

LEGISLATIVE REQUIREMENT

Under The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017, DTCC is required to publish their gender pay gap for DTCC Europe Limited, consisting of at least 250 employees in the UK.

The gender pay gap is a measure of the difference in earnings between males and females by calculating female average earnings as a percentage of male average earnings. Under this legislation, DTCC is also required to report the representation of males and females in four equally divided quartiles and the proportion of males and females awarded a bonus.

While the Government Equalities Office announced in March 2020 that reporting requirements are suspended this year, DTCC is publishing this report as part of its commitment to continued progress on closing the gender pay gap.

“While DTCC has always employed gender neutral pay practices, over the last few years it has taken a much more targeted and active approach to achieve greater pay parity between genders, resulting in improvements in pay equity within the organization.”

Anthony Portannese
Chief Human Resources Officer

DTCC UK GENDER PAY GAP REPORT 2019

GENDER PAY REPORTING

This report highlights the difference in average pay between males and females, irrespective of compensation drivers such as location, role, responsibilities and level in organisation or years of experience. Gender pay is the difference in pay between men and women spread across an organisation. Equal pay refers to men and women receiving the same pay for similar or comparable work. Gender pay and equal pay differ and should not be confused with one another.

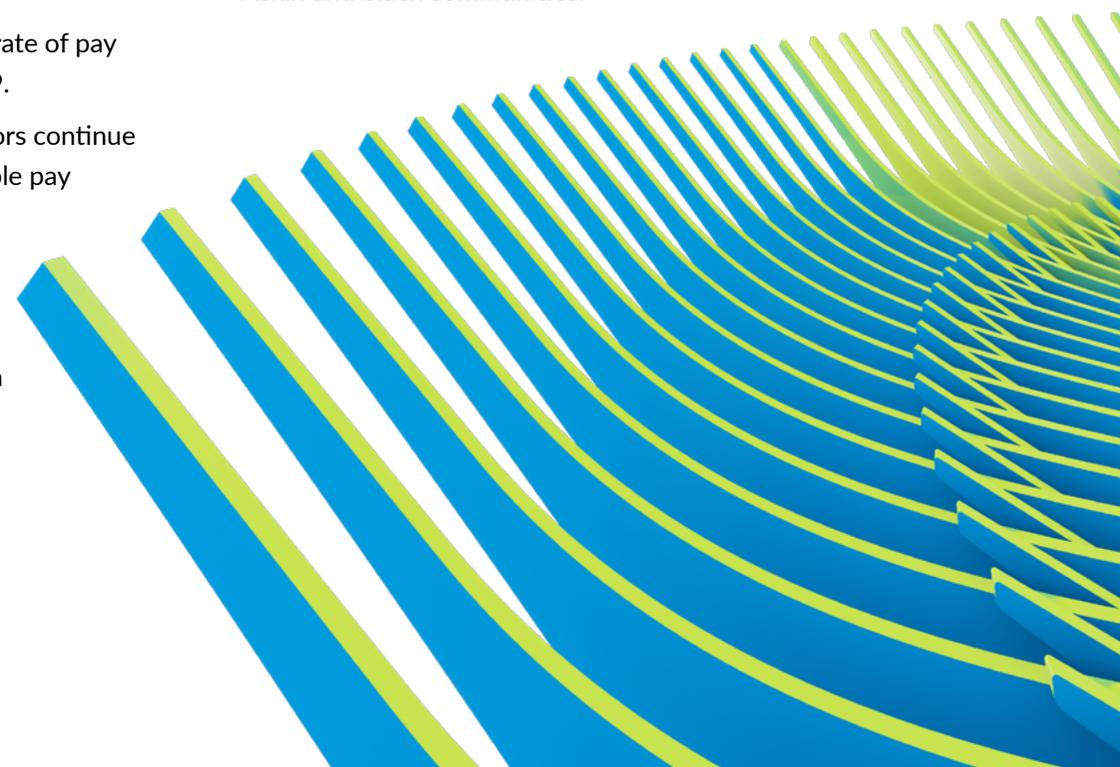
This report captures employee hourly rate of pay as of the snapshot date of 5 April 2019.

We acknowledge that geographic factors continue to drive our results despite our equitable pay practices. Our gender pay gap analysis indicates that we have a disproportionate number of males in our London location in more senior roles compared to our Wrexham location, where we have a large operations hub.

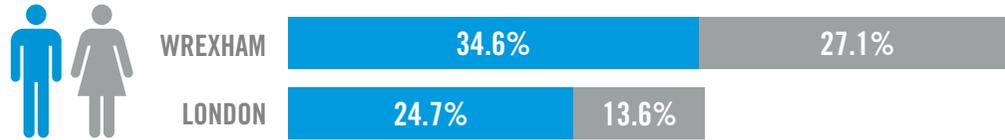
DTCC
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ADDRESSING THE GENDER PAY GAP

DTCC has a global workforce and we are committed to embracing the power of inclusion in our workplace. In 2018 and 2019, we expanded upon our initiatives to increase diversity at all levels through Employee Resource Groups (ERGs), led by newly appointed sponsors that pushed forward programmes, such as career development and networking sessions. Our Women’s Initiative for Networking and Success (“WINS”) ERG continues to have strong participation, and this is supported by additional ERGs, such as “ARISE” and “BOLD,” which focus on our global Asian and black communities.



