



ESG Report. 2023.

ESG Report

Our commitment to the development of people and communities and related environmental, social and governance responsibilities is integral to our business.

Daniel Quint
Chief Financial Officer
and Board member responsible for ESG



Welcome to Staffline's 2023 ESG Report.

Staffline recognises the value of Environmental, Social and Governance ("ESG") and the vital importance of delivering our purpose to put people into work. As a business focused on recruitment, skills and employability training, we play a pivotal role in changing lives and empowering communities in both the UK and the island of Ireland.

Given the size of our business, it is important that the Group provides leadership and sets an example in operating sustainably, not only in the corporate space but also more widely as an organisation of influence in society and in our communities. The clear commitments outlined in this report, which are overseen by our ESG Committee, seek to align with the ambitions of our partners and stakeholders, many of whom are also leading by example in the ESG space.

“

Our focus is to make a positive difference to people's lives and deliver social value to the communities in which we operate.

People placed
into good work

c.96,000

Prisoners
educated

c.11,700

CO₂ emissions
year-on-year

↓20.4%

Our approach.

Our purpose drives our activities. As a major recruiter and training provider across multiple sectors, we play a crucial role in both preparing people for employment and connecting them to suitable opportunities, which supports local communities and wider society.



Our strategy.

Our sustainability strategy sets out how we deliver against our responsibilities and is based around four key pillars, covering environmental, social and governance issues.

1 Making a positive difference to people and society

This is our key focus and the area where we can deliver the greatest positive impact.

By developing skills and delivering training and support services, we transform lives, including those of many people from disadvantaged backgrounds, helping to unlock potential, improve prospects and get people into fulfilling jobs.

- Providing good work
- Delivering employability and skills training
- Community engagement
- Social Recruitment Advocacy Group

2 Supporting and developing our people

We share a commitment to changing and improving the working lives of our people every day.

We invest in all stages of the employee journey, driving a high-performance mindset through effectively engaging our people whilst supporting and creating a sense of belonging.

- Wellbeing
- Training, development and reward
- Diversity, equity, inclusion and belonging ("DEIB")
- Health and safety

3 Reducing our environmental impact

We place great importance on seeking to minimise our environmental impact and we recognise that our environmental responsibilities are integral to our business.

- Monitoring energy use and carbon emissions
- Carbon offsetting activities
- Developing our reporting on environmental matters, including compliance with the Task Force on Climate-related Financial Disclosures ("TCFD")

4 Doing business in a responsible way

Sound governance and doing business in a responsible way are fundamental to the way the Group operates.

Overseen and guided by our ESG Committee, we aim to demonstrate these responsibilities within our corporate policies and through our actions as a business and as individuals.

- Governance
- Responsible business
- Regulatory compliance

ESG Report continued

1

Making a positive difference to people and society.

We are committed to making a positive difference to society by delivering real social value in our local communities and ensuring our practices are socially responsible.



We have supported

10,294

people to start work in 2023

We have delivered

c.27,000

courses to

c.11,700

prisoners in 2023

Wayout TV available in

74

prisons, providing in-cell learning and information, advice and guidance to prisoners

We have supported over

2,600

people into self-employment since 2020

We have

c.130

member and partner organisations in our Social Recruitment Advocacy Group

We support

c.9,000

health and social care service users with advice, guidance and payment management services

Providing good work

We work hand-in-hand with our clients as an integrated business partner. Our candidates' work experience is equally important to us and we continue to focus on helping them find good work with the most reputable employers. We resource, recruit and mobilise large-scale workforces to meet the ever-changing needs of our customers, matching peaks and troughs on a continual basis.

Delivering employability and skills training

We recognise that by using our employability and skills expertise and partnering with government, employers and local organisations we can make a real difference to individual lives, communities and wider society, supporting individuals to secure employment and helping employers to fill vacancies in a socially responsible way. Through our PeoplePlus business we deliver training and employment support to enable people to find and sustain employment, as well as offering self-employment mentoring. We also provide education services in prisons, enabling prisoners to improve their literacy and numeracy and gain sector-specific qualifications and industry accreditations to prepare them for work when they are released.

In 2023, we supported over 10,000 people into work through our employability programmes and Social Recruitment Framework and we helped nearly 12,000 prisoners start or continue their education journey.

Creating social value

We work with over 400 employers to help them recruit in a socially responsible way. Through tailored solutions, we guide businesses to identify and implement practices that foster inclusivity and equity in their hiring processes, leading to employment of individuals from disadvantaged backgrounds with whom we work every day.

By proactively engaging with employers and leveraging the collective power of our Social Recruitment Advocacy Group, we can equip more employers with the knowledge, tools and partnerships necessary to create a more inclusive and equitable workplace supporting and representing our wider community.

For more information, please see page 4

Independent Living Services

PeoplePlus' health and social care support services enable thousands of people across England and Wales to live independently by providing advice and guidance and/or managing their payments to care providers.

This year we have supported c.9,000 people across 22 local authorities. We also run the Gloucestershire Carers Hub, which supported c.5,400 carers in 2023.



Social Recruitment Advocacy Group



Creating real, scalable social value

In 2022, we launched the Social Recruitment Advocacy Group (SRAG) to enable individuals from disadvantaged backgrounds to enter the workforce by asking employers to recruit differently. The group, chaired by former Shadow Cabinet Minister the Rt Hon Anne Milton, brings together like-minded organisations to address societal challenges and needs with a business-oriented approach.

As a leader in social value creation, PeoplePlus provides SRAG members with comprehensive tools, advice, funding guidance, consultancy and support, creating a lasting impact and fostering a powerful social movement that empowers and builds momentum.

From online “lunch and learn” sessions to quarterly face-to-face conferences, SRAG actively engages its members, co-creating toolkits to guide them in adopting best practices for recruiting from diverse and under-represented groups including the unemployed, people not in education, employment or training (“NEETs”), armed forces veterans, people with disabilities, racial, ethnic, religious and cultural minorities, prison-leavers and those with neurodivergent needs.

In just over a year, the number of member and partner organisations working with SRAG has more than tripled, reaching c.130 employers across the UK and it continues to grow. These organisations, including BMW, G4S, Amey, and Morrison Water Services, alongside public sector, non-profit, and community organisations, are committed to making a positive impact and unlocking true social value.

SRAG members receive a “Charter Mark” recognition, categorised into bronze, silver, gold, or ambassador levels, reflecting the maturity and effectiveness of their recruitment, retention and development practices. The ultimate goal is for all members to reach ambassador level, enabling true social value creation on a significant scale, driving positive societal change and fostering a more inclusive and equitable society.



