

# 2Agriculture Ltd

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## GENDER PAY GAP REPORT 2023

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 5<sup>th</sup> April 2023 and any bonus paid in the 12 months prior to April 2023.

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 - 2023

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 6.9%

2Agriculture's mean gender pay gap is 6.9%. The mean result is the difference in the average salaries of men and women.

We have seen a 3.6% decrease in our mean gender pay gap in comparison to our 2022 result which had been driven by an increase in the number of women working within 2Agriculture and their average pay.

Overall, the reason for 2Agriculture's gender pay gap is that we currently have more men than women in our more senior and technical positions, which are our 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 10.4%

The median gender pay gap for 2Agriculture is 10.4%. We have seen an increase of 1.2% in comparison to our 2022 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 2Agriculture's median gender pay gap is that we currently have more men than women in our more senior and technical roles, which are our roles that generally attract a higher salary.

### **3. Mean Gender Bonus Gap 1.7%**

The mean gender bonus gap for 2Agriculture is 1.7%. We have seen a slight increase of 0.4% in comparison to our 2022 result.

Overall, 2Agriculture's gender bonus gap is due to our bonus payments being proportionate to individual salaries. We currently have more men than women in senior and technical roles, which offer greater bonus earning potential.

### **4. Median Gender Bonus Gap -45.4%**

The median Gender Bonus Gap is -45.4%. A negative number indicates that women earned higher than men in this specific area.

This result is driven by the structure of our Bonus Scheme. Employees who sit under milling sites who have not met the performance targets were not eligible for a bonus payment. Those employees were predominately male. Whereas our female employees predominantly sit under our central functions, who met the performance targets and were eligible for a bonus payment. That 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 2023 was 82.4%, and for women this was 86.1%.

Under our current Bonus Scheme, employees with less than 6 months service, or those 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	78.8%	21.3%	Includes all employees whose standard hourly rate places them at or below the lower quartile
B	96.3%	3.8%	Includes all employees whose standard hourly rate places them above the lower quartile but at or below the median
C	98.8%	1.3%	Includes all employees whose standard hourly rate places them above the median but at or below the upper quartile
D	81.3%	18.8%	Includes all employees whose standard hourly rate places them above the upper quartile

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 88.75% male and 11.25% female. However, 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 addressing this gap and have had an increase in women in these positions compared to our 2022 result.

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

## 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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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:

31/4/2024