HAYS

Working for your tomorrow

ANNUAL REPORT & ACCOUNTS 2024

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2024 HIGHLIGHTS

Financial performance

Net fee income
£1,113.6m
FY23: £1,294.6m

Pre-exceptional operating profit(1)
£105.1m
FY23: £197.0m

Post-exceptional PBT(1)
£14.7m
FY23: £192.1m

Pre-exceptional basic EPS(1)
4.03p
FY23: 8.59p

Post-exceptional basic EPS(1)
(0.31)p
FY23: 8.59p

Core dividend per share
3.00p
FY23: 3.00p

Net cash
£56.8m
FY23: £135.6m

Operational performance

Consultants
7,045
FY23: 8,590

Perm jobs filled
c.57,700
FY23: c.76,800

Temp and contracting roles filled
c.225,000
FY23: c.245,000

Sustainability performance

Women in senior leadership
43.0%
FY23: 44.3%

Hays' employee volunteering hours
28,064
FY23: 17,673

Our scope 1, 2 and selected scope 3(2) GHG emissions
18,246 CO_2e tonnes
FY23: 16,778 CO_2e tonnes; Science-Based Target (SBT) base year (2020): 23,527 CO_2e tonnes

View this report online at hays.com

(1) FY24 operating profit and EPS are presented before exceptional costs of £80.0 million, of which £42.2m relates to restructuring of our operations across the Group. The remaining £37.8 million is non-cash and comprises £15.3 million relating to the impairment of goodwill in our US business and £22.5 million relating to the impairment of intangible assets.
(2) Selected scope 3 emissions guiding our investment in beyond value-chain mitigation carbon related projects. Including our scope 3 business travel and scope 3 fuel and energy related activities.

CHAIR'S INTRODUCTION

Welcome to the Hays Annual Report for FY24, a year of significant operational and strategic transition.

Against a challenging backdrop for our industry, Group fees decreased by 12% and we delivered a pre-exceptional operating profit of £105.1 million. Post-exceptional operating profit was £25.1 million as we undertook a significant restructuring of operations during the year.

Given the Group's strong financial position and our confidence in our strategy, the Board has recommended an unchanged FY24 core dividend per share of 3.00p.

The Board welcomed Dirk Hahn as our new Chief Executive on 1 September 2023, and in February he set out his strategy to focus on building the leading recruitment & workforce solutions business globally, recognised for powering progress through people. You can read more about this on page 5.

Despite the challenging backdrop for our industry, we are not satisfied with our financial performance in FY24. We are market leaders in some of the most attractive, long-term growth recruitment markets globally. Our focused strategy is to target these opportunities and is designed to increase our resilience, quality of earnings and cash generation through the cycle.

While we have made some difficult decisions to restructure and manage tough near-term markets, we have also been actively positioning the business for long-term success. Hays is a strong business with a great team of talented colleagues, and the Board is confident in our strong profit recovery potential as our end markets stabilise, and then recover.

Andrew Martin
Chair

Discover more about our business and access this report online at hays.com

OUR BUSINESS
AT A GLANCE

A diverse and balanced business

We are leaders in white-collar Temporary, Contracting and Permanent recruitment. Our scale and expertise covers some of the most skill-short employment areas, including Technology, Accounting & Finance, Engineering, Life Sciences and Construction. We are predominantly Private sector-focused, but also serve Public sector clients in some markets.

Within our portfolio of services, we work on high service, multi-year outsourcing contracts with many of the largest organisations in the world, all the way through to one-off placements for SMEs.

Although end markets have been challenging in FY24, our strategy is designed to increase fee and profit resilience through greater focus and enhanced operational rigour.

Our global reach

21 Specialist areas

236 Global offices

33 Countries

c.11,100 Employees

56 Years' experience

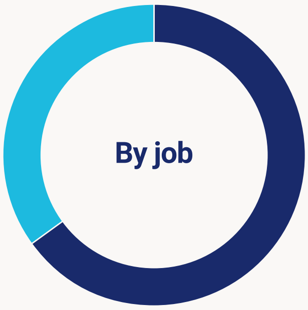
>1,100 Jobs filled every day

Net fees: £1,114m

(FY23: £1,295m)

- Technology: **25%**
- Accountancy & Finance: **15%**
- Engineering: **11%**
- Construction & Property: **10%**
- Office Support: **5%**
- Life Sciences: **5%**
- Sales & Marketing: **4%**
- Other: **25%**

