

Sustainability continued

Our people

Engagement

The Group recognises the importance of communicating with all employees to help maintain trust and confidence between all parties. This is achieved by various formal processes and ad-hoc actions throughout the year. On a formal basis, our CEO conducts regular all-staff briefings and meetings are held throughout the year between employees and their line managers to ensure that personal objectives are aligned with the Group's strategy and that development needs and career aspirations are identified. Based on local requirements, weekly, monthly or quarterly management team meetings are held to provide a forum for Group updates. Internal announcements are issued on a regular basis and include business updates, guidance on maintaining a safe working environment and matters of general interest. The Group's website is used for the distribution of preliminary and interim announcements and press releases.

Through workforce engagement, the views of our employees are heard at Board level and are considered in Board discussions and decision making. To further support employee engagement, all employees will be invited to participate in employee surveys. These will be conducted annually, beginning in November 2024 with the introduction of a mid-point pulse survey to stay connected to the sentiment of our employees. We also successfully launched a Group newsletter to all employees starting in July 2024 which will be produced on a quarterly basis.

Our vision and values underpin the Group's strategy, processes and culture. Our vision is to 'provide world-class innovative automation and vehicle application solutions created sustainably with passion by our people, delivering excellent products and services to our partners'. Our key values: customers, people, diversity, innovation, excellence and responsibility, ensure our behaviours, culture and personal values align with those of the business and enable us to continue to drive the strategy forward. Embedding our values across the Group was a continued focus for FY 2024, particularly in our recently acquired businesses. Values were introduced as part of our performance appraisal process in FY 2024 and managers are encouraged to discuss these with employees.

Equality, diversity and inclusion

We recognise that being a truly diverse and inclusive Group is crucial to our values and to our ability as a business to grow, innovate and attract and retain talent. Different experiences, views and opinions allow us to consider a range of opinions when making decisions, which we believe results in better outcomes for the business and for our stakeholders. We operate globally and recognise the cultural differences that may exist in the countries in which we do business. We do not tolerate any form of discrimination. We are committed to equality of opportunity in all our employment practices, procedures and policies. When we hire or promote someone, we choose the best candidate irrespective of age, race, national origin, disability, religion, sex, gender reassignment, sexual preference, marital status or membership/non-membership of any trade unions. All staff are provided with a safe, secure and healthy environment in which to work, regardless of where in the world they are located.

We aim to create an environment where the contributions of all staff are recognised and valued, and everyone is treated with dignity and respect. We do not tolerate any form of bullying or harassment within the Group. We apply the same standards when we select business partners. The ESG Committee is responsible for setting the Group's approach to equality, diversity and inclusion.

Key values

1 Customers

We create valuable partnerships with our customers through collaboration to understand and deliver their requirements.

2 People

We empower people by supporting and challenging each other to thrive. Integrity and respect are at the forefront of everything we do.

3 Diversity

We recognise the importance of strengthening, improving and enriching our culture and practices through diverse opinions, skills and people.

4 Innovation

We inspire creativity by giving people the space to challenge the 'now' and engineer for the future.

5 Excellence

We are never satisfied with the status quo. We invest in our people, products and processes by encouraging learning and self-enrichment to deliver world-class services and products to our customers.

6 Responsibility

Personal ownership and commitment to ourselves, our customers, our shareholders and the environment. We are always looking for opportunities to improve the sustainability of our operations.

Further details on the Group's engagement with stakeholders, including the material topics discussed with investors and corporate governance bodies, are contained in the Section 172 statement on pages 56 and 57.

Sustainability continued

Our people continued

Equality, diversity and inclusion continued

As a Group, we believe training, development and progression opportunities must be available to all staff. We offer flexible working opportunities such as working remotely or part-time and flexible hours according to the requirements of the position.

While ability and aptitude remain the determining factors in the selection, training, career development and promotion of all employees, the Group is conscious that engineering continues to have inherent disadvantages for women and other under-represented groups. We have continued in our efforts to address these disadvantages during FY 2024, both in our role as a Corporate Partner to the Women's Engineering Society (WES) and via our partnership with Smallpeice Trust Arkwright Engineering Scholarship, in which we mentor 16-year-old students who are considering further education or a career in engineering.

