

Northline Gender Pay Gap Report

22-23



Introduction

Northline is a proudly Australian, family-owned business. We are **40 years young**, having been founded in 1983 to service remote communities in Northern Australia. Since then, we have grown into the organisation we are today, with **over 600 employees**, in 18 depots across the country servicing thousands of customers nationally and internationally.

Since our first day of operation, we have always adopted a **'people first' philosophy**. Our values and sense of family have stood the test of time. We continue to cherish them. That's why we welcome the introduction of gender pay gap reporting. We value diversity in all its forms, and not just because we know it's good for business. We want our organisation to reflect the composition of our own families, the communities within which we work and the customers we serve – and we know we have some work to do to achieve that.

Our gender pay gap exists because, fundamentally, we have too few women at Northline. They are under-represented across the organisation, and this is most pronounced in our Operations areas and at our senior levels. And while we know that our industry has not typically found it easy to attract or retain women, we are not using that as an excuse - our gender pay gap is also above the industry average and we want to do better.

So, we are committed to changing the gender pay gap in the right direction by balancing men and women across the organisation. We believe we have a lot to offer people of all genders, cultures, and experiences but we also know that we need to continue to develop and evolve our people strategies and initiatives to ensure we have an inclusive culture and work environment that supports the diversity we aspire to.

We know this will take time and dedicated focus, but we are committed to the journey.



Craig Whitton
Chief Executive Officer



Vanessa Godden
Head of Human Resources

Our Gender Pay Gap

The gender pay gap is the difference in average earnings between women and men in the workforce (irrespective of roles or seniority). It is not to be confused with equal pay – which is women and men being paid the same for the same, or comparable job (which is our legal obligation).

Our gender pay gap is not a result of equal pay issues, as we have a **gender-neutral approach** to pay across all levels at **Northline**.



The table below shows our overall mean and median gender pay gap compared to our Industry Comparison Group (Freight Forwarding Services).

Note:

☞ A positive percentage indicates men are paid more on average than women.

☞ A negative percentage indicates women are paid more on average than men.



	Northline	Industry Comparison
Average (mean) total remuneration	17.6%	12.9%
Median total remuneration	10.2%	3.0%
Average (mean) base salary	11.7%	7.9%
Median base salary	0.2%	-3.1%

Understanding the Gap

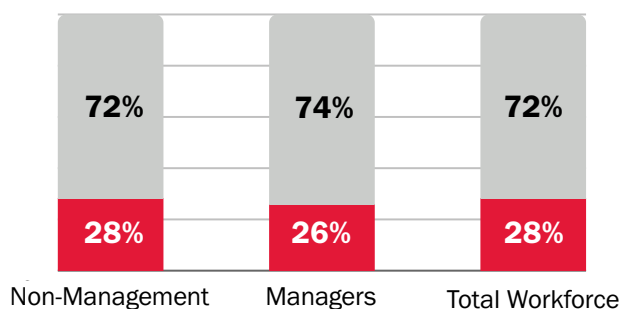
Our Workforce Composition

Our gender pay gap is heavily influenced by our workforce composition. There are significantly fewer women than men in the organisation. In 2022-23, women made up 28% of our overall workforce and this remains the same at the time of writing this statement.

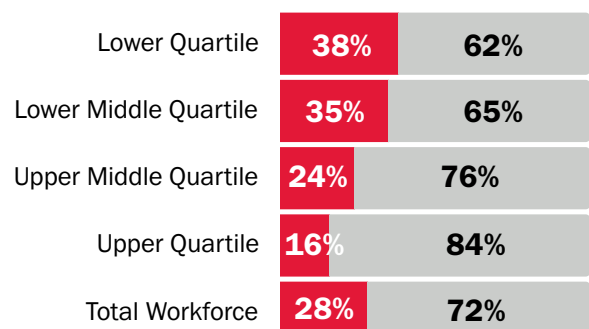
While women are proportionately represented in the high-level categories of Management and Non-Management which is pleasing, there is a disproportionate concentration of men in the upper pay quartiles and of women in the lower quartiles because women are disproportionately under-represented in our more senior roles. By way of example, only one of the six members of our Northline Leadership Team is a female. Another contributing factor is that while women represent 28% of the workforce, they represent 71% of people performing part-time roles.

