

### **Narrative to support Gender Pay Gap Reporting**

At AGS, valuing Diversity, Equity, and Inclusion (DEI) is at the center of who we are and what we want to be known for globally. We believe that empowering our people and the diverse perspectives they bring will help us continue to innovate, create meaningful impact, and accelerate us on our journey to being the leading provider of workforce solutions.

### **Gender Pay Gap Results**

The table below shows our gender pay gap based on hourly rates of pay at the snapshot of 5 April 2023. It also shows the difference in bonuses paid in the 12 months prior to April 2023.

	<b>2023</b>	
	Mean	Median
Hourly pay	38.7%	30.9%
Bonus	37.9%	30.4%

There are several factors contributing to these pay gaps:

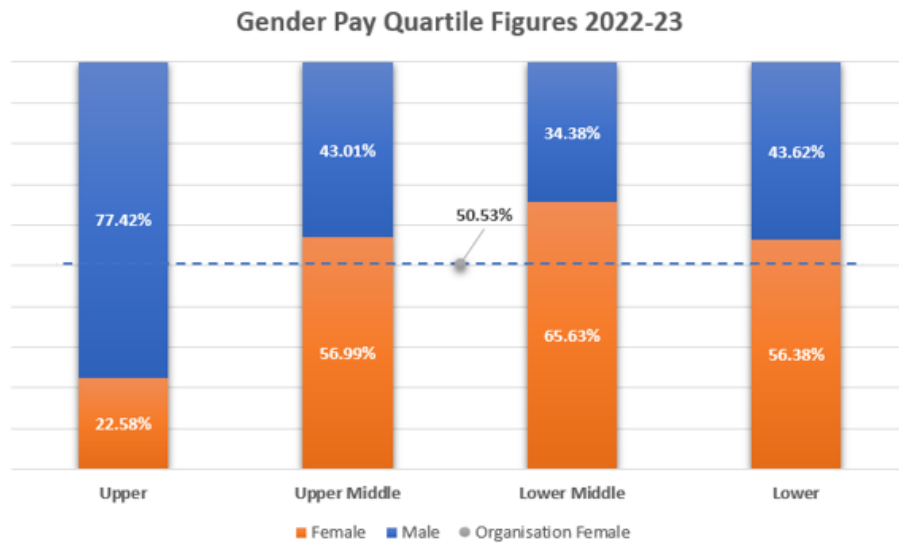
- Overall, the Mean and Median hourly rate for females has gone up whereas males have largely stayed the same thus contributing to the gap declining year over year.
- The Gap in the mean hourly pay rate for Contractors has stayed flat and the median has increased slightly by 1.9%.
- There has been a significant reduction in the Median hourly pay gap, reducing from 9.5% to 3.2%. The Median pay gap has also reduced from 14.5% to 10.1%.
- Females have decreased slightly as a percentage of the overall population from 53% to 51%.
- There is a significant discrepancy between internal employees and PAYE contractors who are on our payroll but working for our clients in non-permanent roles outside our organization, and who tend to work in male dominated industries such as Information Technology.
- We are now starting to see more pay equity in the upper pay quartiles in our internal workforce which have typically been skewed towards male.

### **Percentage of men and women awarded a bonus**

In the 12 months prior to April 2023, 16.13% of men and 29.47% of women received a bonus.

**Pay Quartiles**  
**Total Pay Quartiles**

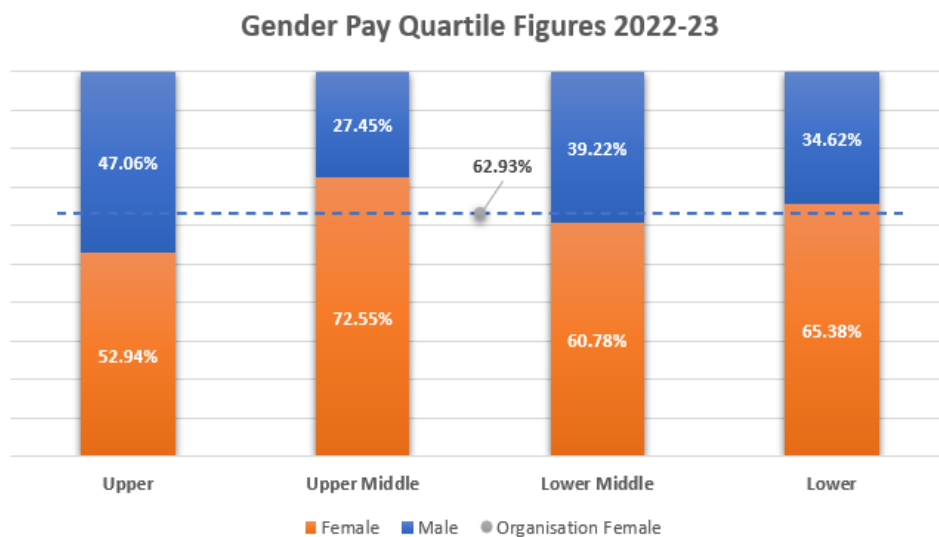
These quartiles show the highest paid quartile is predominantly male which is driven by our high proportion of male PAYE contractors. There are more women in the lower middle and lower paying roles.