REPORTABLE HEADCOUNT OF FULL-PAY RELEVANT EMPLOYEES



Full-pay relevant employees are those employed on the snapshot date and were paid their usual full basic pay and any allowances during the relevant pay period. This population is used to calculate the hourly pay gap. The chart above shows the breakdown of male and female employees by location, totaling 100%.

OVERALL PAY AND BONUS GAP

		2018	2019
Hourly Pay	Mean	25.1%	19.6%
	Median	18.7%	16.9%
Bonus Pay	Mean	56.8%	38.5%
	Median	38.0%	39.0%

This calculation represents the pay gap as a percentage when combining our Wrexham and London offices. A positive percentage figure reveals that female employees have lower pay than male employees. Through pay equity initiatives, we have continued to make progress in closing the gap, as demonstrated by the lower hourly pay gap percentages in 2019 compared to 2018. In addition, the mean bonus pay difference decreased by 16.8% from 2018 to 2019, driven by an increase in average bonuses for females, coupled by a decrease in average bonuses for males, along with increased representation of women at certain levels of the organisation, including in Director and Managing Director roles.

This year, 15% of relevant pay employees are part of our newly reportable headcount and were not included in our 2018 Gender Pay Gap report. This is due to various factors including, newly employed after legislative snapshot date and / or did not receive a bonus as they did not meet DTCC's incentive eligibility scheme.

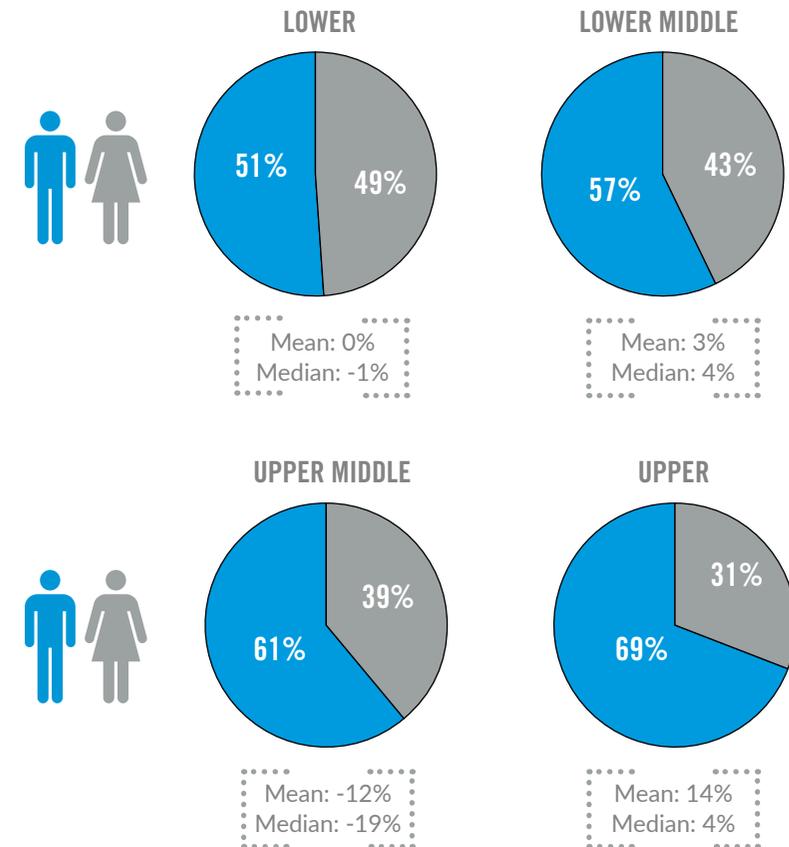
PAY GAP BY LOCATION (MEAN)

		2018	2019
Wrexham	Hourly	4.2%	-0.01%
	Bonus	-13.5%	-15.7%
London	Hourly	17.5%	15.8%
	Bonus	49.2%	27.2%

A negative percentage figure reveals that male employees have lower pay than female employees.

PROPORTION OF EMPLOYEES IN PAY QUARTILES

DTCC has evenly divided the reportable population into four pay quartiles in order of lowest to highest hourly pay, to show the distribution of males and females in each quartile below. In the Upper quartile, the pay gap is driven by the underrepresentation of women in senior leadership roles and the higher levels of compensation associated with these roles. However, as of April 2019, the percentage of women in Director level and above roles across our Wrexham and London offices did increase to 28.6%, up 2.3% compared to April 2018.



PROPORTION OF EMPLOYEES AWARDED A BONUS



Across our UK population, 87% of all female employees and 90% of all male employees received a bonus payment.