll
Graduate Trainee, First Bus

"It's a fantastic graduate scheme with the chance to see all aspects of the business first hand. People here are very friendly and supportive. I love the variety, it will help me decide which type of management role I want to take on after the two-year programme."

Following a degree in International Business at Edinburgh University, Evie was looking for a 'hands on' graduate scheme which would give her the opportunity to apply what she'd learned. The transport sector appealed because of the change and modernisation that's ongoing, and she felt that First Bus offered a broad graduate scheme with lots of opportunities.



Women making a difference

Fleet Technical Manager, TransPennine Express

"Although there is still a gender imbalance within engineering, I have always found FirstGroup really welcoming and helpful and have never experienced any prejudice because I'm female. It's a really exciting place to be and has given me a great and rewarding career so far."

Stacy joined TransPennine Express as a Graduate Engineer in 2005. After 18 months in placements across the business, she became a Project Engineer and then a Fleet Engineer, whilst gaining Chartered Engineer status. To expand her experience, she spent five years at another rail company, before returning to FirstGroup in 2016 to the leadership role of Fleet Technical Manager.





Constance Baroudel

Group Director of Strategy and Operational Performance, FirstGroup

"It's great to work somewhere that values experience from other industries and recognises the role women can play at every level of the business."

After studying corporate finance and international relations in Paris, Constance completed a Masters in International Accounting and Finance at the London School of Economics. She started her career in strategy consulting working across multiple sectors then went on to De La Rue plc. Whilst there, Constance gained executive management experience across multiple areas. In 2015, Constance brought the breadth of her skills to FirstGroup. In her current role, she is responsible for developing the Group corporate strategy and leading collaboration across our businesses.

Tina Hayden Williams

Mechanic. First Bus

"I like everything about my job. It's interesting and challenging – something different every day. I've never had a boring day!"

Tina joined First Bus as an apprentice in the Bristol depot in 2013. During her training, she received the Apprentice Inspection Award in the Institute of Road and Transport Engineers Skills Challenge in 2016. Having qualified as a mechanic, she continued her development by completing an additional year to gain an electrical qualification to add to her skills. She has also become a skilled vehicle inspector, as well as a vehicle technician.



Women making a difference

Women making a difference



Louise Cheeseman
Service Delivery Director, Hull Trains

"I've been encouraged by some great male bosses and mentors and have taken the opportunities that I was offered. The rail industry has given me such an amazing career. I don't want women similar to myself to miss out on such a great opportunity!"

Louise is Service Delivery Director for Hull Trains. She started in the rail industry in 2001 as a guard with Northern Rail. Being quickly promoted through safety and operations roles, she became the General Manager for Docklands Light Railway, which included responsibility for managing operations for the 2012 Olympic and Paralympic Games. Louise then travelled to Sydney to assist in the preparation of the Sydney Light Rail bid. A further two years was spent with Metrolink in Manchester as Service Delivery Director before she joined FirstGroup in her current role, which involves delivering a great experience for Hull Trains' customers.

Amanda Burns Head of Marketing & Sales, GWR

"It gives me a real buzz to know we're leading the way for consumers and the industry. I always challenge myself and my team to ask 'how can we improve and do things better?'. GWR and FirstGroup really embody this philosophy."

Amanda is Head of Marketing & Sales in GWR, a role she has held since 2016. She has experience from the airline sector in British Midland and BAA Airports, as well as with BUPA and most recently Tourism Ireland, where she set up a presence in new and developing markets in Asia-Pacific, the Middle East and Africa.





Samyutha Bala

Customer Experience Manager, GWR

"I only planned to stay for six months but the railway pulls you in. I have received great support through GWR's mentoring programme, as well as training and encouragement. I really love my job and I've decided that I want to stay in the rail industry."

Samyutha joined GWR in 2013 after studying for a Masters in Dentistry. Her first job at GWR was as a Despatcher in Operations. She was encouraged by her manager to apply for a role as Customer Ambassador. After two years doing this, she covered as a Duty Manager for several months before becoming a Customer Experience Manager in the marketing team, where she aims to improve all aspects of how customers interact with GWR.

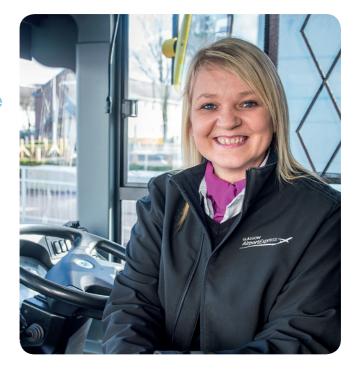
Audrey Simpson Bus Driver, First Bus

"I always wanted to be a Bus Driver.

After having kids, I saw an advert on the back of a bus and decided to go for it.

Working on the Airport bus, I'm often the first person tourists speak to when they arrive in Glasgow. I love my job."

