

Pay gap report **2024**

Welcome



Chris Jackson, Managing Director

People are at the heart of our business. We want to value all of our people for being their true selves at work.

Our core values, *be yourself, make someone's day, pull together* and *raise the bar* encompass this commitment to support our people. We want everyone to feel safe enough to challenge but be open enough to respect every member of the team, and share lived experiences and opportunities to promote greater inclusion.

We recognise that TransPennine Express (TPE), and the wider rail industry, has some way to go to be truly representative of society and, if we are to do that, meaningful and sustainable progress needs to be made. Measuring pay gaps helps us to understand the challenges we face in achieving gender and ethnicity balance in the workforce.

In 2023, our median gender pay gap was 43.7 per cent. Balanced representation across all roles, especially the higher paid senior leadership and driver roles, is crucial to closing our pay gap. We know there is a lot of work ahead to ensure our industry is increasingly attractive to females, but we have started to see some successes.

In 2021, 20 per cent of our workforce was female and this has increased to 24 per cent in 2024. From our targeted recruitment initiatives, to flexible working policies, we are actively addressing the gap.



Nicola Buckley, People Director

We are proud to connect and represent the diverse communities we serve across our network.

Recognising that we are on a journey, our aim is to embrace equality, diversity and inclusion to build knowledge and confidence to foster and embed a companywide culture of inclusion, aligned to our core value of *"be yourself"*.

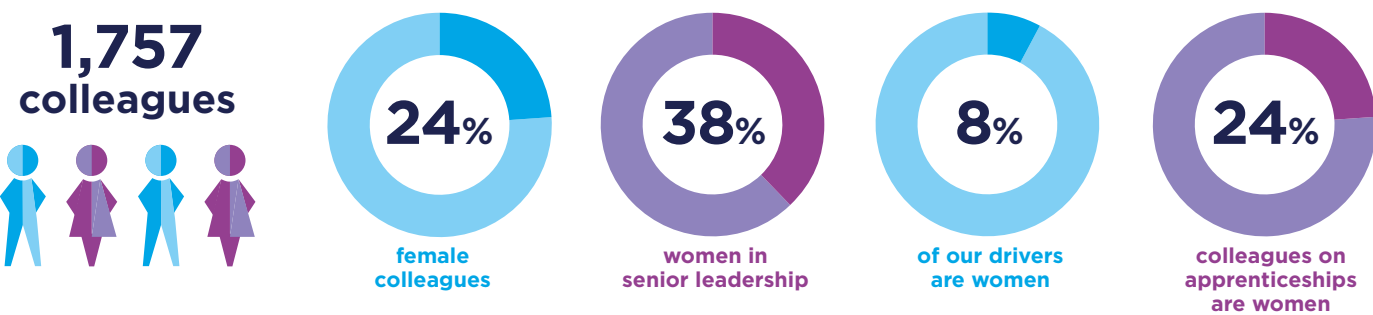
We are passionate about championing colleagues, so they can enjoy a rewarding and fulfilling career at TPE. We also want to ensure we have a workforce that is reflective of the communities we serve and represents diversity in all aspects. We want our colleagues to know they have opportunities to develop.

We have made significant progress since 2021 to understand more about our workforce and how this reflects the communities we serve. We have established baseline data, recognising where there are opportunities for improvement, and have celebrated successes achieved in the diversity and inclusion space.

We will strive to be industry leaders, using data to our advantage to make informed evidence-led decisions and continuously track progress and monitor opportunities to increase representation.

Gender

Facts



Definition

The gender pay gap indicates the difference in the average hourly earnings of men and women across an organisation, regardless of their roles. Figures are expressed as a percentage of the average male earnings. The statistics can be affected by a range of factors, for example the different number of men and women in senior roles across the business. The Government Equalities Office has set out calculation methodology for all organisations to report their mean and median gender pay gap, bonus gap and distribution across pay quarters.

How the median pay gap is calculated

If all colleagues in a company were lined up in a female line and a male line, in order of pay from highest to lowest, the median gender pay gap compares the pay of the female in the middle of their line with the pay of the male in the middle of their line.