The Board recognises the importance of diversity in all forms, including the diversity of gender identity, ethnicity, age, disability, neurodiversity, sexual orientation, geography, social and cultural background and belief. We recognise the gender imbalance in the profession and have been working to improve the Group's gender mix. A significant proportion of the Group's workforce are engineers and technicians and this remains a continued area of focus, given the known under-representation of women in these roles globally. At present, women represent 17% of our overall workforce. The Board notes the recommendations of the Hampton-Alexander and Parker Reviews and the Financial Conduct Authority (FCA) in relation to increasing Board and Executive Committee (and direct reports) gender and ethnic diversity. We are proud to note that within the senior management team, the proportion of female representation is at 21% while the Group Board is at 40%, in line with these recommendations.

Set out opposite is an analysis of the Group's employees by gender at 31 August each year (excluding VadoTech Group due to data availability).

Employees by gender

	2024			2023		
	Male	Female	Prefer not to say	Male	Female	Prefer not to say
Board	60%	40%	—	60%	40%	—
Executive Committee	83%	17%	—	83%	17%	—
Senior management	79%	21%	—	84%	16%	—
Other employees	82%	17%	1%	82%	16%	2%
All employees	82%	17%	1%	82%	17%	1%



Mighty Girls is an organisation based in Wiltshire, UK, that supports and encourages girls aged 8–18 to develop confidence and try new skills. It works with several schools across Wiltshire and Somerset and is funded by the National Lottery Community Fund.

Earlier this year, Mighty Girls organised a Coding Boot Camp event at Bath University, where girls learnt coding skills and met with women working in STEM careers. AB Dynamics was pleased to sponsor the event, and I met all the girls attending. I provided an overview of AB Dynamics' products and a view of life as a software engineer. The girls quickly showed an interest in the talk, demonstrations and videos and engaged enthusiastically with our staff. We also shared ideas with them around future roles they could aspire to.

Jennie Franks, Lead Software Engineer

Since the start of the year, we have been running monthly sessions for new employees at the AB Dynamics offices as part of our project to increase inclusivity. The sessions provide an informal setting for new starters to discover aspects of the Company outside their usual departments, to meet other new starters and to hear from key members of staff. The initiative, led by Jennie Franks and I, is supported by the Royal Academy of Engineering as part of a pilot scheme to improve inclusivity in the engineering profession. The sessions are proving to be popular, with feedback from our new staff indicating they are highly beneficial in settling quickly into the Company, with comments like: "they have made me feel welcomed and valued in the business", "definitely made me feel more comfortable approaching other people within the business" and "a good way to settle in and see how the Company works between departments."

Mark Radley, Senior Engineer

Sustainability continued

Our people continued

Attracting and retaining young talent

Attracting and retaining young talent within the Group is a key strategic element of ensuring the sustained growth of the business for the future. After introducing our graduate scheme in FY 2022, we have gone on to successfully place four graduates.

Additionally, two students completed a placement year with ABD Solutions during the year and DRI has a consistent flow of placement students assisting in its Human Factors department.



I started at ABD as a placement student in the mechanical design department. It was an interesting year, working mostly on the advanced vehicle driving simulator (aVDS) Mk2, designing parts for it and helping with some of the testing. Being able to collaborate with and bounce ideas off the other design engineers and the technicians in the workshop dramatically improved my engineering and design skills before I returned to university. Returning as a graduate student has been a fun and challenging experience. I've been given more responsibilities and some exciting projects; it has also allowed me to rotate to other departments. My first rotation away from design has been to the verification and validation department. It has been incredibly valuable to see projects from a completely different perspective, in particular directly seeing how decisions made in design impact other departments.

Alistair Knight, Current graduate and former placement student

We also continued our summer placements this year with five students completing internships across the Group. As we continue our apprenticeship scheme through FY 2024, we are pleased to share that we received the Large Apprentice Employer of the Year award in recognition of the outstanding commitment and support our business has made to our apprentices throughout the apprenticeship programme with Wiltshire College & University Centre.

Talent and career development

The Group remains committed to attracting and retaining key talent and supporting their ongoing career development through life-long learning. This provides benefits for both the Group, through a more highly skilled workforce, and the individual employee, who gains both qualifications and experience that they can use to further their careers whilst with the Group and in any future roles elsewhere.

