

# Bowery Farming Pay Equity Practices

We're committed to eliminating bias and ensuring pay equity. That's why we're giving you an inside look at our pay practices and some of the work we're doing to ensure your compensation stays internally and externally equitable. Check it out!

## **Show Me The Equity!**

Compensation at Bowery includes a competitive base salary and meaningful equity. Given we are VC backed and in growth mode, we've decided to differentiate our compensation via larger equity grants. We benchmark ourselves against the national and local markets we operate and provide equity grants that are >75th percentile. And, the value of our equity has grown exponentially over the years. The only thing we're missing to make our value grow even faster is you :)

## **No Negotiations**

You can count on us to give you our best, equitable offer the first time. Research has shown time and time again that underrepresented groups (like women and racial minorities) are disadvantaged in salary negotiations, so at Bowery we have developed a compensation system that includes standard offers by level (both salary and equity grants) and then we don't negotiate individually ever. As a result, you can accept our offer knowing that you are being treated fairly - you're getting the same exact offer as anyone else of a similar job and level.

## **Non-Overlapping Pay Bands**

At a lot of companies you'll find very broad salary bands where people at one level can make more money than people doing a similar role at the level above them. Like for example if an Engineer at level 3 has a higher salary than an Engineer at level 4. That kind of pay inequity happens all the time when companies have broad, overlapping pay bands. At Bowery our pay bands do not overlap. That means an Engineer at level 3 cannot make more than an Engineer at level 4.

## **Levels**

At Bowery, like many companies, we group similarly scoped roles together by career level to ensure compensation is on-market and internally equitable. Levels are determined primarily by the scope of the role you are performing. We consider things like: complexity of responsibilities, impact and reach, market benchmarks and internal comparators, while also taking into account the unique skills and experiences you bring. Levels inform your compensation, equity and title.

In most cases, we are very clear about the level of a position before it is posted, but there are some roles where we may have some flexibility across multiple levels depending on the candidate, which is why we encourage people to apply even if the salary range feels too high or too low given their experience. A good example of where this sometimes happens is multi-incumbent roles like Software Engineers where we may be recruiting for multiple openings at the same time.

## **Pay Scales**

While we have 1 set of levels (see above!), we do have a few different pay scales within the levels depending on the type of role. In practice, that means our highly technical roles that typically make a higher salary in other companies also receive a higher salary at Bowery. For example, a Head of Human Resources at Bowery doesn't make the same as a Head of Product because the market pay for those roles is different, even if they're at the same level.

To make sure we understand our external competitiveness, we do extensive external benchmarking on an annual basis. If you're reading about pay scales and didn't already read "Show Me The Equity!" above, make sure you check that out too, since equity is such an important part of Bowery's total compensation.

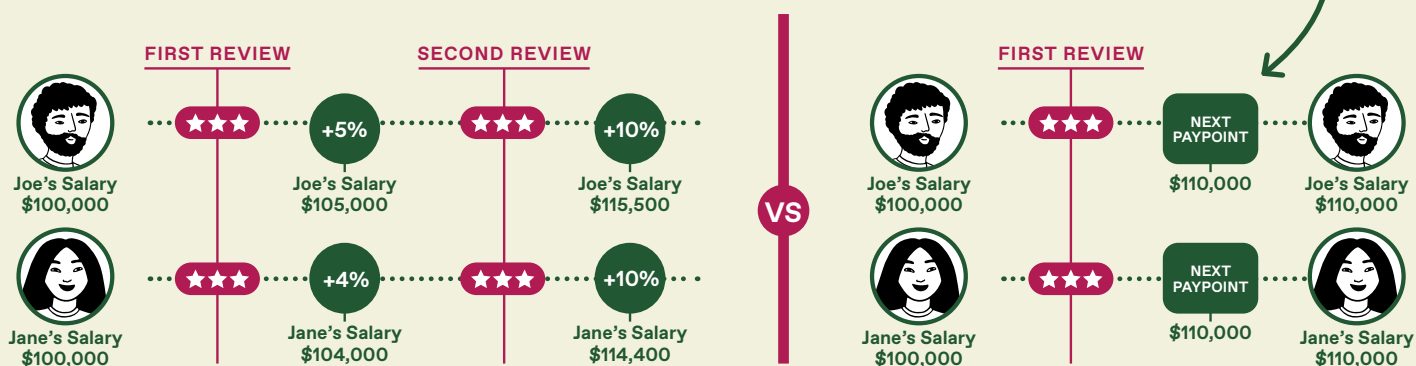
## Fixed Paypoints

For most companies, pay increases come as a percent of salary and according to the Bureau of Labor Statistics, the average annual salary increase in 2021 was 4%. The problem with increases being based on a percent is one small inequity can become larger over time and impact someone for many years to come.

**Let's Play It Out...** Jane and Joe are both hired on the same day at \$100,000. Jane and Joe are in similar roles, but have different managers. In their first review, Jane and Joe get the same performance ratings, but Jane's manager puts her in for a 4% increase and Joe's manager puts him in for a 5% increase. Jane now makes \$104,000 and Joe now makes \$105,000 (\$1,000 more). At the next review, again Jane and Joe receive the same performance rating and this time they both receive the same 10% increase. Jane now makes \$114,400 and Joe now makes \$115,500 (\$1,100 more).

As you can see, not only did the % increase disadvantage Jane during the first review, it ended up disadvantaging her in the next review too, even though she had the same performance ratings and received the same percent increase as her peer, she can't catch up.

To avoid this all-to-common scenario, we use fixed paypoints at Bowery. That means, if Jane and Joe were both hired at \$100,000 and their managers submit them both for a pay increase, they will both move to the next paypoint on the scale (in this case \$110,000) and that is equitable now and into the future.



## ★ Twice Annual Talent Review Process

A lot of companies only review compensation and promotions one time each year. That's a loooooong time in between discussions of career and compensation. At Bowery we review, discuss and calibrate internally twice each year—once in the spring and again in the fall. That of course doesn't mean that everyone is getting pay increases every 6 months, but it does mean that we're discussing career and compensation for each person every 6 months, so we can make adjustments at the right time.

**PAY PARITY. WE'RE HONORED TO SHARE THAT WE'VE BEEN NAMED TO THE PARITY.ORG BEST COMPANIES FOR WOMEN TO ADVANCE™ LIST FOR 2022. THE ParityLIST™ RECOGNIZES ORGANIZATIONS THAT ARE CREATING A CULTURE AND CONDITIONS IN WHICH WOMEN CAN RISE THROUGH RECRUITING, PROMOTION, AND COMPENSATION PRACTICES, LEADERSHIP REPRESENTATION, AND BENEFITS AND POLICIES THAT COLLECTIVELY HELP COMPANIES ACHIEVE GENDER PARITY.**

# What are you waiting for?

**APPLY NOW!**