How the mean pay gap is calculated

The mean gender pay gap is the difference between the average hourly rate of pay for female colleagues, compared to the average hourly rate of pay for male colleagues, within a company.

How the bonus gap is calculated

The bonus gap is calculated using actual bonuses paid to colleagues for the 12 months from 1 April 2023 to 31 March 2024. The mean bonus, median bonus and overall gap is calculated using the same formula as hourly pay.

Our Results

The data below is taken from a snapshot date of 31 March 2024.

Understanding our gender pay gap

This year our median and mean pay gaps decreased to 38.9 per cent (2023: 43.7 per cent) and 13.1 per cent (2023: 15.03 per cent) respectively.

Gender population by pay quarter

Quarters represent the hourly pay rates from the lowest to the highest for our colleagues split into four equal sized groups, with the percentage of men and women in each quarter. Each quarter has 439 employees.

Despite the number of women entering our workforce being higher than previous years, the amount they are paid impacts our pay gap. Last year, 160 women were recruited or promoted, increasing our total representation to 24 per cent across the business. Women continue to make up 60 per cent of the lower and middle quarters, which are lower paid roles, compared to just 30 per cent of the upper and upper middle quartiles. In 2023, we experienced an increase in women occupying upper quartile and remained similar for the upper middle quartile, together this has led to a decrease in our overall pay gap.

	Quartile							
	Upper		Upper Middle		Lower Middle		Lower	
	Male	Female	Male	Female	Male	Female	Male	Female
2024	85.60%	14.40%	84.30%	15.70%	69.80%	30.20%	65.40%	34.60%
2025	91.40%	8.60%	84.40%	15.60%	69.50%	30.50%	69.50%	30.50%
Variance	-5.80%	5.80%	-0.10%	0.10%	0.30%	-0.30%	-4.10%	4.10%

The overall % difference between men and women	2024 Mean (Average)	Median (Middle)
Gender pay gap	38.90%	13.1%
Gender bonus gap	46.80%	46.80%

Understanding our bonus pay gap

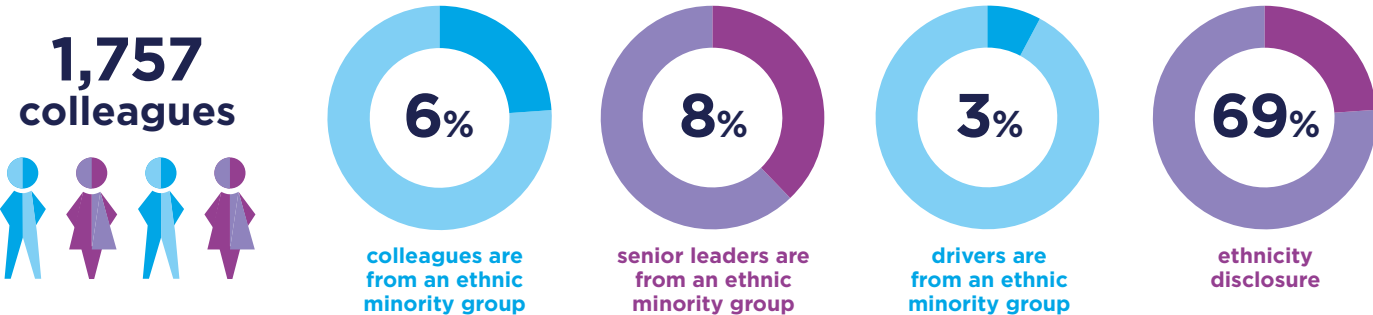
Under Gender Pay Gap reporting regulations, payments to management who earn contingency payments (made to managers to cover safety critical front-line roles as and when the business requires) are classified as a bonus and reflected in our results. During the snapshot period, managers also received a performance-based bonus. Also included in these figures are reward and recognition payments received by colleagues who have gone above and beyond in their roles.