**Internal Staff Pay Quartiles**

The most significant change in the pay quartiles for our internal employees is the jump in the upper middle quartile. With a redistribution out of Upper and Lower Middle which have decreased.

The % of females across all four quartiles has stayed flat against last year, 62.93% vs 63.46%.



## **Difference between equal pay and gender pay gap**

Equal pay deals with paying all employees equally for doing the same or a similar job. Gender pay gap reporting is broader and shows the difference, if any, in average pay between all men and women in the company at all levels and does not take into account the nature of people's jobs or seniority.

We have reviewed our equal pay data and we are confident that, as an employer, we do not have an equal pay issue and our employees, regardless of gender, are paid equally for the same jobs. We are committed to treating our employees of all genders fairly and ensuring they are rewarded in the same way for doing the same job.

Variable pay (commission, bonus etc.) may vary for individuals because it changes based on the performance of individual employees rather than being something, we as a company, can entirely control. However, the bonus and commission structures and criteria we have in place are fair and applied equally to all employees.

We have a compensation framework in place across our business for internal employees. Each role has a defined salary range, and all our employees across all genders, are on the relevant pay point for their level of experience and job role. In 2022, we did a wholesale review of the compensation framework and the positioning of all internal employees within each job band and made adjustments to ensure equity. More recently, this exercise was once again conducted as part of the year end merit process in December 2023.

For the contractor population, we have a team which utilise a rate benchmarking tool (Acumen IWP) to provide valuable insights to our clients, as well as utilizing the underpinning taxonomy to support them in ensuring they pay appropriate rates. Our team provides support to over 90% of our clients utilising this tool.

Salary increases are driven by inflationary and market-led/role specific factors only. The award of significant salary increases only occur when there are changes in the market ranges for certain roles or when there is a significant change in an individual's accountability and responsibilities.

We have an annual performance review cycle which is applied equally to all employees relevant to the individual's performance for the year. There is a moderation process in place for independence and unbiased perspectives and this is a straightforward way for us to eliminate any manager bias that could be in place. Performance against key performance indicators translates into a clear annual reward structure where annual bonuses are awarded against the relevant performance ratings. Top performers will therefore receive a higher bonus regardless of gender.

## **Our plan for tackling the gender pay gap**

We consider the continued improvement of our gender pay to be an important issue and part of our overall DEI strategy, so we have therefore put a range of initiatives in place to address it and continue to evolve these initiatives annually. Some of these plans include:

### **Workforce**

Diversifying our workforce and increasing representation in leadership is a key priority of our global DEI strategy, and we therefore we continue to support our leaders and hiring managers to evolve and diversify the hiring profile of talent we bring into our business. We continually review our core hiring processes and the questions we ask at interview to help drive a culture of open-minded behavior throughout the recruitment process. We have competency-based interview guides for hiring managers and have diverse interview panels to help drive consistency and mitigate unconscious bias in the selection process. We have also recently introduced a video tool into the hiring process that simplifies the capture of competency-based evidence in interviews. We ensure our job specifications contain gender neutral language and we encourage diverse talent to apply to our vacancies. We also run training to support managers with this process and this includes training on Unconscious Bias.

To ensure that we can continue to retain our talented underrepresented workforce, we are running clearer, more rigorous, and frequent reporting to understand why people are leaving our business. This is both quantitative and qualitative and will help our leaders (supported by Human Resources) to better understand people's reasons for leaving, interpret the data, start to solve the issues, and have clear plans in place to address the challenges in their own business areas. In 2023, we launched our new and improved leader dashboards which allows our leaders to access information about their business areas in real-time, and

provides insights into their employee populations tenure, hiring and promotion data, as well as termination data, with this information anonymized and split by demographic so that leaders can see where they may need to focus their own DEI efforts. When utilizing this information, it is critically important that our leaders are able to interpret the data accurately, so our HR and DEI teams work closely with our senior leaders to provide important context and clarity, and to assist with goal setting.