To find out more about SRAG, scan here

Area	Actions
Providing good work	<ul style="list-style-type: none"> Grow customer base and continue to diversify sector and service offering, specifically managed service provision. Continue to increase engagement with our worker population.
Delivering employability and skills training	<ul style="list-style-type: none"> Identify further roles and employers with whom barriers to employment can be addressed. Implement skills and training solutions to support those in employment to progress within their roles and develop their careers.
Modern slavery	<ul style="list-style-type: none"> Continue to train our people and apply our processes to identify areas of risk and work with third parties to identify and/or prevent modern slavery cases occurring.
Community engagement	<ul style="list-style-type: none"> Encourage our people to support charitable initiatives by providing paid time off for volunteering and promoting fundraising opportunities.

ESG Report continued

G4S Secure Solutions



Social value-based recruiting in action

PeoplePlus and Recruitment GB are together playing a pivotal role in supporting G4S Secure Solutions (UK) Limited's ("G4S") approach to recruitment, workforce development and social value activity as part of their "social value" objectives. The relationship with G4S has grown over the past 18 months and is now a swiftly evolving strategic partnership between PeoplePlus and Recruitment GB that is supporting G4S UK-wide to become one of the UK's leading social value creators.

Over the years, G4S has embedded social value into its core business operations, notably through initiatives in prisons, community engagement and employability training. The need to focus on social value as part of organisations' Environmental, Social and Governance strategy has accelerated significantly over recent years, not only because it's the right thing to do, but because it significantly helps with attraction, retention and development of staff, creating an inclusive, equitable and diverse workforce.

The security industry has been looking for an effective response to the challenges presented by the labour market, so G4S sought guidance from PeoplePlus as social value creation experts. The partnership extends beyond conventional recruitment strategies,

aiming to break down barriers, promote diversity and create equitable opportunities within their workforce.

Bridget Brookfield, HR Director at G4S, acknowledges the transformative impact: "It's been a journey for us, and the partnership with PeoplePlus has been fantastic in helping us embed social value into all of our recruitment strategies."

G4S joined the Social Recruitment Advocacy Group (SRAG), a body set up by PeoplePlus to encourage employers, at scale, to place greater emphasis on recruiting people who are disadvantaged in the labour market. As one of the founding members, G4S has attained "Silver" Charter Mark status, demonstrating a strong commitment to social value and social recruitment. Going beyond the basics they are implementing concrete measures to promote diversity, inclusion and social responsibility within their workforce. Since joining SRAG, G4S has been shortlisted for the Social Mobility Initiative in the British Diversity Awards.

Through PeoplePlus over 260 unemployed people have benefited from training and employability support to prepare for work with G4S during 2023 alone with 54 having started work so far, creating over £0.8m worth of social value in this initiative alone.

By addressing the need for efficient recruitment Recruitment GB has significantly impacted G4S's processes to reduce the "time to hire". The initial trial involved support with market-leading attraction techniques, referencing support and in-work employee feedback data to support retention.

Overall, this collaboration has supported improved efficiency of G4S's recruitment process.

The synergies between PeoplePlus and Recruitment GB exemplify a shared commitment to social responsibility, diversity and inclusion. Both organisations work collaboratively with G4S to support the business as an ambassador for social value and a market-leading socially impactful organisation.

The relationship between G4S and Staffline Group continues to grow as we build on our strong strategic relationship through further initiatives under way in 2024.



Justice

Rehabilitation through education and advice in prisons



PeoplePlus and Prison Education

PeoplePlus is the largest independent provider of prison education services in the UK, delivering education in 22 prisons and one Young Offender Institution (YOI). Advice and guidance is also offered in 16 prisons and the YOI on behalf of HM Prison Service and the Ministry of Justice. Our curriculum focuses on addressing the literacy and numeracy needs of prisoners and supporting them to develop the skills they need to access work on release.

We deliver over 600 different qualifications covering functional skills (maths, English and IT) as well as vocational skills (construction, catering, hairdressing etc.) The curriculum is bespoke to each prison and is delivered in partnership with prison governors and local employers so it is tailored to the learners and reflective of local labour market needs. In 2023, we delivered c.27,000 courses to c.11,700 prisoners.



Innovation behind bars

We offer innovative services to support prisoners in custody. **WayOut TV** is our unique in-cell learning TV channel which is live in 77 prisons. It produces and curates educational content to complement our education and training and it allows prison governors and staff to communicate directly with the prison population through notices, adverts, interviews and a news feed. We produce over 450 video notices and prison-related advertisements every month.

Way2Learn helps prisoners access education in their cells and is particularly beneficial for those who do not feel comfortable in a formal learning environment. The platform uses bespoke video, e-books and PowerPoint content to provide an educational experience that fits prisoners' own pace of learning and can complement classroom-based learning. Some of the courses are now being endorsed by the University of the West of England (UWE Bristol).

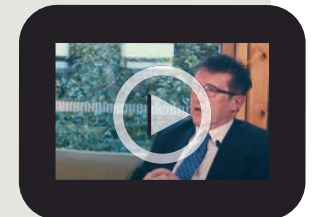
Higher education opportunities

The Crito Project is a charitable organisation in exclusive partnership with PeoplePlus and the University of East Anglia (UEA). Starting in 2013, it has run at six prisons, providing over 100 students with over 1,200 hours of face-to-face higher education.

Since its inception, Crito has worked to emulate the model developed in the US by the Bard College Prison Initiative – the most successful prison/university partnership in history.

Crito's current 15-month curriculum comprises two foundation modules that prepare students for higher education and three accredited modules taken directly from the UEA's syllabus and taught by tutors from UEA.

PeoplePlus currently has a cohort of ten students at HMP Highpoint, with several more on a waiting list for the 2024 intake. Our first cohort is due to graduate in July 2024.



ESG Report continued

Midlife MOT

Empowering employees for a secure future

PeoplePlus delivers the Midlife MOT programme in the North East of England on behalf of the Department for Work and Pensions. The programme is a brand new initiative commissioned this year and PeoplePlus is one of the first providers to deliver the contract. This has enabled us to give valuable insight and feedback to the Government on how we can further support those in their midlife in order to improve in-work support and retention.

Set up to prepare people who are 45-55 to think about their future through financial guidance, including investments and pensions, and health and wellbeing advice including a “health MOT”, it is a free programme for employers and their employees.

Covering three key areas of work, wellbeing and wealth, the individuals work with experienced advisors from PeoplePlus to develop a personalised programme which could include health checks, wellbeing sessions taken from our successful YouCan programme, workshops on finances and dedicated one-to-one support from a career coach.

This year, we’ve partnered with 30 businesses and 160 individuals in the North East region to foster a more motivated and experienced workforce. Our tailored programmes have empowered participants to manage their health, plan for retirement with confidence and make informed financial decisions. One participant observed: “I usually look online to seek information like this, but having a person talk to you, through all the various subjects, has been incredibly beneficial.”

Case
study

Staffline and PeoplePlus support Tesco

Supporting people to secure rewarding work



Having worked with PeoplePlus since 2017 and employed over 800 people through Staffline Recruitment and PeoplePlus, Tesco approached PeoplePlus in May 2023 to facilitate their training and recruitment needs for the 2023 festive period and oversee their recruitment needs into 2024.