Proportion of employees receiving a bonus

This graphic shows the percentage of males and females who received a bonus during the 12 months from 1 April 2023 to 31 March 2024. As shown, 72% of women at TPE received a bonus in 2023/24 compared to 59% of men.

Ethnicity

Facts



Definition

For this report our ethnicity pay gap shows the difference in rate of pay for white, full-pay relevant employees and that of full-pay relevant employees from ethnic minority backgrounds using the same measures organisations are asked to report on for gender pay gaps. The term ethnic minority, as used in the UK, stands for all ethnic groups except the white group.

How the median pay gap is calculated

The median calculation is the difference in hourly pay between the middle paid white employee (the person at the midpoint if you were to line all employees up) and the middle paid ethnic minority employee.

How the mean pay gap is calculated

The mean pay gap is the difference between the average hourly rate of pay for ethnic minority colleagues, compared to the average hourly rate of pay for white colleagues, within a company.

How the bonus pay gap is calculated

The bonus gap is calculated using actual bonuses paid to colleagues for the 12 months from 1 April 2023 to 31 March 2024. The mean bonus, median bonus and overall gap is calculated using the same formula as hourly pay.

Our Results

The data below is taken from a snapshot date of 31 March 2024.

Understanding our gender pay gap

The ethnicity pay gap shows the difference in average pay between white and ethnic minority employees who have disclosed their ethnicity.

As our ethnic minority employees make up just 6.3 per cent of our workforce, the pay gaps will be sensitive to large fluctuations due to the relatively smaller sample size. We strive to increase representation across our business and are pleased to report that, in 2023, we saw an increase of six percentage points in the number of applications from candidates identifying as ethnic minority background. We understand that the number of people disclosing their identity influences our results. As of the snapshot date, 31 March 2024, a total of 69.3 per cent of our workforce have shared their ethnicity identity as part of data disclosure. Those who have not shared ethnicity identity have been excluded from these calculations.

Ethnicity population by pay quarter

Quarters represent the hourly pay rates from the lowest to the highest for our colleagues split into four equal sized groups, with the percentage of white and other ethnic minorities in each quarter. Each quarter has 439 employees.

	Upper		Upper Middle		Lower Middle		Lower	
	White	EMG	White	EMG	White	EMG	White	EMG
2024	66.10%	3.60%	52.40%	4.60%	71.60%	6.60%	62.00%	10.30%

Ethnic minority representation is low across all quarters but is significantly lower at the senior level (upper quarter). This is the first year we have done this level of ethnicity pay gap analysis so are unable to compare directly.

The overall % difference between white and ethnic minority employees 2024	Mean (Average)	Median (Middle)
Ethnicity pay gap	12.4%	20.2%
Ethnicity bonus gap	6.1%	25.0%

Understanding our bonus pay gap

Under pay gap reporting regulations, payments to management who earn contingency payments (made to managers to cover safety critical front line roles as and when the business requires) are classified as a bonus and reflected in our results. During the snapshot period, managers also received a performance-based bonus. Also included in these figures are reward and recognition payments received by colleagues who have gone above and beyond in their roles.

Proportion of employees receiving a bonus

This graphic shows the per cent of white and ethnic minority employees who received a bonus during the 12 months. 65% of colleagues from an ethnic minority background received a bonus compared to 68% of the white population.

Supporting our people

People Plan

In September 2024, a new colleague strategy was launched, named Our Plan for our People. The strategy has been designed to support our vision – We’re going places. Overall, it will support colleagues to deliver TransPennine Express’ organisational goals.

In the strategy there are four fundamental foundations which are woven through the entire strategy and strategic aims. These are, diversity and inclusion, visibility and accessibility, data and insights and trade union collaboration.

The plan also outlines five focus areas:

- 1 Attraction and recruitment
- 2 Retention and development
- 3 Health and wellbeing
- 4 Partnership working
- 5 Systems and processes

Attraction and recruitment looks at how apprenticeships can be utilised to create opportunities for both existing and new talent. This is considered with a diversity lens to ensure that TPE continues to increase the representation of minority backgrounds. Furthermore, early careers is also highlighted as an opportunity to engage with underrepresented communities.

