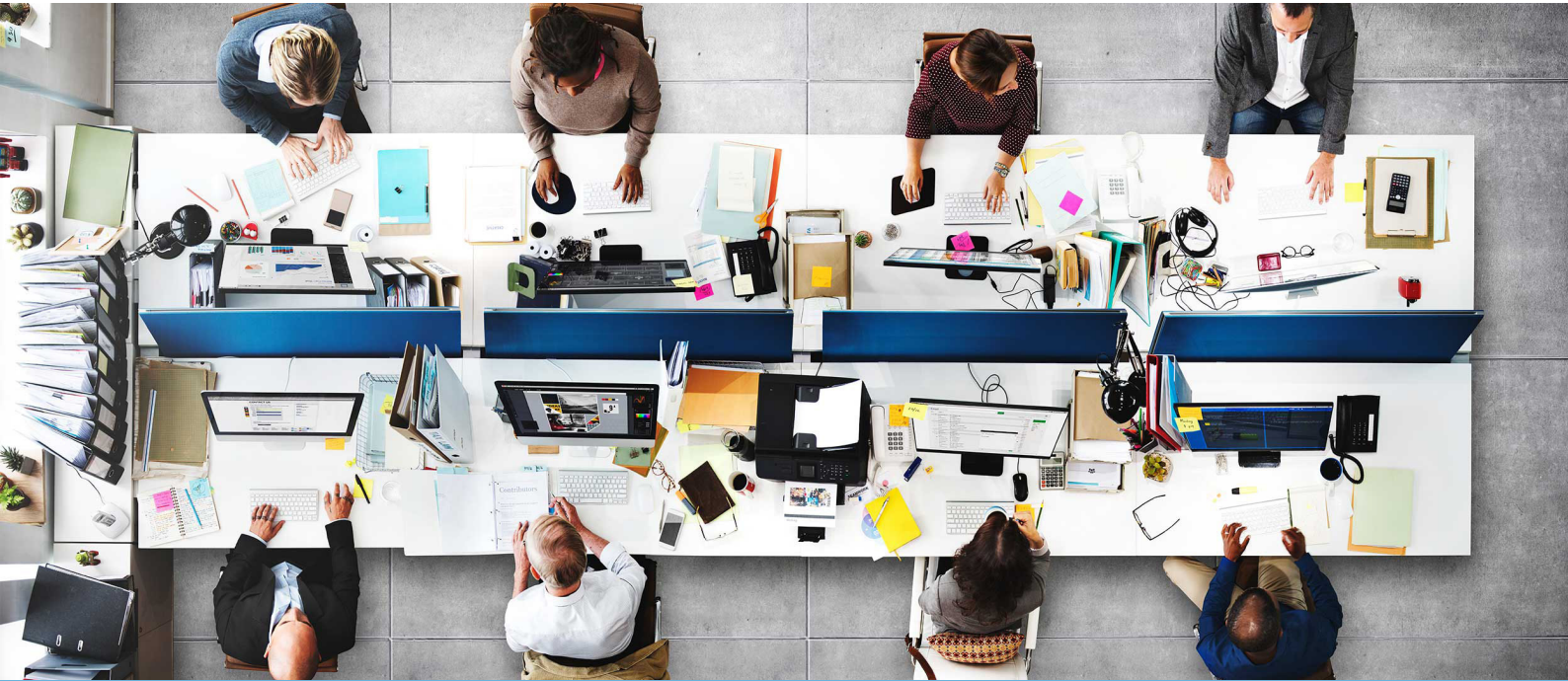


Avios and Gender Pay Gap Reporting



“At AGL we strive to attract and retain the best people to ensure we give our customers great experiences and service. This means recruiting people who reflect our customer base and the businesses we partner with. We are proud to have an excellent representation of women working across all our grades, functions and locations.”

Regardless of gender, at AGL we want to ensure that everyone has an equal opportunity to thrive by enabling all our colleagues to reach their full potential.”

Steve Fairbrother, HR Director

This year, for the first time, UK companies with over 250 staff, have to report on their gender pay gap.

The gender pay gap shows the difference in average pay between women and men. It does not measure equal pay, which relates to what women and men are paid, for the same or similar jobs or work of equal value, as set out in the Equality Act 2010.