Using our network of 37 training providers, we were asked to coordinate around 900 training and employment opportunities across 580 stores in the run up to Christmas. Tesco's mission aligns closely to our own – helping people from disadvantaged backgrounds to hone their skills and self-confidence, to ultimately help them secure employment.

One of those people is Liam, who started work with Tesco last year, having gone through the pre-employability training programme with PeoplePlus before starting a placement and ultimately securing full-time employment. Liam lacked confidence, had low self-esteem and was very shy. Working closely with his “work buddies” at Tesco his confidence grew and he began to enjoy his job, working hard and interacting more with his team. A year later, Liam calls his colleagues his friends, has a permanent contract with Tesco and is supporting himself financially.

Tesco is a shining example of how Staffline and PeoplePlus together can strategically support a large employer with their recruitment needs all over the UK. Having already created around £12.4 million of social value, 2024 is set for future collaboration and a dynamic working relationship.

Listen to his story here:

Liam's Story | Tesco Movement to Work



ESG Report continued

2

Supporting and developing our people.

We share a commitment to improving the working lives of our people every day. Our leaders, aligned to our values, drive a high-performance culture through effectively engaging and developing our people, while supporting and creating a sense of belonging.

We invest in training and development

Promotions

243

in 2023, equating to over 10% of employees and indicative of a healthy organisation according to Strategic Human Resource Management, the US equivalent of the UK Chartered Institute of Personnel and Development.

Active apprenticeships

73

in Recruitment GB and PeoplePlus during the year

Personal development

>5,200

hours of non-mandatory training completed by PeoplePlus employees in 2023

We listen, act and support

Retaining key talent and fostering engagement and commitment are essential to Staffline's future growth. Engaging with our employees to understand their needs is an ongoing and two-way process.

All employees are invited to take part in regular engagement surveys. Over 75% of survey respondents in the Recruitment businesses are happy with their experience of working for Staffline and 75% of respondents in these businesses are likely to recommend Staffline as a great place to work. Meanwhile 87% of respondents in PeoplePlus said they were proud to work for the business.

Seeking employee feedback, listening and acting on it is essential, but is only one part of the engagement journey.

In 2023, we have:

- introduced a new career development tool for Operational employees;
- implemented carers leave before the legislation commenced;
- introduced the Big Idea suggestion scheme;
- implemented monthly team lunches to encourage collaboration and communication;
- introduced new benefits as a result of employee feedback; and
- redesigned our employee engagement survey.

Staffline continues to focus on the continual development of its employees through:

- creating the best start: every employee receives company-wide and role-specific inductions;
- new manager inductions for new or promoted employees;
- monthly 121's with line managers that focus on performance and development;
- on-the-job development and secondment opportunities; and
- transparent career opportunities throughout the organisation.

We celebrate success by showcasing our very best

We continue to recognise our people's wins, recognising and rewarding team and individual success through formal monthly, quarterly and annual awards based on our values and results. This is in addition to various more formal incentive schemes.

Celebration can be both internal and external:

External

- **Kevin Clarke** – won the Temporary Consultant of the Year award at the 2023 Employment & Recruitment Federation ("ERF") Awards.
- **Laura Craughwell** – shortlisted for Permanent Consultant of the Year at the 2023 Employment & Recruitment Federation Awards.

- **Hannah Fitzsimons and Niall McKenna** – both shortlisted for Temporary Recruiter of the Year at the 2023 Employment & Recruitment Federation Awards.
- **PeoplePlus** was placed in the "Top Ten Companies to Work For" in the Investors In People ("IIP") Silver 250+ category.
- **PeoplePlus** won the IIP Social Responsibility Organisation of the Year Award 2023-24.
- **Staffline Recruitment Ireland** won the "Best Place to Work" in the Irish News awards.
- **PeoplePlus** influenced a new category in the "Skills for Justice" Educator of the Year awards, ensuring recognition of the value added by the prison education teams.

Internal

Recognising our employees who go above and beyond in their roles is a key part of our people and culture ethos. Employees can be recognised in many ways through recognition awards, length of service milestones and so much more. Below are a few examples of how we recognise our employees across the business:

- **Employees in Recruitment GB** who go above and beyond in their roles and how they represent our values can be nominated each quarter for Staffline Stars awards. At the end of the year all the winners during the year are reviewed and considered for the overall Star of the Year award, which was shared between two worthy winners in 2023.

- Other employees who go above and beyond in their roles are recognised through our Simply the Best awards, instant awards and service milestones.
- Twenty-one Recruitment Ireland high performers and service stars won a trip to Barcelona in recognition of their excellent performance.



Stars of the Year Award winners
Jayne and Asta



Celebrating a five year contract anniversary with the PeoplePlus team in Scotland



Kevin Clarke, ERF Temporary Consultant of the Year Award winner



PeoplePlus, IIP Social Responsibility Organisation of the Year Award winners



Staffline Ireland, Irish News Best Place to Work Award winners



“

I started my Level 3 L&D Apprenticeship back in March 2021 and what a journey it has been. Time management was definitely a challenge for me, but it was absolutely all worth it and now I have another qualification under my belt!

Leanne Process & Systems Coordinator



“

I've just completed Team Leadership Level 2! It was a very interesting course with a lot of information that I didn't already know. It was a lot of hard work but once I got into it, it was manageable.

Lyndsay Payroll Coordinator



“

Recruitment GB's Learner Experience Platform, known as LXP, provided me with a flexible, self-directed approach to learning. Five stars from me!

Laszlo Area Account Manager



“

On the LXP, I am able to find a lot of useful information relating both to my job duties and to general working regulations and more.

Asta Service Consultant

ESG Report continued

Listening to our employees and responding

Working in the criminal justice sector can be challenging so ensuring that we recruit applicants who have the right mindset, equip them both through induction and going forward, and then listen to what they need, is crucial.

To support our Prison Education Framework contract we have gone “back to the floor” and listened to our teams on the ground. As a result, we have implemented different recruitment routes (one being Over-50’s recruitment) and redesigned our onboarding and induction processes to incorporate feedback from new starters.

We listened to the local issues and to some of the wider issues that were being raised. We reviewed working patterns to give maximum flexibility, implemented benefits and recognition in the format they wanted, improved development opportunities through CPD and apprenticeships and sometimes just clearly and transparently explained why we couldn’t do certain things.

We updated the format of our engagement survey and doubled the participation rate as employees saw that we were listening and it was gratifying to see our engagement ratings increase and to know that employees now feel seen, heard and connected while, at the same time, seeing our absence and attrition rates reduced.