- Temporary: **59%**
- Permanent: **41%**

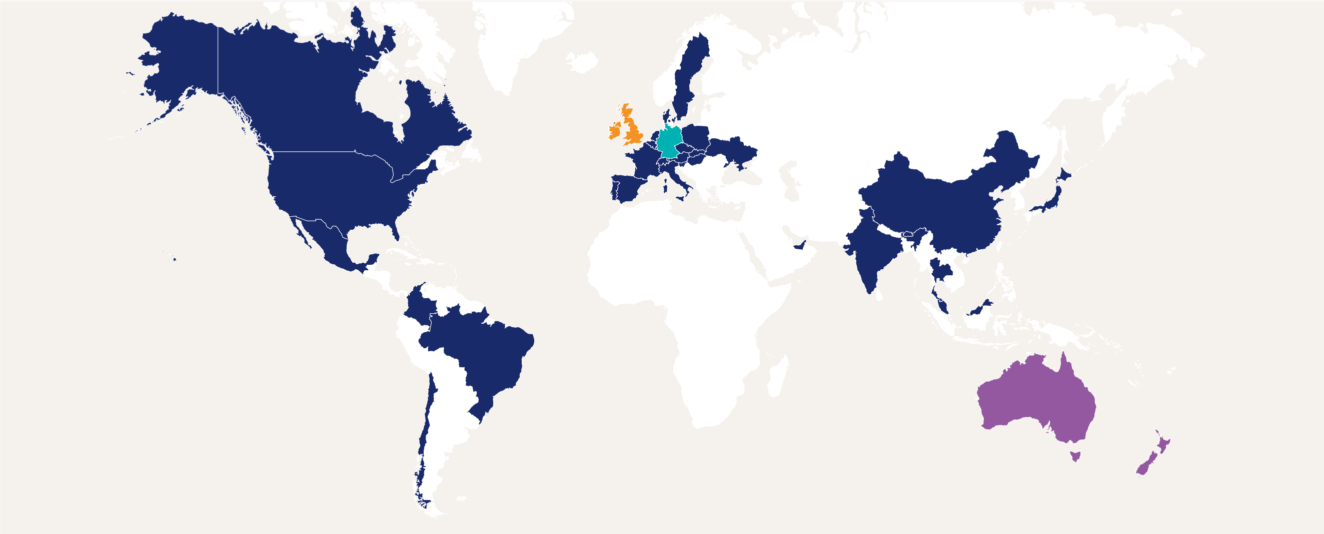


- Technical: **65%**
- Professional: **35%**

- Private: **83%**
- Public: **17%**

Increasing focus across our network

Our focused strategy is designed to capitalise on the many structural growth opportunities we see, while increasing our business resilience, quality of earnings and cash generation. We expect all business lines to be able to deliver a conversion rate of at least 25% (before Group costs) in normal market conditions.



- Germany: **65%**
- Australia & New Zealand: **11%**
- UK & Ireland: **6%**
- Rest of World: **18%**

3
Key countries

Germany, **Australia** and the **UK**, where we have the management expertise, scale, structure and track record to both increase our conversion rates and materially grow each business.

8
Focus countries

Austria, **France**, **Italy**, **Japan**, **Poland**, **Spain**, **Switzerland** and the **USA** are future key drivers of long-term growth and will deliver greater profit diversity.

22
Emerging countries

Emerging countries represent the 22 countries in our global network. Each has the potential to be an attractive growth market and are also important from a network standpoint to service our Enterprise clients.

Key figures

Year ended 30 June 2024	Germany	UK & Ireland	Australia & New Zealand	Rest of World	Group Total
Net fees	£351.8m	£225.7m	£139.7m	£396.4m	£1,113.6m
Pre-exceptional Operating profit[1]	£68.0m	£6.4m	£11.5m	£19.2m	£105.1m
Post-exceptional Operating profit	£44.4m	£(0.9)m	£6.2m	£(24.7)m	£25.1m
Consultants	1,858	1,629	729	2,829	7,045
Offices	26	75	37	98	236
Share of Group net fees	32%	20%	13%	35%	100%

(1) Operating profit is presented before exceptional costs of £80.0 million, of which £42.2m relates to restructuring of our operations across the Group. The remaining £37.8 million is non-cash and comprises £15.3 million relating to the impairment of goodwill in our US business and £22.5 million relating to the impairment of intangible assets.

A YEAR OF **TRANSITION**

OPERATIONAL & STRATEGIC REVIEW

FY24 was a year of significant operational and strategic transition, set against a backdrop of increasingly challenging market conditions. We acted decisively to focus the business, manage costs and position Hays to benefit from market recovery.

