

2Agriculture Ltd

GENDER PAY GAP REPORT 2022

Kevin Sketcher
Managing Director

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Introduction

All organisations with more than 250 employees in Great Britain are legally required to publish their annual gender pay gap information in accordance with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

The gender pay gap is different to equal pay which has been a legal requirement since 1970. Under the law, 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.

2Agriculture is committed to the principle of equal opportunities and equal treatment for all and is confident that the gender pay gap does not stem from paying men and women differently for the same or equivalent work. Rather, its gender pay gap is the result of the roles in which men and women work within the organisation and the salaries that these roles attract.

Gender Pay Gap Reporting requires carrying out six calculations that show the difference between the average earnings of men and women in our organisation. The figures provided are taken from a specific snapshot date of 5th April 2022 and any bonus paid in the 12 months prior to April 2022.

The Gender Pay Gap Report provides insight to allow 2Agriculture to identify where we can improve opportunities for our people and achieve a truly diverse and sustainable organisation.

2Agriculture Gender Pay Gap Results - 2022

The figures set out below have been calculated using the standard methodologies used in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017. A negative number indicates that women earn higher than men in that specific area.

1. Mean Gender Pay Gap 10.5%

2Agriculture's mean gender pay gap is 10.5%. The mean result is the difference in the average salaries of men and women.

We have seen a 1.5% decrease in our mean gender pay gap in comparison to our 2021 result which has been driven by an increase in the female headcount within our management roles.

Overall, the reason for 2Agriculture's gender pay gap is we currently have more men than women in our more senior and technical positions, which are roles that generally attract a higher salary. It will take time to address this imbalance, but as an organisation we are committed to increasing the proportion of women in senior and technical roles as outlined further below. In doing so, we aim to reduce 2Agriculture's gender pay gap over time.

2. Median Gender Pay Gap 9.2%

The median gender pay gap for 2Agriculture is 9.2%. We have seen a significant decrease of 7.7% in comparison to our 2021 result.

The median result is the difference between the midpoints in the ranges of hourly earnings of men and women. As above, the reason for this decrease is driven by an increase in the female headcount within our management and technical roles.

3. Mean Gender Bonus Gap 1.3%

The mean gender bonus gap for 2Agriculture is 1.3%, a 21.7% increase from 2021 figures. The 2022 number is a more accurate representation of the mean gender bonus gap compared to 2021, where the result was driven by the dates in which two years of bonus payments were made.

4. Median Gender Bonus Gap -212.9%.

The median Gender Bonus Gap is -212.9%, for 2021 this figure was -69.3%.

A negative number indicates that women earn higher than men in that specific area. This result is driven by more female employees being paid a bonus as a percentage, this is due to the nature of the roles occupied by female employees predominantly in central function roles. Employees who sit under milling sites that have not met performance targets, are not eligible for a bonus payment which is the reason for the differential.

5. Proportion of Employees Receiving a Bonus

The proportion of male employees at 2Agriculture who received a bonus in the 12 months up to 5 April 2022 was 81%, and for women this was 79.4%.

2Agriculture operate an Annual Discretionary Bonus Scheme which is applied equally to all employees. Under our current policy, employees with less than 6 months service or who sit under sites that have not met performance targets, are not eligible for a bonus payment which is the reason that the proportion of male and female employees are not both at 100%.

6. Pay Quartiles by Gender

The following table shows 2Agriculture's workforce divided into four equal-sized groups based on hourly pay rates, with Band A including the lowest-paid 25% of employees (the lower quartile) and Band D covering the highest-paid 25% (the upper quartile).

Pay Quartiles by Gender			
Band	Male	Female	Description
A	79.2%	20.8%	Includes all employees whose standard hourly rate places them at or below the lower quartile
B	93.5%	6.5%	Includes all employees whose standard hourly rate places them above the lower quartile but at or below the median
C	96.1%	3.9%	Includes all employees whose standard hourly rate places them above the median but at or below the upper quartile
D	87%	13%	Includes all employees whose standard hourly rate places them above the upper quartile

What 2Agriculture Are Doing to Address the Gender Pay Gap

2Agriculture are committed to reducing the gender pay gap within the organisation through the following initiatives.

What We Are Currently Doing

- Continued promotion of our family friendly policies across the organisation and during the recruitment process, such as our Flexible Working Policy, our Maternity and Paternity Leave Policy, and Parental and Shared Parental Leave. Our senior leadership team are committed to supporting working families and our family friendly policies are accessible to all regardless of role or level of seniority.
- Continued increase in female employees in our Senior and Technical positions.
- Providing personalised development, upskilling and ongoing support through our annual Talent Review and Succession Planning Programme to ensure that we have a pool of qualified and skilled women who can be promoted or be successful when applying for more senior or technical roles.
- Structured recruitment interview processes which reduce the opportunity for unfair bias and ensure all candidates are given equal opportunity.
- Ensure that any external search agency used for recruitment are briefed on 2Agriculture's requirement for them to identify the widest range of possible candidates.

Additional Measures We Will Take

- Ongoing leadership and management development training programmes that reinforce the managers responsibility for equality, diversity and inclusion at all stages of the employee lifecycle e.g., recruitment, selection, training and opportunities.
- Ongoing review of 2Agriculture's recruitment policy and practices to remain competitive and offer job opportunities that will attract and retain women to and within our organisation. Furthermore, a commitment to interviewing suitable female candidates through our objective recruitment process.
- Data collection and analysis to implement workforce planning, with an additional focus on the retention of female employees, enabling departments to identify current or future problem areas and take action to address them.



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Pay quartiles by gender help to identify the underlying issues that cause pay gaps within 2Agriculture. For there to be no gender pay gap, there would need to be an equal ratio of men to women in each Band, whereas 2Agriculture's workforce overall is split 89% male and 11% female.

Of the total employees there has been a 2.2% increase in female employees in comparison to 2021 and a 2.7% increase in comparison to our 2020 result. 2Agriculture are committed to continually addressing this disparity.

Understanding 2Agriculture's Gender Pay Gap Results

Across the UK economy as a whole, men are more likely than women to be in senior roles (especially very senior roles at the top of organisations), while women are more likely than men to be in front-line roles at the lower end of the organisation. In addition, men are more likely to be in technical and IT-related roles, which typically attract higher rates of pay than other roles at similar levels of seniority. 2Agriculture are committed to address this gap and have more women in these positions compared to our 2021 result.

Most of the roles which typically involve overtime and shift allowances such as operators, drivers and engineers are also predominantly undertaken by men which is more challenging to attract female employees in these positions.

Women are also more likely than men to have had breaks from work that have affected their career progression and are more likely to take on part time lower paid roles, for example, in order to accommodate childcare.

This pattern from the UK economy is reflected in the make-up of 2Agriculture's workforce and contributes to the gender pay gap within the organisation. The majority of front-line customer service, administrative and part time roles are held by women, while most operators, drivers, technical and management roles are held by men.



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None of the above initiatives will, of itself, remove the gender pay gap and we recognise that achieving equality will take time and will be a continual process. In the meantime, 2Agriculture are committed to reporting on an annual basis what we are doing to reduce our gender pay gap and the progress we are making.

I, Kevin Sketcher, Managing Director, confirm that the information in this statement is accurate.

Signed:

Kevin Sketcher

Date: 04/04/23