In addition to employee engagement surveys, in 2023 Staffline has continued to focus on supporting the wellbeing of its employees. The cost of living crisis has affected everyone across their day-to-day spending. At Staffline, we acknowledge that balancing the food shop, travel and housing costs can challenge our physical and mental wellbeing, which also has a cost, so we have provided a practical solution for all our employees during 2023 in the form of Medicash, a benefit that helps with essential medical costs ranging from prescriptions and opticians’ and dentists’ charges to complementary therapies and so much more.



“

I used Medicash at the dentist and optician this month. I just went for a check-up and an eye test, got receipts which I scanned on the app and I got refunded a week later.

Our Addition benefits discount also makes a huge difference. I was buying an iPad for £480 and went on the Smartspending app and requested an instant gift voucher to cover the cost. With our discount this saved me nearly £40 and it only took seconds to do.

One colleague has saved £217 this year on shopping.

James

PeoplePlus

“

I recently had a check-up at the dentist and a hygienist appointment, so two appointments in one day, which cost £64. I submitted all the receipts to Medicash and was reimbursed within two working days.

It is such a great benefit that supports everyday medical expenses.

Nicola

Recruitment GB

Case
study

Leadership development

Leading the culture of the organisation

In 2023, our focus across the Group has been on acquiring new leadership talent and developing existing talent to ensure Staffline's sustainability.

With the market place continually evolving, we strive to ensure a diverse leadership capability that is right for now and the future.

Here are some of the new and newly promoted leaders in the business.



Rachel Jacob
Account Director, Tesco

Rachel joined Recruitment GB in October 2023 and is responsible for leading the Tesco account within our Supermarkets division.

Rachel came to us with years of experience in the recruitment industry and a track record of excellent leadership and delivery.



Aaron Savage
Branch Manager

Aaron joined Staffline Ireland in April 2023.

"I have worked in many different companies and none has demonstrated Staffline's culture of togetherness, support and positivity on a daily basis.

Having started as a Senior Recruitment Consultant in the recently opened office in Limerick, I was promoted to Branch Manager in August 2023 and have enjoyed every second of it. The support I have received from every colleague has helped me get to where I am today."



Heather Waterhouse
People Director

Heather joined us earlier this year, bringing a wealth of experience from working in commercial organisations for many years. Some were very different to PeoplePlus (e.g. heavy engineering, privately-owned) and some had similar challenges (e.g. criminal

justice system, mental health and unionised). Heather has brought executive coaching and mediation skills to help develop our leadership teams and a different perspective that is challenging our thinking on many levels.

ESG Report *continued*

Embedding an inclusive culture

Our aim remains the same:
To create a culture where every
employee belongs and feels included.

We are
aware



Through national campaigns, employee development and senior leadership sponsorship we are committed to increasing awareness of DEIB among employees across the Group.

In 2023, we have continued with our focus on creating awareness of DEIB whilst embedding our learnings from 2022. Focus this year has been less about national weeks and more about employee requests and trending topics. We asked our employees what areas they would like us to focus on in 2023 and they told us:

- cost of living
- parenthood
- age and generation
- physical disability
- women's health, including menopause
- breast and cervical cancer
- men's health

Awareness is generated through specific campaigns and longer-term focus and support groups for unpaid carers, neurodiversity, disability and BAME. All of these are supported by line manager guidance and all-employee resources including ongoing evolution of training around minority groups and discrimination.

We are
trusted

Working with our people, our communities and our customers we seek to create a working environment that is inclusive and encourages employees to speak openly, authentically and without consequence about matters that concern them.

We have also continued to update and deliver mandatory training and support the recruitment and development of mental health champions.

When it comes to being trusted externally, we consciously aim to recruit and develop talent that reflects the communities that we serve to ensure that we are representative of society.





We evolve

Through effective policy change and ongoing communication we strive to create a more inclusive culture for our people.

Our people, customers and communities trust us to create an environment that is inclusive and encourages our people to talk openly, authentically and without consequence. Our employees have the opportunity to speak out openly through various forums and engagement sessions, or privately through our Employee Assistance Programme or our whistle-blowing process.

Women in Business partnership – Ireland

Staffline Ireland established a strategic partnership with Women in Business NI to support their innovative Timely Careers platform. This is Northern Ireland’s first jobs platform and support service specialising in flexible, part-time job share and term-time working opportunities, aiming to remove traditional barriers to working for women and those with carer responsibilities.

Employee gender split (Group-wide)



Women in senior leadership positions

53

Collaborations

Rest Less is the UK’s fastest growing digital community for the over 50s with over 1.1 million members. PeoplePlus has engaged with Rest Less as a potential source of recruits, particularly tutors to support the division’s prison education services, and this initiative is expected to continue into 2024.

- Reach Next Generation, a not-for-profit organisation that aims to inspire and build self confidence in young girls aged between 11 and 15, hosts events across the country. Recruitment GB was proud to sponsor their Nottingham event in October 2023.

Internal policies

We continue to develop and implement policies that reflect the changing nature of the world of work to ensure that we remain an employer of choice for our existing and future employees. In 2023, we have made the following changes:

- Maternity and paternity: Enhanced paternity to two full weeks and enhanced maternity pay across the divisions.
- Carers policy: Carers now receive five days of unpaid leave, ahead of government changes.
- Safe Leave policy in ROI: Implemented ahead of the bill to support victims of domestic violence, the policy provides five days of safe leave.
- Company sick pay policy: Amended to reflect length of service rather than a blanket “one size fits all” approach.

Recruitment firm teams up with careers platform supporting women

Area	Actions
Wellbeing	<ul style="list-style-type: none"> • Continue to maintain and improve positive engagement scores. • Through effective recruitment, reward and engagement strategy, continue to reduce levels of attrition and sickness absence.
Training, development and reward	<ul style="list-style-type: none"> • All employees continue to have regular performance reviews and personal development plans. • Continue to evolve how we encourage individuals to embrace the social aspect of our online learning platform to drive learning through peer-to-peer recommendation rather than relying solely on the Learning and Development team.
Diversity, Equity, Inclusion and Belonging	<ul style="list-style-type: none"> • Completion of outstanding DEIB facets, as well as ongoing training to embed these key values across the Group.

Gender pay gap reporting

On 5 April 2023, the Group employed c.2,300 permanent staff and c.29,700 temporary workers. The mean gender pay gap for all employees and workers taken together was 11.4% (2022: 7.6%). The figure for temporary workers specifically was 11.05% (2022: 7.1%) and for permanent staff specifically was 15.1% (2022: 15.7%). All temporary workers on an assignment are paid the same hourly rate for the same work irrespective of gender, but certain roles that generally attract higher rates of pay, such as driving and manufacturing jobs, tend to be male-dominated.