The Group's talent mapping and succession planning processes have continued to play a key role in facilitating staff development and enabled a significant proportion of employees to take on wider responsibilities either through formal promotional opportunities or growth in current roles during the year.

Targeted leadership training is also an integral part of ensuring our workforce remains engaged and innovative, whilst enabling the Group to grow a diverse pipeline for key roles and leadership positions. To further demonstrate the Group's commitment to developing internal talent, the second ABD Professional Development Programme (PDP) commenced in June 2024 for twelve employees globally. The UK launched a pilot 'manage for excellence' programme which covers fundamentals to set a common base for our people managers. This four module programme spans 18 months, providing in-classroom training and on-the-job time to put learnings into practice.

Retention

Average number of employees by region

In recent years, our continued efforts to develop our talented employees and enhance staff engagement and wellbeing have resulted in consistently strong retention rates. Average length of service is currently 4.3 years, with annual employee turnover at 12% (FY 2023: 13%) across the Group (excluding VadoTech Group due to data availability).



As someone who is completely new to the automotive Human Factors industry, DRI has provided a warm welcome. I've been interning for the Human Factors department for four months, and the experience has been both comprehensive and exciting. Working alongside DRI's Human Factors engineers has given me the opportunity to see what it's like to carry out intriguing projects in industry first hand. It has been awe inspiring to be able to utilise the knowledge I've gained from my MS Human Factors degree in the real world in such a welcoming environment, and the Human Factors engineers have proven to be excellent mentors that I can learn from each day. Aside from the wonderful experience I've had with the Human Factors department, the rest of the DRI staff are just as knowledgeable, passionate and welcoming.

Alan Cheam, Current placement student

Average number of employees by region



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Our people continued

Retention continued

Annual employee turnover by year

	2024*	2023
Total annual employee voluntary turnover (no.)	43	50
Total annual employee voluntary turnover (%)	12%	14%
Total annual employee turnover (no.)	80	82
Total annual employee turnover (%)	12%	13%

* VTS data not included as recently acquired.

Building upon the improvements made to recruitment practices in prior years, through FY 2024 a new recruitment system has been piloted in the UK to further improve candidate experiences and hiring timelines. The system has also introduced updated mechanisms to reduce biases across the recruitment process, which is critical to curating a workforce diverse in opinions, skills and people. Once fully tested, the system will be rolled out to the broader Group.

The Group has continued to make a proactive effort to promote internal applications for open positions and, as a result, 14 vacancies were filled by internal candidates during the year, excluding promotions. This has been supported by the ongoing implementation of talent mapping processes.

Annual performance evaluations are undertaken as part of the Group's Performance Excellence Cycle. Where recent acquisitions have occurred, this is implemented as part of the integration plan. DRI will introduce its formal performance review process in FY 2025 and VadoTech Group and VTS in FY 2026. Salary reviews are aligned with performance evaluations to ensure employees are paid fairly and correctly for the position they perform. All employees have the opportunity to benefit from a discretionary performance based bonus with the exception of some employees within recent acquisitions.

We continually review our benefits and total compensation packages across the Group. We offer a comprehensive range of benefits to our staff which reflect local regulations and market practices and, where appropriate, include annual performance related bonuses, employer matching contributions into retirement schemes, life insurance, income protection and private health cover.

Through a detailed benchmarking exercise, we can confirm that these packages are above or in line with local market regulations and the competitive environment within which we operate.

We also have other forms of workplace recognition in place. We regularly organise social events to celebrate success and to highlight key achievements within the Group as well as workplace employee appreciation efforts.

Training opportunities

The Group is committed to ensuring that all employees have access to the training required to support their skills and career development.

100% of employees received training in FY 2024 (FY 2023: 100%) and courses taken during the year included: Introduction to Systems Engineering, Simulink Model Management and Architecture, INCOSE Systems Engineering certification, Level 4 Customs Practitioner Award and Prince2 Foundation.