AGL welcomes the Government regulation for organisations to publish their Gender Pay Gap.

The numbers

Pay and Bonus Gap:

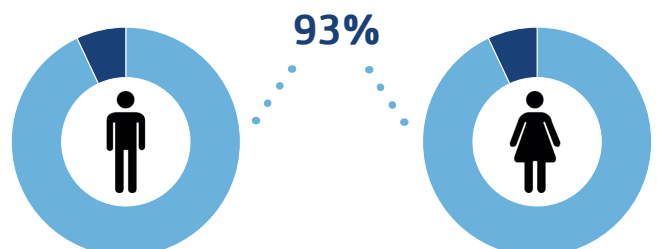
The table (top right) shows our overall mean and median gender pay gap based on hourly rates of pay, expressed as a percentage of men’s earnings, as at the snapshot date (i.e. 5 April 2017). It also captures the mean and median difference between bonuses paid to men and women at AGL in the year up to 5 April 2017, i.e. for the 2016 performance year.

The difference between men and women

	Mean	Median
Hourly Fixed Pay	24%	32%
Bonus Paid	34%	40%

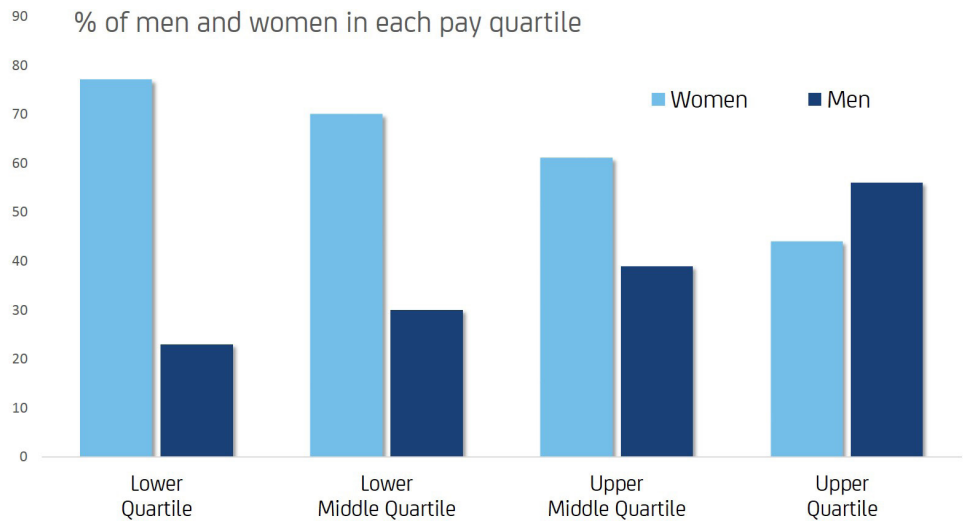
Proportion of colleagues awarded a bonus for 2016:

An equal percentage of men and women have access to a bonus



Pay Quartiles

The image (right) illustrates the gender distribution at AGL across four equally sized quartiles. It shows that there are proportionally more men in the senior higher paid roles, than there are in the lower quartiles. This drives the difference in pay and bonus gap between men and women.



The Pay Gap explained

We're confident that AGL's gender pay gap is not a pay issue; we know this because our approach to pay is gender neutral and our analysis shows that our pay gap is driven by the structure of our workforce.

AGL has greater numbers of women in more junior roles which are lower-paid. As we progress through the organisation, proportionally, the number of women vs. men declines.

The Bonus Gap explained:

The structure of our workforce is also influencing our bonus gap.

At AGL we are proud to enable our colleagues to work reduced hours if it suits their lifestyle. But this does impact our bonus gap. This is because colleagues working on reduced hours receive a pro-rated bonus to reflect the number of hours they work. The bonus gap is calculated on actual bonus paid in the period.

What we will be doing



Listening to our colleagues and making sure that every policy and procedure encourages inclusive ways of working.



Developing initiatives to strengthen the progression of women – including the active promotion of flexible working practices.



Delivering tailored plans to continue to promote gender diversity across AGL and raise managers' awareness of the issue.



Developing strategies to create greater gender diversity in junior roles in the organisation.

I confirm the data reported is accurate.

Steven Fairbrother
HR Director AGL