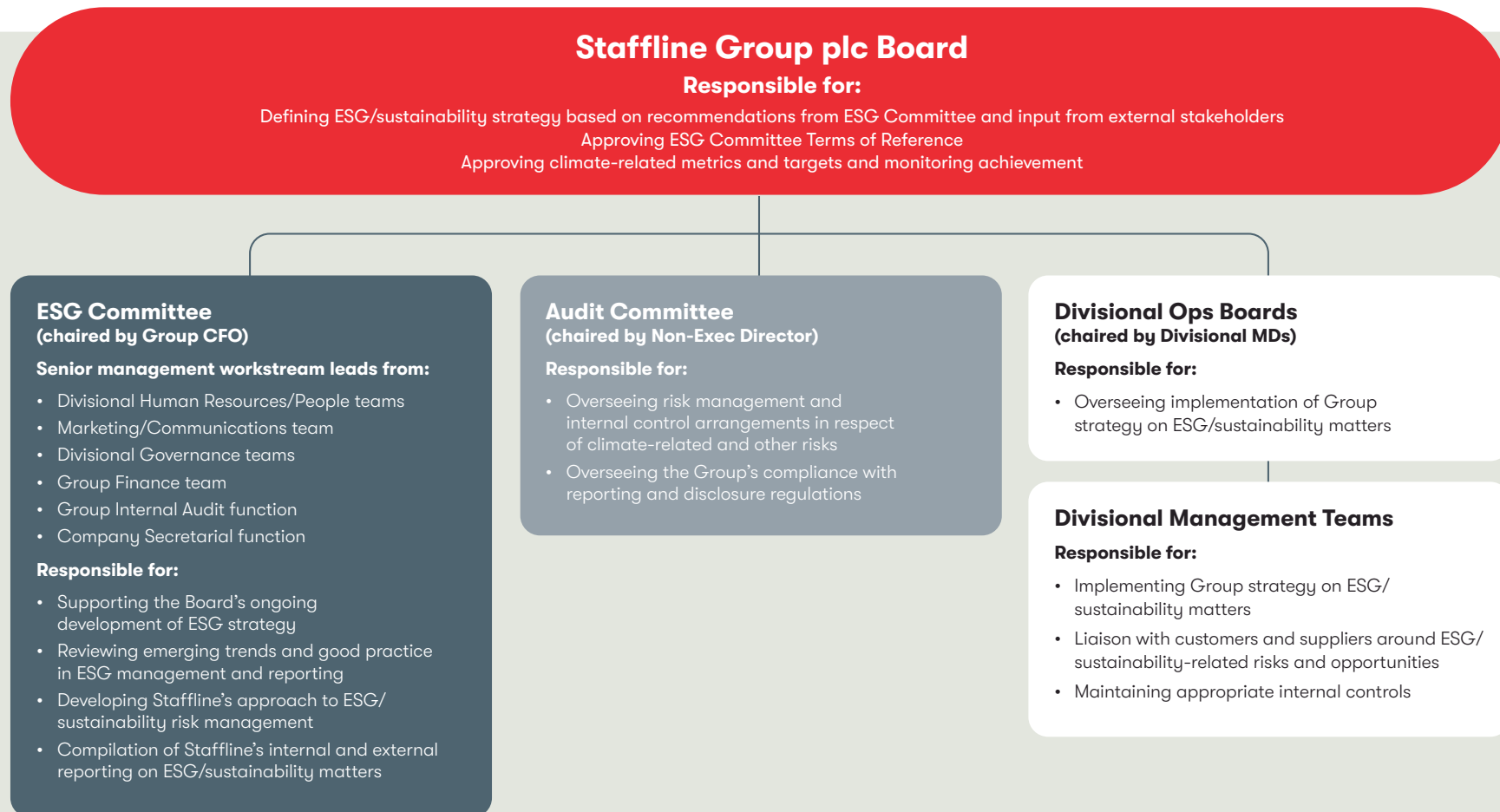
The Group’s gender pay gap reports can be found on our website at: www.stafflinegroupplc.co.uk/about-us/gender-pay-gap-report/.

ESG Report continued

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Reducing our environmental impact.

Staffline is committed to clear and comprehensive reporting that reflects ongoing development of the corporate reporting environment in relation to climate change and sustainability, including both mandatory requirements and discretionary good practice.



The following statement is structured in accordance with the guidance contained within “Implementing the Recommendations of the Task Force on Climate-related Financial Disclosures” published by the TCFD in October 2021 and incorporates the components of the Non-Financial and Sustainability Information Statement (“NFSI Statement”) required under the Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022.

Governance and climate-related risks and opportunities

Governance structure

The adjacent graphic sets out the component parts and respective responsibilities of Staffline’s governance framework for identifying, assessing and managing climate-related risks and opportunities.

The role of the Board

The Board is responsible for setting the Group’s overall business strategy and overseeing its delivery. Ensuring effective management of risks and opportunities including, but not limited to, those arising from climate change is seen by the Board as a fundamental part of securing the Group’s long-term sustainability.

The Board sets, and periodically reviews, the ESG Committee’s terms of reference. The Group CFO, who chairs the ESG Committee and is the nominated Board member responsible for sustainability matters, provides a conduit between the Board and the Committee and reports regularly to the Board regarding the Committee’s activities.

The Audit Committee monitors the Group’s management of exposure to climate-related risks as part of its role in overseeing the Group’s overall risk management arrangements, as described below. It is also responsible for ensuring that the Annual Report and Accounts and all other public announcements fully comply with relevant laws and regulations and that all such information is presented in a true and fair manner.

The role of management

The senior managers comprising the ESG Committee are drawn from across the Group’s trading businesses and central functions. They support development, communication and implementation of ESG/sustainability policy and initiatives to promote awareness of sustainability-related risks including climate change. As noted with regard to Staffline’s processes for identifying and assessing climate related risks (see below), the ESG Committee contributed to an internal risk assessment exercise around climate-related risks. The wider management teams are central to Staffline’s overall business risk assessment processes as described on page 50 of the Group’s 2023 Annual Report, which consider climate change alongside other business risks.

The Committee also plays a coordinating role in defining metrics and ensuring that data sets used in reporting on ESG/sustainability matters are consistent across the Group.

The management teams within Staffline’s trading divisions are responsible for identifying and realising opportunities to improve the sustainability of Staffline’s operations, including delivery of formally defined Carbon Reduction Plans covering Staffline Recruitment Limited and PeoplePlus Group Limited.

Strategy

Climate-related risks and opportunities

The risks and opportunities faced by Staffline are both direct (affecting Staffline’s business model, operations and financial position) and indirect (affecting customers’ and clients’ business models, operations and financial position).

Direct impacts are easier to assess but are potentially less significant than indirect impacts, which are likely to manifest differently in terms of nature, scope and timing across the business sectors in which Staffline, particularly the recruitment businesses, operates.

In the opinion of the Board, Staffline is a low impact business in environmental terms but as part of its commitment to doing business responsibly should seek to reduce or eliminate such impacts where it is commercially sustainable to do so. Staffline has adopted a strategy of positive engagement with stakeholders around ESG/sustainability matters, including climate change, and will continue to pursue active dialogue with all parties to better understand how their respective requirements are likely to develop in the short to medium term. This understanding will inform the development of the Group’s strategy in the medium term, but the Board does not believe that either the Group’s strategy or its core business model will be materially affected.