Audrey works on the flagship Glasgow Airport service based out of our Caledonia Depot. Before joining First Bus in 2008, mother-of-three Audrey previously worked in the school kitchens, then later as a Catering Supervisor at a local hospital but was always interested in changing career paths to become a Bus Driver.



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Our gender pay gap: data as at 5 April 2017



Employing company	% difference in Hourly Rates		% difference in Bonus Pay		% receiving a Bonus		% in Top Quartile		% in Upper Middle Quartile		% in Lower Middle Quartile		% in Lower Quartile	
	Mean	Median	Mean	Median	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
First Aberdeen	+0.2%	-0.7%	+8.8%	+22.4%	89.6%	66.7%	92.8%	7.2%	92.9%	7.1%	96.4%	3.6%	89.3%	10.7%
First Bristol	+2.1%	+1.4%	-247.1%	+0.0%	57.9%	39.8%	86.9%	13.1%	91.3%	8.7%	92.1%	7.9%	92.9%	7.1%
First Cymru Buses	-7.8%	+0.8%	+29.8%	+12.5%	8.0%	1.7%	89.9%	10.1%	96.3%	3.7%	93.6%	6.4%	89.4%	10.6%
First Eastern Counties Buses	+3.7%	+4.2%	-100.3%	-25.0%	36.1%	32.4%	94.7%	5.3%	91.6%	8.4%	93.2%	6.8%	84.7%	15.3%
First Essex Buses	-1.3%	+0.0%	-235.2%	-25.0%	36.4%	29.3%	90.2%	9.8%	92.2%	7.8%	95.3%	4.7%	86.0%	14.0%
First Glasgow (No.1)	+7.6%	+13.9%	+0.1%	-42.9%	24.5%	29.1%	95.9%	4.1%	97.2%	2.8%	94.9%	5.1%	87.2%	12.8%
First Glasgow (No.2)	+8.6%	+13.1%	+56.1%	+23.1%	36.9%	44.0%	99.2%	0.8%	94.6%	5.4%	98.4%	1.6%	89.1%	10.9%
Great Western Railway	+20.8%	+26.0%	+23.9%	+64.1%	29.7%	44.8%	92.4%	7.6%	87.8%	12.2%	73.7%	26.3%	60.7%	39.3%
FirstGroup Holdings	+48.4%	+43.5%	+22.3%	+57.3%	49.8%	25.9%	86.7%	13.3%	66.3%	33.7%	47.2%	52.8%	38.2%	61.8%
First Hampshire & Dorset	-0.7%	+0.1%	+58.7%	+0.0%	31.2%	29.3%	92.1%	7.9%	89.1%	10.9%	82.4%	17.6%	92.7%	7.3%
First Leicester Citybus	-10.7%	+0.0%	+25.2%	+30.9%	83.6%	45.0%	89.2%	10.8%	95.5%	4.5%	95.5%	4.5%	89.4%	10.6%
First Manchester	-1.2%	+6.6%	+26.3%	-4.5%	17.5%	13.5%	93.4%	6.6%	95.1%	4.9%	91.7%	8.3%	88.2%	11.8%
First Potteries	+12.1%	+14.1%	-1.7%	+33.3%	16.6%	30.8%	90.3%	9.7%	87.1%	12.9%	93.5%	6.5%	89.4%	10.6%
First South West	+6.9%	+3.8%	+0.0%	+0.0%	0.0%	0.0%	91.3%	8.7%	93.3%	6.7%	96.2%	3.8%	89.5%	10.5%
First South Yorkshire	+1.0%	+2.1%	-24.2%	+0.0%	59.8%	55.2%	94.1%	5.9%	92.3%	7.7%	94.7%	5.3%	90.4%	9.6%
TransPennine Express	+15.5%	+29.6%	-26.1%	-8.7%	96.0%	84.3%	91.1%	8.9%	86.4%	13.6%	79.5%	20.5%	64.8%	35.2%
First West of England	-9.8%	-1.7%	-5.8%	+0.0%	32.9%	22.1%	82.7%	17.3%	90.5%	9.5%	92.6%	7.4%	86.6%	13.4%
First West Yorkshire	+0.2%	+4.8%	-333.9%	+0.0%	31.1%	26.7%	93.7%	6.3%	95.4%	4.6%	92.2%	7.8%	86.1%	13.9%
First York	-1.3%	-0.8%	-1.1%	+0.0%	76.5%	83.3%	96.0%	4.0%	92.0%	8.0%	92.0%	8.0%	96.0%	4.0%
Midland Bluebird	+3.9%	+0.6%	-4.7%	-271.9%	7.7%	3.0%	95.0%	5.0%	91.1%	8.9%	91.1%	8.9%	91.1%	8.9%

Note

⁺ means men have higher pay/bonus than women.

⁻ means women have higher pay/bonus than men.

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