

Palletways Gender Pay Gap Analysis

2021



Gender Pay Gap Analysis for Palletways UK

Introduction

This report shows Palletways Gender Pay Gap at 5th April 2021 as required by the Equality Act 2010.

This is our annual gender pay gap report for the snapshot date of 5 April 2021.

- Our mean gender pay gap is -0.02%.
- Our median gender pay gap is 9.04%.
- Our mean gender bonus gap is 23.13%.
- Our median gender bonus gap is 34.09%.
- The proportion of male employees receiving a bonus is 44.78% and the proportion of female employees receiving a bonus is 29.17%.

Table 1: Pay quartiles by gender

This table shows our workforce divided into four equal-sized groups based on hourly pay rate. Band A includes the lowest-paid 25% of employees (the lower quartile) and band D covers the highest-paid 25% (the upper quartile).

| Band | Males | Females | What is included in this band? |
|------|-------|---------|---|
| A | 69.3% | 30.7% | All employees whose standard hourly rate is within the lower quartile |
| B | 85.8% | 14.2% | All employees whose standard hourly rate is more than the lower quartile but the same or less than the median |
| C | 94.5% | 5.5% | All employees whose standard hourly rate is more than the median but the same or less than the upper quartile |
| D | 79.6% | 20.4% | All employees whose standard hourly rate is within the upper quartile |

A quartile is one of four equally sized groups created when you divide a selection of numbers that are in ascending order into four. The "lower quartile" is the lowest group. The "upper quartile" is the highest group.

The figures in this table have been calculated using the standard methods used in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Why do we have a gender pay gap?

Legally, men and women must receive equal pay for:

- the same or broadly similar work;
- work rated as equivalent under a job evaluation scheme; or
- work of equal value.

We are committed to equal opportunities and equal treatment for all employees, regardless of sex, race, religion or belief, age, marriage or civil partnership, pregnancy/maternity, sexual orientation, gender reassignment or disability. We have a clear policy of paying employees equally for the same or equivalent work, regardless of their sex (or anything else listed above).

We:

- carry out regular pay and benefits audits;
- provide regular equal pay training for all managers and staff members who are involved in pay reviews; and
- evaluate job roles and pay grades to ensure fairness.

We are confident that our gender pay gap is not because we pay men and women differently for the same or equivalent work. Instead, our gender pay gap is because men and women work in different roles and those roles have different salaries.

Across the UK economy, men are more likely than women to be in senior roles (especially very senior roles at the top of organisations). Women are more likely than men to be in front-line roles at the lower end of the organisation. Men are more likely to be in technical and IT-related roles, which are paid more highly than other roles at similar levels of seniority. Women are also more likely than men to have had breaks from work that have affected their career progression, for example to bring up children. They are also more likely to work part time, and many of the jobs that are available across the UK on a part-time basis are relatively low paid.

This pattern from the UK economy as a whole is reflected in the make-up of our organisation. Most customer service roles at our sites are held by women and most line managers and senior managers are men. Also, most of the relatively highly paid director level roles are held by men and not women.

The table above shows our workforce divided into four equal-sized groups based on hourly pay rate. Band A includes the lowest-paid 25% of employees (the lower quartile) and band D covers the highest-paid 25% (the upper quartile). If we had no gender pay gap, there would be an equal ratio of men to women in each band. However, instead, 33.5% of the employees in band A are women and 66.5% men. The percentage of male employees increases throughout the remaining bands, from 87.9% in band B to 91.3% in band C and then decreases to 82.6% in band D.

How does our gender pay gap compare with that of others?

Most organisations have a gender pay gap, and we are pleased to say that ours is very similar or better than others, including those within our industry.

The mean gender pay gap for the whole economy (according to the November 2021 Office for National Statistics (ONS) Annual Survey of Hours and Earnings (ASHE) figures) is 14.9%, while in the freight transport by road sector it is 5.0%. At -0.02%, our mean gender pay gap is a lot lower than the whole economy and our sector.

The median gender pay gap for the whole economy (according to the November 2021 ONS ASHE figures) is 15.4%, while in the freight transport by road sector is 4.4%. At 9.0%, although not lower than our sector, our median gender pay gap is lower than the whole economy.

Table 2: Comparison with other organisations

| | Our organisation | 2021 ONS ASHE whole economy | 2021 ONS ASHE |
|-----------------------|------------------|-----------------------------|---------------|
| Mean gender pay gap | -0.02 | 14.9% | 5.0% |
| Median gender pay gap | 9.04% | 15.4% | 4.4% |

Our mean and median gender bonus gaps are large: 23.1% and 34.1% respectively. This is because more men hold positions with higher bonus payments.

44.8% of men at our organisation received a bonus in the 12 months up to 5 April 2021. For women this was 29.2%. Equally this is because more men hold positions where they are entitled to bonuses.

What are we doing to address our gender pay gap?

We are not happy with our gender pay gap even though it compares favourably with others. We are committed to doing everything we can to reduce the gap. However, we also know this is a difficult task. For example, we have no control over what people choose to study or the career choices that they make.

So far, we have taken the following steps to promote gender diversity:

- Introduced an enhanced maternity leave and pay policy.
- Introduced a more flexible approach to hybrid and home working.
- Introduced more flexibility on working times to suit childcare needs.

By themselves, none of these initiatives will remove the gender pay gap - and it may be several years before some have any impact at all. In the meantime, every year we will tell you what we're doing to reduce the gender pay gap and the progress that we're making.

Right now, we have plans to extend our evidence-gathering. We are asking for your help to work out the barriers and the drivers for women employees.

Over the next year, we will:

- review our policy on bonus payments;
- continue with our new LGV and HGV trainee apprenticeship scheme which will seek to attract more women into the industry;
- continue to use apprenticeship schemes in other areas of the business such as IT, HR, marketing and customer service with a view of attracting more women into the business.

Any further initiatives launched throughout the year will be reported on the company intranet.

I, Robert Gittins, Managing Director, confirm that the information in this statement is accurate.

Signed



Date

28 March 2022