ESG Report continued

The table below summarises the key climate-related risks and opportunities that the Board considers relevant to Staffline, and potentially material in nature based on financial impact and/or impact on Staffline’s operating model.

	TCFD category	Potential impacts	Potential severity	Proximity	Staffline response
Direct risks					
Carbon pricing via taxation or other means (e.g. carbon credits)	Transition/ Policy and Legal	• Increased operating costs/ reduced profitability	Low to Moderate	Short to Medium term	<ul style="list-style-type: none"> • Carbon Reduction Plans including offsetting of some emissions • Offset costs by increasing margins where possible
Climate-driven increases in food and/or energy costs	Transition/ Market	• Increasing wage expectations from employees and workers/ pressure on margins	Low to Moderate	Short to Medium term	<ul style="list-style-type: none"> • Constant monitoring of pay trends • Ongoing dialogue with customers and clients • Targeted pay increases directed towards lower-paid employees
Increased regulation, including emissions limits, reduction targets and/or increased reporting	Transition/ Policy and Legal	• Increased operating costs and administrative overheads	Low to Moderate	Short to Medium term	<ul style="list-style-type: none"> • Ongoing monitoring of regulatory landscape • Use of external advisors to support strategy development and reporting
Unsuitable properties due to e.g. lack of adequate air conditioning	Physical/ Chronic	• Investment in upgrading or relocating activities	Low	Medium to Long term	<ul style="list-style-type: none"> • Compile business case for investment or relocation to remediate unsuitable properties • Revise qualifying requirements for selection of new properties

Severity
Low – Long transition period and/or little or no operational disruption and/or financial impact
Moderate – Medium transition period and/or limited operational disruption and/or financial impact
High – Short transition period and/or high operational disruption and/or financial impact

Proximity
Short term – Expected to crystallise within the next three years (FY 2024-2026)
Medium term – Expected to crystallise within the next four to seven years (FY 2027-2030)
Long term – Not expected to crystallise within the next seven years (FY 2031 or later)

	TCFD category	Potential impacts	Potential severity	Proximity	Staffline response
Indirect risks					
Changes in customers’ and clients’ operating models and supply chains, including demand for labour and/or operating locations	Transition/ Market	• Fulfilment challenges (volume, skills and location) affecting time to hire and cost of payroll	Low to Moderate	Short to Medium term	• Constant communication with customers and clients directed towards developing long-term partnerships beyond simple transactional relationships
Social change affecting customers’ and clients’ attractiveness as places of work if their sustainability performance is seen as deficient	Transition/ Market	• Fulfilment challenges as above	Low to Moderate	Short to Medium term	• Major customers and clients are predominantly large listed PLCs, private companies or public sector organisations with stated commitments to long-term sustainability
	TCFD category	Potential impacts	Potential severity	Proximity	Staffline response
Opportunities					
Operational efficiency through increased focus on sustainability of operations	Resource efficiency	• Cost reduction	–	Short to Medium term	<ul style="list-style-type: none"> • Focus on cost base • Active programme to achieve sustainable sourcing
Increasing inward migration due to climate change in areas outside Europe	Markets	• Increased availability of labour, particularly for blue-collar roles	–	Medium to Long term	• Develop strategies to target new labour pools as they emerge
Placement of workers into higher skilled green technology roles in e.g. automotive and construction sectors	Markets	<ul style="list-style-type: none"> • New customers/ revenue streams • Additional volume and/or higher margins 	–	Medium to Long term	• Drive business development efforts in potential growth sectors, whether new or adjacent to currently active sectors

Effect of climate-related risks and opportunities on Staffline’s strategic, financial and operational planning

The Group is not a significant producer of greenhouse gases, waste, pollutants or tangible products requiring disposal at the end of their useful life. The Board does not consider climate change a material strategic threat to Staffline but recognises its implications for the overall business environment in which the Group operates.

Staffline seeks to maintain flexibility in its fixed cost base, making use of leased properties and fixed-term employment contracts in cases where permanent roles are not appropriate, such as project-focused roles with a limited duration.

Business resilience to different climate scenarios

The Covid-19 pandemic in 2020 demonstrated Staffline’s ability to respond quickly and effectively to unexpected and far-reaching change while maintaining services to customers and clients. Hybrid or home-based working patterns are now well established across the business, reducing, but not eliminating, dependence on fixed working locations.

The Board believes that different climate scenarios (e.g. a less than 2°C rise in temperatures vs a greater increase) would not lead to materially different direct impacts on the Group’s activities. Work to assess the potential indirect impacts is an ongoing process of engagement with customers and clients to understand their view of climate-related risks, how their activities might be affected and how this might affect Staffline.

A high-level review of the Group’s property portfolio was carried out during 2023 to identify properties that might be subject to risk of flooding or could become unsuitable due to lack of air conditioning in the event of a sustained rise in temperatures.

Most properties were found to be at low risk of flooding, but some properties were found to be potentially unsuitable at certain times of year and would require either investment in air conditioning or relocation of activities to a more suitable property. Either of these situations will involve both initial outlay and ongoing costs that are likely to exceed current expenditure. Further work to assess the potential financial impact will be carried out during 2024.

**Risk management
Identifying and assessing climate-related risks**

The ESG Committee sponsored an internal risk assessment exercise that assessed the proximity and potential severity of climate changes, including increased temperatures, reduced precipitation, rising sea levels, increased frequency of extreme weather events and climate-change driven changes in the regulatory and tax environment. Impacts were assessed in terms of both direct impacts on Staffline and its operations and indirect impacts on customers’ and clients’ business models and operations, which are inevitably more difficult to predict with any degree of certainty.

The Board is satisfied that the Group has limited exposure to climate-related disruption of its supply chain because it is essentially people-based, but further work will be undertaken to confirm that all material risks have been identified.

Direct impacts were categorised as potentially affecting one or more of the following: Staffline’s business model; its operations and operating costs; its employees; or its workers. Indirect impacts were initially considered by customer business sector and potential implications were then mapped to the same broad impact categories as direct impacts.

Climate-related risks are reflected in the Group’s risk management process via inclusion within the relevant component items on the Divisional and Group risk registers. For example, the impact of carbon pricing and/or changes in taxation is considered as part of the overall regulatory environment and compliance risk landscape.

Managing climate-related risks

The Board recognises the importance of identifying and managing climate-related risks, not least because of the scope and enduring nature of these risks and the opportunities for competitive advantage they may create. However, the Board regards climate-related risks as an integral part of the overall risk environment within which the Group operates and believes that risk management processes should address risk via an integrated approach that supports efficiency and effectiveness and reduces opportunities for conflict between risk management activities.