FY24 operational & strategic review

Market backdrop

FY24 was characterised by increasingly challenging market conditions, with reduced client and candidate confidence causing a material lengthening of our 'time-to-hire'. Given this, our financial performance was significantly impacted, with fees down 9% in H1 24, and 15% in H2 24. Group pre-exceptional operating profit declined by 46%.

Temp fees were more resilient than Perm, decreasing by 8% and 17% respectively. Volumes were lower in both Temp and Perm, down 7% and 25%, with lower Perm volumes partially offset by wage inflation and improved average pricing.

A feature of our key markets in FY24 was that overall activity levels remained relatively high, and we continued to see solid overall levels of job inflow. Our consultants have therefore been very busy and have worked extremely hard, and the Board is very thankful for this. However, closing placements and sales became materially harder through the year. This had a significant impact on our average placements per consultant, or volume productivity, which currently sits c.15-20% below normal levels, causing a material drag on Group profitability and conversion rate.

Against this backdrop, we have worked hard to balance cost reductions with protecting our productive capacity. Consultant headcount decreased by 18%, through a mix of natural attrition and performance management. Non-consultant headcount declined by 9%.

In response to increasingly challenging market conditions, we restructured the business operations of several countries across the Group, better aligning business operations to market opportunities and reducing operating costs. The restructuring led to the redundancy of a number of employees, including senior and operational management and back-office positions, and is included in the 9% non-consultant reduction. The combined costs relating to this were £42.2 million and are considered exceptional, given their size and impact on business operations.

We increased our average pricing, particularly in the most skill-short areas of the Perm market. This meant that despite our volume productivity being down significantly, our average productivity per consultant was up 1% YoY and increased sequentially in our second half.

(You can read about each division's performance on pages 39 to 43, and see our detailed financial performance on pages 44 to 47.)

Building the global leader in recruitment and workforce solutions

Our goal is to build the leading recruitment and workforce solutions business globally. Contracting, Temp and Perm recruitment is our core expertise, and placing talented workers in roles to meet and solve our clients' skills needs is the heart of Hays.

Our expertise combines large Enterprise clients, the Public sector, SMEs and start-ups. We have market-leading direct outsourcing expertise, mainly via Managed Served Provision (MSP), but also in Recruitment Process Outsourcing (RPO). Our workforce solutions capability is evolving and includes DE&I Consulting, Training & Skills, Demand & Capacity Planning, and Assessment & Development.

Each of these has great potential to enhance our relationships with clients and be profitable. Also, our global network supports thousands of more transactional customers in any of our chosen markets.

> "Our vision is to be the leading recruitment and workforce solutions business globally. This will build on our market-leading positions in Contracting, Temp and Perm, and our ability to manage large-scale outsourcing contracts such as Managed Service Provision in Temp & Contracting."

Our investment case

Driven by our key strategic priorities and the many long-term structural growth opportunities in our industry, we believe there are three compelling reasons to invest in Hays.

1

Market position

We are experts in attractive long-term growth markets, driven by powerful megatrends

We are market leaders in some of the most attractive recruitment markets worldwide.

2

Strategic focus

We exist to solve clients' talent problems, which are becoming ever more complex in a rapidly changing world

Our strategy and focus on operational rigour will drive substantial operating profit growth when our markets recover.

3

Shareholder returns

We are highly cash generative, and committed to delivering substantial shareholder returns over the long-term

Our financial strength supports organic growth and allows us to return cash to shareholders in the most appropriate form.

Focused strategy summary and progress

Our focused strategy was launched in February 2024, and is explained on pages 11 to 13. In summary, it is designed to capitalise on the many structural growth opportunities we see, while increasing our business resilience, quality of earnings and cash generation through the cycle.

We expect all business lines to be able to deliver a conversion rate of at least 25% (pre-central costs), and the Group's overall conversion rate target is 22-25%. As part of our programme to return to, and then exceed, previous peak profits of c.£250 million, we will also seek to improve medium-term consultant productivity in excess of inflation.

Our focused strategy is based on five strategic levers:

1. grow our leading positions in the most in-demand future job categories
2. increase our focus on higher skilled, higher paid roles
3. greater focus on resilient and growing industries and markets
4. build stronger relationships with our clients and candidates; and
5. drive an increased proportion of non-Perm fees across our businesses.

Our medium-term goal is driving material profit contributions from more Hays countries. Our **key countries** (Germany, Australia and the UK) each have all of the five levers, but we have work to do to increase operational performance and profitability. Our **focus countries** (Austria, France, Italy, Japan, Poland, Spain, Switzerland and the USA) have most of the five levers, and we are actively allocating resource and selectively investing to complete all five. Our **emerging countries** represent the rest of our global network, and we are firmly focused on increasing profitability in each country, in line with our conversion rate targets noted above.