Globally, our mandatory compliance training modules include: anti-bribery and corruption, cybersecurity awareness, DSE training (Display Screen Equipment), manual handling, mental health awareness for employees and managers, modern slavery, customer service, bullying and harassment for managers, health and safety essentials and equality, diversity and inclusion modules.

Graduates and apprentices

Maintaining a diverse pipeline of talent is at the core of our sustainability strategy and is key to fulfilling our future customer requirements. We offer a range of opportunities and tailored programmes to early career starters with hands-on experience and training, equipping the new generation of employees with the right skills and ensuring that knowledge is retained within the business. We partner with local schools, colleges and universities, offering interesting and rewarding apprenticeships, placement schemes and work experience.

As of 31 August 2024, two graduates are enrolled in our two-year graduate scheme. The rotational graduate scheme is a structured training programme aimed at equipping graduates with both soft skills and technical development opportunities across the business. In FY 2024, we also offered work experience in the UK to a local school together with our Arkwright scholars.

As the Group's global presence grows, ensuring that high-quality early career opportunities are available to all is a key focus. The Group aims to actively expand the reach of work experience, apprenticeship and graduate programmes to more young people from lower social economic backgrounds, to help increase social mobility in the local communities in which it operates.



Created by the Royal Academy of Engineering (RAE), the Graduate Engineering Engagement Programme (GEEP) supports UK engineering students and recent graduates from under-represented backgrounds into engineering employment. The programme is a collaboration across industry with over 300 volunteers from more than 50 companies taking part since 2015.

This year's volunteer mentors from AB Dynamics were Dr James Routh (Chief Executive Officer), Giorge Koulin (Software Engineer – rFpro), Jonathan Barry (Senior Software Engineer – ABD), Mark Radley (Senior Systems Engineer – ABD) and I. In addition to the scheduled programme, AB Dynamics hosted a site visit for our GEEP mentees in July 2024. This two-day event provided participants with a comprehensive overview of AB Dynamics as an engineering organisation.

Jonathan Barry and I represented AB Dynamics at the 2024 GEEP Graduation Ceremony where Jonathan took part in a panel discussion, hosted at the Institute of Directors in London, UK.

Jasper Barrett, Project Manager

Sustainability continued

Our people continued

Community partnerships

CSR strategy

In line with the Group's expanding global presence and global subsidiary governance framework, our corporate social responsibility (CSR) policy and strategy encompass five key guiding criteria, of which all CSR activities are required to meet at least two: environment, social opportunity, community, diversity and inclusion and industry. The model represents the Group's growing global focus and continued ambitions to put CSR at the heart of our business model. These criteria are underpinned by our values: customers, people, diversity, innovation, excellence and responsibility.

Whilst our fundamental approach remains unchanged, our model takes a more holistic encompassing approach, linking together our five pillars:

- **Community:** committed to strengthening and maintaining relations and being actively involved in the local regions where we operate, creating mutual synergies for both our business and our communities
- **Social opportunities:** committed to demonstrating our understanding of social responsibility in the context of wider systemic inequalities, we strive to improve social mobility, supported by our belief that, irrespective of their background, talent and drive should be the only factors influencing an individual's development opportunities and outcomes
- **Diversity and inclusion:** committed to the promotion of diversity within the STEM environment and within the armed forces, acknowledging that the best results come from a diverse workforce
- **Industry:** recognising the value of partnerships with our customers and communities to increase awareness of the Group
- **Environmental:** committed to actively seeking ways to reduce our environmental impact, through linkage with both industry and communities. Adding environmental to our new strategy demonstrates our aim to become an integral player within the communities and environments in which we operate



Sustainability continued

Our people continued

Community partnerships continued

In March 2024, DRI was sponsor of the FIRST Robotics Competition in California. The competition challenges high school robotics teams to design, build and operate robots that can accomplish tasks in a sports arena-like environment. The competition is the culmination of years of development by these young engineers in training. The robots are designed with very specific requirements and must be able to pick up items, aim and launch those items and climb a chain, all while having the opposing robots attack them. Several DRI staff members, including Nate Kuhl, Dante Kruse and I, volunteered at the event and were blown away by the creativity and ingenuity exhibited by the competitors. DRI plans to continue to support the FIRST Robotics Competition going forward.

Jordan Silberling, General Manager, DRI