 Women  Men

Our gender composition by role

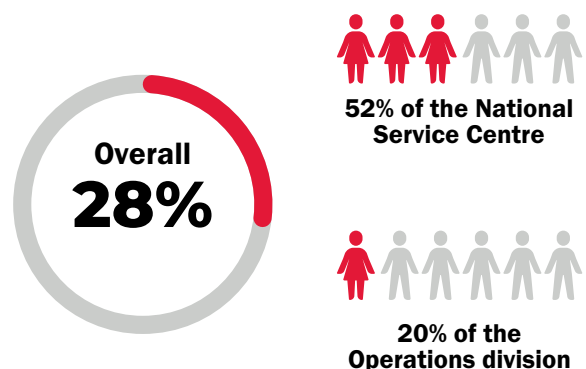


Our gender composition by pay quartile



There are areas in our organisation where there is a better balance of men and women. The composition of our National Service Centre - which is comprised of corporate and professional roles in areas such as Finance, Administration, Human Resources, Business Systems, Marketing, Customer Service and Sales - is 52% women and 48% men. This is in contrast, however, to the gender balance in our Operations division where women only represent 20% of our workforce.

Women in Northline workforce



Our Context

Women in the Transport, Postal and Warehousing Industry



23.6% of Australia's workforce in this sector



9.5% working as machinery drivers and operators



4.5% of transport CEOs are women

Australia's transport and logistics workforce has been primarily male for many years. The ABS Detailed Labour Force Survey from August 2023 found that of the 750,000 people employed in the Transport, Postal and Warehousing Industry, 23.6% are female. And there is a high level of occupational segregation in the industry, with few women in managerial roles and few in technical or operational roles. WGEA data from 2021 showed that just 9.5% of machinery drivers and operators were females, down from 12.1% in 1998.

This is despite the industry experiencing strong employment growth in the last decade. As evidence of the demand for skills, the November 2023 ABS data showed that there were approximately 4,000 vacancies for Forklift Operator and Storeperson positions - Northline's core operational roles.

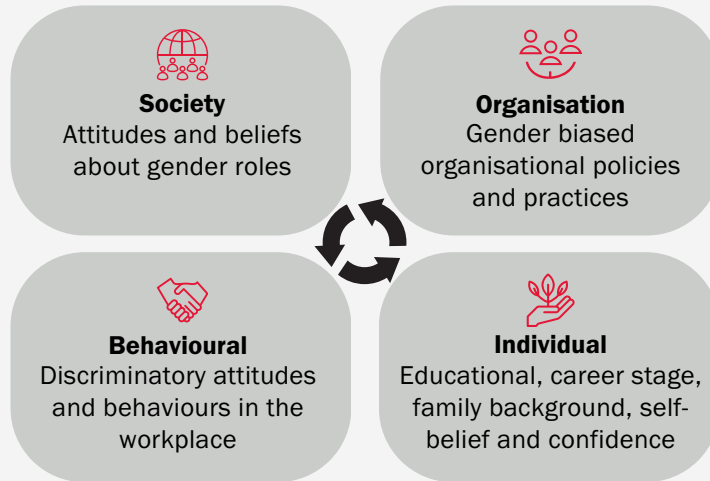
Given this context, it's not surprising that in this WGEA reporting period, **of the applicants to our job vacancies that identify their gender, only 24% were female. This was even less for our Operations roles, where only 8.4% of applicants were female.**

In November 2021, the Department of Infrastructure, Transport, Regional Development and Communications (DITRDC) commissioned iMOVE and Wayfinder: Supply Chain Careers for Women to undertake a review of the barriers to women entering and progressing in the industry. The researchers identified challenges confronted at individual, behavioural, organisational, and system-wide (societal) levels. **See the framework used on the next page.**

**Framework for considering barriers to women in transport: key indicators and enablers.
Based on Pakula et al 2017.**

Government and industry leadership to break down negative societal beliefs, build critical mass.

