

Royal Mail Property & Facilities Solutions Ltd 2021 Gender Pay Report

Introduction and context

We employ approximately 2,500 people across the UK in Engineering, Soft Services or working in a support function to support the Royal Mail Estate. We firmly believe that every employee plays a vital role in the success of our nationwide company. Our commitment to learning and development is underpinned by a range of learning and personal development opportunities throughout all levels in the business. Due to the Covid pandemic some of these activities have been conducted remotely.

We are an equal opportunities employer; having respect for others is an integral part of our culture and one of our core values. Royal Mail Property & Facilities Solutions continues to meet the Investor in People Standard and we are very proud of its success.

RM PFS has a Diversity Steering Board that is focused on all elements of diversity and inclusion including gender to understand how we can support under-represented groups within the business. All recruiting managers are trained in unconscious bias.

Our Total Pay Gap (as at 5 April 2021)

The Total Pay Gap is the difference between male and female total pay, which includes pay, allowances and bonus. On a mean basis, men were paid 26.4% more than women meaning the gap has once again narrowed compared to the 2019 and 2020 figures. On a median basis they were paid 21.5% more, which has also narrowed compared to the 2020 figure.

RM PFS has two main groups of employees:

- cleaners, of whom a greater proportion are women; and
- higher paid engineers, of whom a greater proportion are men.

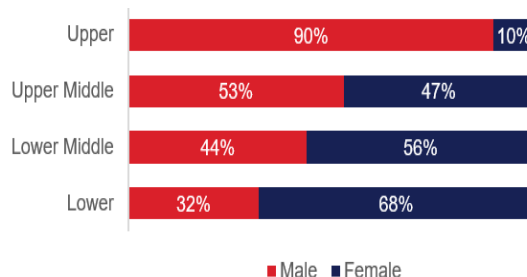
The management teams of these two groups also have similar characteristics. This results in a Total Pay Gap in favour of men.

The Total Pay Quartiles are the percentages of men and women in each quartile, ranked by April 2021 Total Pay hourly rate. The cleaner and engineer gender profiles also drive the quartile percentages, which is why the lower two quartiles have higher female representation and the two upper quartiles have higher male representation

Figure 1: Total Pay Gap

	April 2020	April 2021
Mean	28.0% (Male>Female)	26.4% (Male>Female)
Median	25.3% (Male>Female)	21.5% (Male>Female)

Figure 2: Total Pay Quartiles



Our Bonus Gap (in the 12 months preceding 5 April 2021)

The bonus gap and proportion of people who received a bonus payment changed significantly as in July 2020 groups of employees who usually don't receive any discretionary payment received a £200 one-time Covid-19 payment. This payment was based on contracted hours and pro-rated for part-time employees.

On a mean basis, of those who received a bonus, men received 33.8% more bonus than women. On a median basis, it was 33.3% more. The reasons for the bonus

Figure 3: Bonus Gap

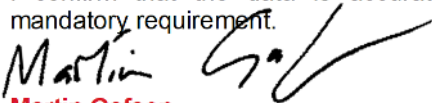
	2020	2021
Mean	41.1% (Male>Female)	33.8% (Male>Female)
Median	43.8% (Male>Female)	33.3% (Male>Female)

differences are:

- The gender profiles described above also apply to the bonus gap.
- The bonus calculation is not adjusted for part-time working. Women are more likely to work part-time and therefore receive a smaller bonus based on their part-time hours. This skews the bonus gap in favour of men, who are less likely to work part-time.
- Bonuses generally (not just in RM PFS) increase with seniority, which can amplify these other two factors

Declaration

I confirm that the data is accurate and in line with mandatory requirement.



Martin Gafsen
Group Director of Procurement, Property & Facilities Solutions

Figure 4: Proportion receiving a bonus

	2020	2021
Female	10.4%	90.4%
Male	12.6%	91.7%