Climate-related risks and Staffline’s risk management approach

Climate-related risks have historically been reflected within the relevant component items on Divisional and Group risk registers,

such as regulatory/taxation risk and service offer and delivery risk, which incorporates unpredictability of short- and longer-term customer demand in the recruitment businesses. This reflects multiple factors, including changes in labour supply due to climate-related migration, changes to customers’ and clients’ business models, such as increased automation in food and retail logistics and the effect of future carbon pricing regimes on the aviation sector.

Staffline’s recruitment businesses in particular are exposed to fluctuations in demand for temporary labour driven by changing demand for their customers’ products and services, most notably in the food and retail sectors, but also in sectors such as automotive and aviation.

It is not possible to produce accurate long-term forecasts of future demand beyond broad market trends, which are affected by many factors other than, and more significant than, climate change. All the Group’s trading businesses maintain close relationships with their customers and clients to review current and emerging trends and provide appropriate flexibility with business plans, both operational and financial.

Area	Actions
Climate-related risks	<ul style="list-style-type: none"> • Continue engagement with customers and clients
Energy and carbon reporting	<ul style="list-style-type: none"> • Continue regular review and update of Carbon Reduction Plans • Extend ISO 14001 accreditations • Extend Scope 3 emissions data gathering
Carbon emissions	<ul style="list-style-type: none"> • Review opportunities identified by Compliant Energy Audits • Extend use of renewable energy at source • Extend availability of hybrid and electric vehicles through salary sacrifice car schemes
Carbon offsetting	<ul style="list-style-type: none"> • Continue offsetting programme

ESG Report continued

Metrics and targets

Climate-related metrics

Measurement of Scope 1 and 2 greenhouse gas (“GHG”) emissions is now well-established within Staffline Recruitment Limited and PeoplePlus Group Limited, which together comprise the majority of the Group’s business.

Development of Scope 3 emissions monitoring is progressing well and data gathering for other emission classes is underway. This will allow targets for future years to be set in the form of reductions or restrictions on any increase arising from new business, acquisitions or other underlying business growth.

Greenhouse Gas Emissions

The Group places great importance on the role we play in helping to protect the environment surrounding us, and we recognise that our environmental responsibilities are integral to our business. We aim to demonstrate these responsibilities through our actions and within our corporate policies, supported by our ISO 14001 Environmental Certification in the PeoplePlus and Datum RPO businesses. Plans to expand this certification into Recruitment GB are progressing and will continue in 2024.

2022 was the first reporting year where, following a comprehensive survey of our remote and home-based workers, we had this additional strand of data to help us understand the emissions for colleagues working mostly outside our property estate. This data continues to be included within the reported Scope 1 and Scope 2 figures.

The data in Table 1 and Table 2 covers financial years 2022 and 2023 and details emissions and energy consumption across all large UK entities in the Group. Energy usage from subsidiaries outside the UK is not in scope for this report and is therefore excluded.

Our UK total net emissions have fallen from 1,200.99 tCO₂e in 2022 to 997.50 tCO₂e in 2023.

Reporting and monitoring arrangements for current emissions for sources included in Scopes 1 and 2 of the GHG Protocol are in place and embedded. The methodology used to calculate our emissions is based on the Streamlined Energy and Carbon Reporting (“SECR”) guidelines and has been calculated using the revised carbon conversion factors published by the Department for Business, Energy and Industrial Strategy (“BEIS”) for each of the years noted. These disclosures are made in accordance with SECR guidelines.

We have continued the Scope 3 emissions data gathering process for categories 1 (Purchased Goods and Services), 5 (Waste Generated in Operations) and 6 (Business Travel), which includes all methods of travel and considers emissions for hotel use. Salary sacrifice car schemes in operation across the Group include electric and hybrid vehicles; we expect the take-up and general use to increase over time, in line with trends seen in the broader domestic use market.

Each of the Group’s trading divisions has Carbon Reduction Plans either in place or under development that detail the divisional carbon footprint and confirm the business’s commitment to achieving Net Zero by 2050. These plans will be updated in early 2024 to reflect 2023 usage data and to consider the in-year initiatives and activities that have been underway.

Table 1 – UK energy use – emissions in metric tonnes CO₂e

	2023	2022
Group total – Scope 1 (Gas)	514.50	256.82
Staffline Recruitment Limited	217.08	114.58
Staffline Northern Ireland	0.29	0.00
PeoplePlus Group Limited	297.13	142.25
Group total – Scope 2 (Electricity)	355.23	572.10
Staffline Recruitment Limited	137.00	154.44
Staffline Northern Ireland	34.34	47.04
PeoplePlus Group Limited	183.89	370.62
Group total – Scope 3 (Partial only)	521.41	606.01
Staffline Recruitment Limited	340.49	332.35
Staffline Northern Ireland	45.11	39.72
PeoplePlus Group Limited	135.81	233.94
Total emissions in metric tonnes CO₂e	1,391.14	1,434.93
Total carbon offset	393.64	233.94
Carbon offset (Trees4travel)	319.02	233.94
2023 renewable electricity at source offset	74.62	–
Net total emissions in metric tonnes CO₂e	997.50	1,200.99
Efficiency ratio		
Number of employees	1,604	1,763
Net total emissions in metric tonnes CO ₂ e per employee	0.62	0.68

Table 2 – UK energy use – consumption in kWh

	2023	2022
Group total – Scope 1 (Gas)	2,798,188	1,396,761
Staffline Recruitment Limited	1,180,638	623,133
Staffline Northern Ireland	1,592	0
PeoplePlus Group Limited	1,615,958	773,628
Group total – Scope 2 (Electricity)	1,523,661	2,453,895
Staffline Recruitment Limited	587,609	662,432
Staffline Northern Ireland	147,306	201,775
PeoplePlus Group Limited	788,745	1,589,688
Total consumption in kWh	4,321,849	3,850,656
Efficiency ratio		
Number of employees	1,604	1,763
Total consumption in kWh per employee	2,694.42	2,184.15

In 2024, we will continue to invest more time on gathering data for categories 5 (Waste Generated in Operations) and 7 (Employee Commuting). Certification to ISO 14001 (Environmental) standard in one of the Group businesses (Datum RPO) has naturally created the framework for elements of environmental reporting and this will grow as the practices of the standard are further embedded.

Carbon offsetting

Working with our partner organisations, we introduced a carbon offsetting scheme in 2022 and this initiative has continued in 2023. Last year we planted 1,479 trees as part of an international reforestation programme, which equated to a carbon offset of 233.94 tCO₂e and in 2023 we have planted a further 1,876

trees allowing us to offset a further 319.02 tCO₂e. This initiative has therefore planted a total of 3,370 trees to date, removing a total of 552.96 tCO₂e. Our partnership will continue throughout 2024 and beyond as we remain committed to reducing our carbon emissions, as set out in our Carbon Reduction Plans.