Equitable recruitment and advancement practices. Organisational capacity to deal with bullying and harassment.



Mentoring initiatives and networking opportunities. Training for managers around unconscious bias.

Programs supporting individual development. Resources in place to optimise employment fit.

Notwithstanding the challenging context, we are doing relatively well to maintain the below level of female appointments in the 2022-23 year (both internal and external) but we want to do better.

	Female		Male	
	Total	%	Total	%
Appointments to Manager roles (including promotions)	5	28%	13	72%
Appointments to non-manager roles (including promotions)	95	22%	337	78%

Our Action Plan

We aspire to be known as a great employer, where our family values shine through. To achieve this, we know we must continue to focus on creating an environment that is down-to-earth, inclusive and welcoming where people of all genders, cultures and experiences can thrive.

This commitment is one of the four key priorities articulated in our 2023-25 Strategic Plan.

Plan to a Page

Vision	To be the first choice for logistics customers around the world	Mission	Outstanding connectivity – from our customers to their customers, and with each other	Values	Integrity Connected Safety Customer Delight Innovation
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Key Priorities

Some of the key priorities that we are working on as part of the detailed action plan include:

- ▣ Defining and implementing our unique employee value proposition
- ▣ Ensuring a Respectful Workplace
- ▣ Inclusive People Practices
 - Entry-level recruitment
 - Career Development
 - Leadership Development Strategy

Defining and Implementing our Unique Employee Value Proposition

Early in 2022, we conducted an Employment Experience Survey which was completed by nearly 60% of our employees. This was accompanied by interviews and focus groups with over 75 people. The purpose was to gain a comprehensive understanding of the experiences, perceptions, and aspirations of our people.

The feedback we received provided valuable insights into what we do best and want to enhance and continue, and what we need to work on to improve our employees' experience of working at Northline.

We received some valuable feedback specifically from our female employees regarding what is important to and valued by them as well as some constructive feedback that highlighted where we need to improve.

The insights from this initiative continue to inform all our people initiatives



Unity in our family culture

We're more than just colleagues – we're a team that supports, encourages, and values one another. This is a testament to the strong foundation we have built, and it's something we will continue to nurture.



We embrace challenges and opportunities

Our passion for facing challenges head-on and embracing diverse experiences stood out. It's clear that our dedication to handling tasks that are "not ordinary" resonates with the core of Northline.



Driven by empowerment and growth

You have a desire for personal and professional growth, and we are devoted to helping you achieve your aspirations. We will work together to shape your career journey.



We value a supportive network

We have emphasised the importance of open communication and encouragement, and this drives the heart of our organisation. We'll remain committed to being a workplace where your ideas are valued and your voice is heard.

Ensuring a Respectful Workplace

As a family business, our values reflect who we are and how we aim to work together. We want all our employees to be proud to be part of an organisation that fosters strong team culture through actions, words and behaviours that create an environment that feels safe, inclusive, and supportive.

In late 2022, we implemented a revised **Respect for People in the Workplace Procedure**, accompanied by an annual **Respectful Workplace Behaviours Training Program** delivered via the Forget Me Not App. This is a mandatory program which is one way of demonstrating our commitment to ensuring that our workforce is one where all employees, potential employees and other stakeholders are treated with dignity, courtesy and respect and which is free from discrimination, sexual harassment, bullying and victimisation.

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Our Culture and Values

Northline's culture values diversity, encourages open communication, and continuously seeks to create an environment where everyone can come into work knowing that they will be treated with respect. Our team members are encouraged to share their ideas, challenge the status quo, and work together to put their safety and well-being first.