Our Plan for the Future and Sustainability Ambition

In October 2023, TransPennine Express launched Our Plan for the Future – a prospectus for transformation taking TPE through to 2032. Within this document there are four sustainability pillars that support the vision and approach to sustainable development. One of these pillars focuses on our people which, in turn, looks at creating a more representative workforce that’s inclusive and also focuses on creating careers for all, not just jobs ensuring a talent development focus.

Diversity and Inclusion Strategy

The Diversity and Inclusion strategy builds on the progress made in the past couple of years, aligning the understanding we now have of our workforce, with our ambition to be more reflective of our communities, with tangible targets and actionable goals to improve our diversity and become a more inclusive working environment.

Furthermore, this strategy is designed with the appreciation that diversity and inclusion are everybody’s responsibility and to be a truly inclusive organisation this needs to be embedded at every level.

To do this we have the following missions for equality, diversity and inclusion throughout the business:

- Use equality, diversity and inclusion to build knowledge and confidence
- Foster a companywide culture of inclusivity
- Make evidence-led decisions
- Consistently track our progress
- Review and amend goals if required

To do this, we will look to take action to embed and increase diversity and inclusion in three key areas:

Attraction	Recruitment	Development & Retention
Reflect and improve the way we promote our organisation, advertise job roles and plan for future talent opportunities. Within this we will aim to break down previously held stereotypes about the industry.	Review and refine all our recruitment processes and practices to ensure equal opportunity for all.	Focus on how we develop diverse talent and increase our employer value proposition to provide a culture of inclusion and belonging.

What are we doing

Attraction and recruitment

We are committed to supporting our people to have a fulfilling, diverse and long career at TransPennine Express. We want everyone to be able to benefit from the extensive development and job opportunities that are available thanks to the breadth of what we do, united by our values as a business.

We recently launched a new external careers website which collates all live job opportunities for both external and internal candidates in one place. The new site includes a new landing page which outlines the new vision and values, a recruitment video showcasing why TransPennine Express is a great place to work, and an updated benefit list. Candidates are taken to the recruitment portal which has been updated with new imagery to reflect the diverse workforce.

Alongside the new external website, we have also evolved where we advertise our roles. We now utilise specialist recruitment portals such as Vercida and Ivey, which showcase organisations that are looking to recruit diverse talent, and we continue to update our careers website and social media channels to showcase examples of colleagues from under-represented groups.

Outreach

In January 2023, we facilitated a Prince's Trust work experience programme delivered to young people who are currently unemployed.

TransPennine Express is continuously growing the reach of school and college engagement across the network, ensuring the TPE brand is recognised, and young talent is being inspired about careers in rail. In 2023/24, we attended 17 schools and colleges, an increase from the previous year. At these events, students can sign up to hear about apprenticeship vacancies, which has been successful in obtaining talent in the past few years.

Throughout 2023, TPE launched and promoted a new expression of interest form for apprenticeships and redeveloped communications around the scheme. This, coupled with attending events across the network, resulted in attracting more than 400 registrations.

In September 2024, TPE took part in a cross-industry programme at Leeds station with LNER, Northern and Network Rail. The Never Mind the Gap programme, in partnership with Women in Rail, provided in-depth training, one to one support and an engaging placement for women who want to get their careers back on track following time away from the workplace.

Train driver campaign

In July 2023, we completed a trainee driver recruitment campaign which was open to external candidates. Throughout this recruitment campaign, we carried out the following actions to attract a more diverse pool of applicants:

- We advertised through Vercida, a job advertising platform aimed at attracting minority groups (as set out above); our page on Vercida launched the week the trainee driver roles went live.
- We hosted a Talk TPE event with our Recruitment Manager and Lead Driver Manager and members of the public. This online event allowed candidates to learn about the role and application process, to better equip themselves for applying for the role. Approximately 60 prospective candidates attended this event.
- Shared the vacancy with new imagery across the network and on social media.
- We introduced a new interview technique. The new style of interviewing scores candidates on their skills, personality and attributes that align to the values required for the role, rather than requiring rail specific competencies or work experience. This enabled candidates outside of rail the opportunity to still perform highly throughout the process and limits bias.

