

This is the third year that Frontier has published its Gender Pay Gap Report since the legal requirement for companies with more than 250 employees to do so was introduced in 2017. This obligation has provided us with the opportunity to investigate the factors that contribute to Frontier's Gender Pay Gap, as well as challenge ourselves on what we should do with this data.

The Frontier Senior Leadership Team remains committed to closing Frontier's Gender Pay Gap.

Frontier's Gender Pay Gap calculations for 2019 are set out in Appendix 1. We are pleased to report that our Gender Pay Gap has reduced each year since 2017. One of the reasons for this is due to the implementation of the Real Living Wage at Frontier, where the business committed to matching the enhanced Living Wage Foundation rates from 1<sup>st</sup> April 2018 for permanent employees. This enhancement of pay benefitted more women than men, leading to a reduction in the mean hourly rate difference from 38.5% to 35.6%.

The second reason for the reduction in Frontier's Gender Pay Gap is that we have an increased number of women in higher earning roles, as illustrated by the proportion of men and women in the four pay quartiles set out in Appendix 1. We are very pleased to confirm that this increase has arisen predominantly due to the internal progression of a number of talented women within Frontier. These women are embracing their new roles and demonstrating different styles of leadership, which is helping Frontier to become a more collaborative business.

Our previous analysis of the factors contributing to the Gender Pay Gap at Frontier confirmed that the Gender Pay Gap is a reflection of the proportion of men and women in higher earning commercial and managerial roles. Historically, agriculture was a disproportionately male-dominated industry and Frontier's employee footprint mirrored this situation. Although we have made progress in this area, there is more to do because it takes time to adjust the balance between men and women in commercial roles and we are committed to only recruiting and promoting the best person for the job – irrespective of their gender. We employ a higher number of women than men in support function roles. This is primarily due to the career choices made by both men and women. Women are still underrepresented at managerial level in these non-commercial roles. However, it is in this area that we have seen progress made with the development and promotion of some of our existing female employees.

Frontier has committed to being a "Great Place to Work", where everyone can achieve their ambitions both inside and outside work. Last year we made three commitments towards closing Frontier's Gender Pay Gap:

• A review of all of our HR policies, to ensure that they are fair and inclusive and with particular reference to ensuring that they encourage women to continue and progress their careers, if they choose to do so. This review will include our maternity and paternity policies, adoption policy, parental leave policy and our flexible working policy. We launched our new industry-leading maternity, paternity, adoption and parental leave policies in February 2020.

• A review of our recruitment practices, including training for all employees involved in the recruitment process, to limit unconscious bias. We have engaged an external consultant - Kate McCarthy of McCarthy Recruitment - who has performed an initial review of our existing recruitment practices. We will be working on adopting their recommendations during 2020.

• The launch of a development programme specifically for women, to encourage and support them as they progress their careers within Frontier. The first stream of Frontier's 'Female Talent Development Programme' has been paused due to the Covid-19 situation, but we will be relaunching this programme as soon as possible.

To continue our progress in closing Frontier's Gender Pay Gap, Frontier's SLT has made the following commitments:

• A review of our flexible working policy – this review will now benefit from the learnings that have come from having to adopt a new approach to flexible and remote working as a result of the Covid-19 restrictions.

• An equally balanced, 50:50 male to female candidate ratio will be required for the long list of potential candidates for all recruitment. We recognise that for some roles this commitment will be challenging, but we are determined to explore all opportunities to ensure that we are making all roles accessible to potential candidates irrespective of their gender.

• A review of the business' performance management process and internal promotion practices to ensure the female talent pipeline is visible, and that female employees are considered for promotion on a basis equal to their male colleagues.

## Appendix 1

## Frontier's Gender Pay report includes the following six calculations:

**Average mean hourly pay:** calculated by adding up the hourly pay for men and women, then dividing by the total numbers of men and women. At Frontier, the female mean average is 35.6% lower than the male mean average.

**Average median hourly pay:** calculated by sorting all the pay for men and women from highest to lowest, then comparing the middle number for each. At Frontier, the median female wage is 28.4% lower than the male median.

**Average mean bonus pay:** calculated by adding up all the bonus payments for men and women, then dividing by the total numbers of men and women. At Frontier, the female average mean bonus is 63.1% lower than the male mean.

**Average median bonus pay:** calculated by sorting all the bonus payments for men and women from highest to lowest, then comparing the middle number for each. At Frontier, the median female bonus is 73.2% lower than the male median.

**Proportion of people receiving bonuses:** At Frontier, 59.5% of men received a bonus and 29.1% of women received a bonus.

**Proportion of men and women in the four pay quartiles:** calculated by sorting all employees' pay from highest to lowest, then dividing into four groups, each containing the same number of employees. At Frontier, the proportions of men and women in each quartile are as follows:

		Male %	Female %
Upper quartile	232 highest paid employees	90.5%	9.5%
Upper middle quartile	233 employees	78.5%	21.5%
Lower middle quartile	233 employees	65.7%	34.3%
Lower quartile	233 lowest paid employees	51.1%	48.9%
Whole company	931 employees	71.4%	28.6%