Safety

Walk the talk, actions speak louder than words



Connected

The whole is greater than the sum of the parts



Customer Delight

Go the extra mile to exceed customer expectations



Innovation

Champion new ideas and continuous improvements by thinking outside the square



Integrity

We do what we say we will do

Inclusive People Practices

We want to ensure all our people practices are inclusive and attract and retain a diverse range of candidates, with a focus on women. We know that attracting women to Northline is the primary way to address the gender imbalance. We also know this won't necessarily be an easy task, particularly in our operational areas. Below are some of the specific initiatives we are undertaking:



Entry-level recruitment

We acknowledge that a critical way to increase the number of women in our organisation and sector, is to attract females at the early stages of their career. We know we need a pipeline of female talent in the organisation, and that this starts at the beginning of the career journey.

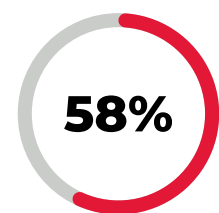
- In the last 2 years, with the support of My Freight Career, we have introduced a Traineeship program in our Operations division. Of the 12 trainees who have worked with us to date, a third have been female and 2 out of 3 (66%) of those who have completed their traineeship and gone on to secure permanent roles at Northline have been female.
- After successfully completing her apprenticeship, our **first ever female Diesel Mechanic apprentice** successfully completed her apprenticeship this month and was appointed to the Diesel Mechanic role in Darwin.

- Our Graduate Program also continues to be a strong source of female talent. In the last 3 years, 50% of our new graduates have been women.
- 58% of new employees in our Customer Service Centre (within our National Service Centre in Adelaide) have been female in the last 2 years. The Customer Service team serves as a healthy pipeline of talent, particularly for our Sales teams.

Moving forward, we know we need a continued and more concerted effort in the attraction of women in our Operations areas, particularly our core roles of Forklift Operator and Storeperson.



Of our new graduates



Of new employees in our Customer Service Centre

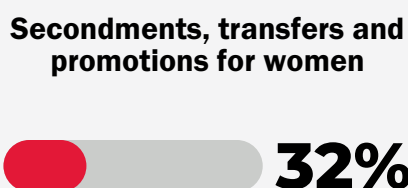


Career Development

We are also placing a strong emphasis on retaining, developing and growing our female talent.

While there are clear challenges attracting women to Northline, pleasingly, our internal mobility data shows that our female employees are well represented in those seeking and accessing career opportunities within Northline, with 32% of our secondments, transfers and promotions over the last 2 years being women.

Our female employees are also disproportionately accessing learning and development opportunities. In 2023 we offered 170 formal professional development sessions. 74 (43%) of the participants in these sessions were female.



We have a pleasing number of females who have been identified as High Potential and/or a Future Successor for a more senior role through our Talent Management and Succession Planning process as demonstrated in the table below.

	% of Females Overall	High Potentials %		Successors %	
		Women	Men	Women	Men
Operations	20%	29.6%	70.4%	35%	65%
Sales	54.7%	51.1%	48.9%	38%	62%
Service	50%	56.6%	43.4%	77.7%	22.3%

Retention

And we are retaining women at equal rates to men. Over 50% of our female employees have more than 2 years of service with 29% having more than 5 years' service. We take this as a positive sign that our culture and work environment is an inclusive one that supports people of all genders and backgrounds equally.

	Average length of service	> 2 years' service (%)	> 5 years' service (%)
Females	4 years 8 months	52%	29%
Males	4 years 9 months	53%	31%

Summary & Next Steps

This year, we are launching a **Career Pathways** document which will provide insights into the career paths available in our organisation, a deeper understanding of the requirements and expectations for each specific Northline role, and inspiration for people's career journey from real-life success stories. 2 of the first 4 career stories will showcase the career journeys of female employees (including a podcast interviews).

We are also implementing our **Leadership Development Strategy**. This will provide our people with a visible pathway for developing their leadership capability either in their current role or for the role to which they aspire. We will expand our Capability and Wellbeing Calendar to include all leadership development offerings. The strategy aims to ensure we are focusing our development efforts on the right things that will support the growth of our people's capability and careers. As part of this strategy, we will be implementing a new **Leading Leaders Program** for our mid-level leaders.

And, of course, we will continue to work on the existing actions and initiatives to support our aspiration.