To ensure that the data utilized in our dashboards for action planning, it is important that it is representative of our full workforce, so in 2023, we continued to focus on improving our demographic dataset, to help with the analysis of our diversity attraction and retention strategies across the strands of gender, ethnicity, and disability status so that we can more accurately utilize this data to support our strategic decision-making. We set ourselves a target of obtaining data for 50% of our internal employee population to support future target setting and have achieved this.

## **Workplace**

Fostering an equitable and inclusive environment where everyone feels they belong and can succeed is an integral part of our DEI strategy, which is why we have had a Regional Inclusion Council in place for the last six years which is comprised of a group of employees from across our business from a variety of different backgrounds, levels and roles who are committed to driving a clear DEI agenda. The aim is to create awareness, challenge behaviors and bias, as well as support the business on evolving gender diversity. The council, supported by our regional DEI team, have been focused on advancing DEI across our three pillars of Workforce, Workplace, and Marketplace and have had goals set out under each. For example, some of the projects our council worked to achieve in 2023, included: reviewing the support available during our attraction and interview processes and creating new best-practice guidance, working to facilitate the sharing of pronouns both internally and externally, as well as the curation of a DEI Marketplace playbook. As we move into 2024 and continue to evolve our ERGs to progress through to Business Resource Group (BRG) status, we are bringing the Regional Inclusion Council and ERG Committees together into a combined force for change and progress against our DEI regional strategy. The ERGs we have operating in region include:

- **Balance** – Prioritizing Physical and Mental Wellbeing
- **MERGE** – Advocating for people from Cultural and Ethnic Minority groups
- **Spectrum** – An LGBTQ+ Alliance
- **Stronger Together** – Supporting Parents and Caregivers
- **Enable** – Championing people with disabilities
- **Elevate** – Empowering all women

Each group is assigned an Executive Sponsor from our regional Senior Leadership Team (SLT) as an advocate for the ERG who attends committee meetings and events to reinforce the importance of the ERG, champions the ERG and its members in business meetings, and supports getting finance for promoting events arranged by the ERG. The Executive Sponsor in collaboration with the DEI Program Manager also ensures that the ERG is strategically aligned to our strategic pillars of Workforce, Workplace, and Marketplace, having annual activity closely linked to each.

In addition to the work undertaken by our ERGs and Regional Inclusion Council, there are also projects underway through our regional DEI team. The DEI Programme Managers in region work alongside their global team ensuring that all local needs are considered and acted upon through their strategic initiatives. Internally, some key projects in flight include:

- Launching a mentorship program specifically aimed at supporting the development and career advancement of underrepresented groups and emerging leaders to meet our strategic objective of becoming more diverse at a leadership level globally.
- Working with partners in HR & Legal to encourage further disclosure as part of our demographic data collection initiative referenced above.
- Expanding key external partnerships to continue to attract diverse talent, and support underrepresented communities
- Embedding DEI accountability frameworks with all leaders regionally based on the 360 ILC framework utilized in our leadership coaching programs.
- Reviewing the sourcing channels used to attract talent ensuring that DEI is at the forefront of all that we do, and that DEI best practice is considered our standard approach.

- Continuing to embed the Inclusive Leadership Learning Journey which was launched in Q2 2023 which all people managers need to complete. This learning journey is based on the 360 Inclusive Leadership Compass coaching program which all members of our Senior Leadership Team went through in 2022, which will allow us to expand this learning and share these opportunities with employees at all levels of the business.

As we continue to evolve our DEI strategy, we know that we cannot progress without clarity on the needs and expectations of our people, so we therefore continue to seek feedback from our people to inform us about where our focus should be so that each leader has a clear people plan in place. These contain some consistent priorities such as evolving our culture; diversity in hiring; managing attrition; improved people management; talent management and development of emerging leaders. In addition to the engagement survey, we also have a DEI survey which is sent out once a year, and most recently highlighted our strengths as having an inclusive leadership team who act without bias, as well as our ongoing commitment to equity. We firmly believe our people and leaders are our strength, so we are continuing to invest in developing our leaders and our emerging leaders so that we build and develop our talent and have leaders of the future with broader perspectives and diversity of thought. As part of this initiative, in 2023, we implemented Leadership assessments for our Director + population, using an external provider to remove some of the bias in how we assess talent.

As part of our internal review of our talent pipeline and succession planning through a DEI lens, we will evaluate and improve our internal promotion processes and criteria to ensure we continue to give everyone a fair opportunity to progress within the company based on their strengths and future potential. To assist with removing bias we are creating Success Profiles for each role and so far, have launched profiles for approximately 75% of the workforce, with the rest due to be completed by the end of 2024.

*I confirm that the published information is accurate:*



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