Creating an inclusive workspace

We have policies in place that aim to eliminate any form of discrimination or inappropriate behaviour. We also have campaigns, colleague networks and training programmes to help foster an inclusive workplace for all of our colleagues.

Gender equality

In October 2023 TPE launched its Women at TPE network. The network has more than 150 members and has helped to promote issues and barriers facing women. To date, Women at TPE has hosted sessions on career development, women's health, networking and more.

Furthermore, in April 2024, TPE became an Endometriosis Friendly employer. This accreditation has helped raise awareness of endometriosis as well as formalising a number of endometriosis champions across the business, a number of whom are male allies.

TPE Week of Inclusion

In January 2024, TPE hosted the first TPE Week of Inclusion where the commitment to inclusion was celebrated internally and externally. The week included the launch of the a newly named Unity train (a Nova 1) which had been wrapped in the most up-to-date Pride Progress flag. We also showcased five stories from colleagues about why inclusion matters to them. The stories covered a new parent returning to the workplace, neurodiversity, women's development, racial inclusion and LGBTQ+ support. During the week, we also launched our new neurodiversity networking group.

Inclusion Networks

TPE has several inclusive networks that colleagues can belong to. These networks act as a safe space for colleagues to support each other and raise issues affecting them. Each has Executive (director level) sponsorship and continues to grow.

The networks are:

- Women at TPE
- LGBTQ+ Network
- Neurodiversity Network Group
- Military Veterans Group
- Young Rail Professionals at TPE highly throughout the process and limits bias.

Developing our people

We run a number of leadership development programmes, aimed at women and ethnically diverse colleagues. They are designed to build confidence, develop personal insights, and readiness for the next career step.

Senior Women's Leadership programme

Throughout 2022 and 2023 TPE had participants on a cross-organisation Senior Women's Leadership Programme. The programme was designed to accelerate the readiness of women for senior leadership roles by building advanced leadership capabilities and personal confidence.

Rise and Aspire programmes

In 2024, TPE launched four new programmes dedicated to minority groups. The Rise programme is aimed at women specifically and is split into two cohorts. Rise Management targets the development of existing managers who aspire to become senior leaders.

Rise frontline targets the development of frontline colleagues who aspire to become management or team leaders. The Aspire programme is similar but is for colleagues who are part of any underrepresented group such as having a disability, being from an ethnic minority background or being LGBTQ+.

Previously, we were part of development programmes Step Up and Reach which supported women and ethnic minorities, respectively, in non-management roles to prepare for and attain their first management or supervisory role. More than 60 per cent of TPE's attendees in both programmes who have remained at TPE have been promoted since attending.

Apprenticeships

There are more than 90 apprentices in training across TransPennine Express. As of 2024/25, 31 per cent of colleagues on apprenticeship programmes are women. These apprenticeship programmes include Level 3 and Level 4 qualifications in functions around the business such as human resources, service delivery, communications, sustainability and more. The trainee driver qualification is also an apprenticeship.

External benchmarking and recognition

Inclusive Employers Standard

In January 2024, TransPennine Express received Silver accreditation with the Inclusive Employers Standard. This accreditation highlights our ongoing commitment to inclusivity and drive to embed inclusion into every aspect of TransPennine Express.

Only 18 per cent of participants are awarded Silver (four per cent Gold and 57 per cent Bronze), and we're proud to have scored above the industry average in all six pillars of measurement – engage, equip, empower, embed, evaluate, and evolve.

Disability Confident

TransPennine Express is a Disability Confident Employer (level 2).

Charter signatory

TPE has signed the Women in Rail and The Railway Industry Association's Equality, Diversity & Inclusion Charter. Signatories are committed to championing equality, diversity and inclusion in the rail industry, in order to produce a more balanced and fair high-performing sector.