Making the switch to green (renewable) energy at source continues to form part of our strategy to reduce our carbon emissions, as set out in our Carbon Reduction Plans.

We've already made a great start to progressing this initiative, with 74.62 tCO₂e being offset during 2023. This important work will continue throughout 2024 and on an ongoing basis.

Responsible partnering

Working with responsible businesses is a continuing priority for Staffline, as we want to ensure that our partners share our commitment to help to protect the environment. Bodyguard Workwear support the Recruitment GB business and are leading innovators in textiles and garment manufacture. An innovative collaboration between our two businesses launched in 2023 has successfully removed all single-use plastics associated with our garment (typically high-visibility vests) deliveries across England and Wales. We're working together to ensure that Scope 3 emissions reporting arrangements are introduced from 2024 and we will continue collaborating on other key projects such as use of upcycled fabrics and other recycled materials.



Energy Saving Opportunities Scheme

The Group is committed to working with the UK Environment Agency and continuing to comply with the Energy Saving Opportunities Scheme ("ESOS"), the third phase of which has taken place during 2023. Our Recruitment GB and PeoplePlus businesses have been subject to independent ESOS Compliant Energy Audits in accordance with the ESOS Phase 3 regulations. Both audits were completed successfully with some suggestions for energy saving opportunities that will be considered as part of our review of Carbon Reduction Plans.

Audit reports will be shared with the UK Environment Agency once the portal allowing for document uploads has been launched.

Climate-related targets

and performance monitoring

Staffline Recruitment Limited and PeoplePlus Group Limited have published Carbon Reduction Plans. Whilst these are not mandatory for Staffline Recruitment Limited, some government contracts operated by PeoplePlus do require plans to be in place and prime contractors are devolving this requirement where PeoplePlus is operating as a second tier provider (e.g. the Department for Work and Pensions' Restart programme).

Activities to support achievement of this target include:

- setting and achievement of environmental objectives (currently PeoplePlus Group only);
- achievement of ISO 14001 certification (PeoplePlus Group) and development of strategy to support extension of certification to Recruitment GB in 2025 or 2025;
- extension of data capture and reporting to include Scope 3 emissions;
- recycling initiatives in place at most business locations and awareness campaigns continuing;
- waste management controls in place in most business locations;
- active monitoring of business mileage and promotion of alternatives (currently PeoplePlus Group only);
- carbon offsetting project implemented in 2022 and continuing; and
- increased efforts to transition energy supplies to renewable sources.

Greenhouse gas emissions data is collated and reported annually, providing the key metric by which Staffline judges its progress towards achieving its stated targets.

ESG Report continued



Doing business in a responsible way.

Staffline regards sound governance and doing business in a responsible way as fundamental to the way the Group operates.

This approach is endorsed by the Board and cascaded through the business via the policies, values and working practices that are in place, which may be standard across the Group or, where appropriate, tailored to individual divisions. Key aspects of Staffline's approach are summarised here.

Governance

Significant effort has been put into strengthening divisional control environments, particularly around accounting and finance, over recent years and all senior finance staff within the Group and Divisional teams are professionally qualified. Ongoing investment in operational management information systems within Recruitment GB is supporting continuous improvements in data quality and providing increased insight into the business at a detailed level.

Financial reports undergo multiple levels of review including variance analysis as part of month-end processes and material balances. External reporting and announcements of financial results are subject to external audit.

Legal and regulatory risk, including both compliance with existing legislation and the potential impact of future developments, is a standing item on Divisional and Group risk registers. The Group makes use of a panel of legal firms to provide advice when required and membership of trade bodies enables participation in consultations regarding future legislation and regulation.

Professional services firms provide regular updates on regulatory developments and are engaged to deliver specific pieces of work. Divisional Compliance teams undertake compliance monitoring work and, where appropriate, provide both specialist support with investigations and general support to promote awareness and understanding across Staffline's operations.

Staffline Recruitment Ltd, Brightwork and PeoplePlus are all ISO 9001 accredited, meaning that management systems are subject to regular independent audit.

Key policies are reviewed annually by the Board or appropriate Board sub-committees and employees are provided with training to ensure awareness of policies and Staffline's commitment to ensuring compliance. Whilst the Board delegates responsibility for oversight of policy implementation to the Chief Executive Officer, day-to-day operational responsibility is delegated to management at specific locations or within specific functions.

The Group does not, as a matter of stated policy, make political donations and a formal policy covering donations and sponsorships is in place.

Responsible business

Staffline operates a zero-tolerance approach to unethical behaviour. The Group has defined clear policies on health, safety and environmental matters and prevention of fraud, bribery, money laundering, facilitation

of tax evasion, modern slavery and other ethics-related areas. These are supported by the Group Whistle-blowing Policy, which covers all employees and by the separate "Speakup" process for temporary workers within Recruitment GB. Appropriate monitoring including periodic audits and reporting on whistle-blowing reports to the Audit Committee is also in place.

Parts of Recruitment GB and Recruitment Ireland's activities are overseen by the Gangmasters and Labour Abuse Authority ("GLAA"), which conducts regular checks on working conditions and payment practices to ensure workers are not being exploited. Staffline also maintains a clear zero tolerance position in relation to modern slavery. All permanent staff are provided with training on how to spot potential indicators of labour exploitation and the Recruitment businesses work proactively with regulatory bodies and the police.

Brightwork, Recruitment GB's Scottish business, has played a leading role in the creation of Scotland Against Modern Slavery ("SAMS"), a joint initiative with the Scottish Government and Police Scotland aimed at raising awareness of human trafficking and labour exploitation within the business community.

Staffline handles large volumes of both employees' and temporary workers' personal data and maintaining the security of this information is vital to the Group's reputation.

Cyber security is a high priority for Staffline so systems are constantly monitored, and all employees are provided with regular awareness training to reduce the risk of data loss or leakage. Clear processes and reporting lines are also in place for use when a potential or actual data breach is identified.

The Group seeks independent accreditation of its processes and practices where it is appropriate to do so. PeoplePlus has held ISO 27001 and Cyber Essentials Plus accreditations for several years and both Recruitment Plus businesses will be seeking Cyber Essential Plus accreditation during 2024. Recruitment GB achieved EcoVadis Silver accreditation for its environmental management practices during 2022 and this was retained in 2023. Plans are in place for the Division to achieve ISO 14001 accreditation in 2024 or 2025.

The Board is committed to supporting diversity within the Group's workforce and ensuring that discrimination has no place in hiring, promotion or termination decisions. Staffline endeavours to treat everyone fairly in relation to job applications, training, promotion, and career development.

The size of the Board is not expected to increase beyond the current five members but ensuring appropriate diversity will be a key consideration in any future Board appointments. The appointment of Amanda Aldridge to replace Ian Starkey has significantly improved the gender balance on the Board. Further information can be found on page 59 of the Group's 2023 Annual Report.

Staffline

Group PLC

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