Enhanced operational rigour in action

We have conducted detailed analysis of our operations on a business-line basis. In FY24, this has led to a number of businesses being closed, including our Temp business in Italy, where we are focusing on Contracting, and our Healthcare and Social Care businesses in ANZ and UK&I, which were sub-scale. We also closed Sales & Marketing Temp in Germany, and our Statement of Works business in France.

In our **key countries**, Germany conducted a management de-layering, and is progressing with ongoing back-office efficiency programmes. Our leaner structure will accelerate Germany conversion rate recovery when markets improve. In ANZ, we enter FY25 with improving productivity and positive conversion rate momentum, having restructured and right-sized the business for today's markets. This was achieved via greater focus and increased productivity. And in the UK&I, we have made material operating model improvements in our Temp business, and analysed each business line, ensuring their medium-term plans are fit-for-purpose.

In our **focus countries**, we are ensuring we have appropriate and scalable operating models in place. Early examples of success include the USA, where improvements to our model have significantly improved profitability, moving from a loss-making position in H1 24 to delivering consistent profitability in H2 24. A number of focus countries increased their Contractor and Temp volumes through FY24, including the USA, Italy, Poland and Japan. Similarly, overall country productivity improved in a number of countries through H2 24 including the USA, Italy, Poland and Japan.

In China, we also returned to profitability in H2 after a tough period, again due to our focus on productivity and operational rigour.

Conversation with Dirk Hahn, CEO

> Today we have c.24,000 Contractors and Temps working across Germany and EMEA, compared to fewer than 200 when I joined. It has been a fantastic journey.

You have worked for Hays for over 20 years. How would you describe your career journey?

After leaving university, I joined Ascena, which was the company Hays purchased in 2003 to enter Germany, as employee number 12. I was initially a sales consultant recruiting IT contractors, and quickly fell in love with the culture and way in which you could positively impact people's careers, and help clients solve their talent needs. I still firmly believe today that the work we do benefits society by helping people develop their careers which, after family and health, is key to life.

I was promoted to run the IT contracting business, and then Germany overall, before becoming Managing Director of EMEA. During this time, Hays expanded from doing only IT contracting to our position today of recruiting high skilled talent into many sectors, including Life Sciences, Finance, Engineering and Construction. Today we have c.24,000 Contractors and Temps working across Germany and EMEA, compared to fewer than 200 when I joined, and we work with many of the largest companies in Europe. It has been a fantastic journey!

How would you describe your first year as Hays CEO?

It has been intense – but I have thoroughly relished the challenge! It has been fantastic to meet so many of our colleagues and build our new Executive Leadership Team. As you will see in this report, we have strong leaders across Hays, and one of my first tasks was to recruit a new Group Chief Technology Officer and a Chief People Officer. Future success will be driven by genuine team efforts.

Aside from getting to know colleagues, FY24 has been characterised by managing tough markets. We have made difficult decisions, while being mindful to best-position Hays for the long term.

Against challenging macroeconomic conditions and a slowdown in all our markets, like-for-like net fees declined by 12%, with pre-exceptional operating profit down 46% to £105 million.

We acted decisively to manage our costs and align our operations to market conditions and opportunities, delivering c.£60 million in annualised savings during FY24. We also restructured our operations and incurred a £42.2 million exceptional cash charge. This said, I am not satisfied with our profit performance. Together with our Executive Leadership Team, I am determined to build a more resilient and profitable Hays. Powerful megatrends drive our business (see page 10), and our focused strategy (page 11) is designed to fully capitalise on these.

We announced our updated strategy in February 2024, with greater profit focus and five key strategic levers at its core. I believe we need to be more aligned with the sweet spots in each of our markets.

My experience of running Hays Germany and EMEA has also taught me that a successful strategy needs to be underpinned by operational rigour, and to achieve this we have established much clearer business line reporting. This will allow us to accurately measure our progress and focus our resources on areas which can consistently deliver our target 22-25% conversion rate.

Through FY24, we have been managing tough markets while positioning Hays for the long term. In addition to focusing Hays on the most attractive long-term recruitment markets, I am determined to ensure that Hays is 'fit for purpose' to fully benefit from market recovery when it comes – which will mean taking a substantial proportion of fee growth straight to our bottom line, or high profit drop-through as we call it.

Clearly though, some businesses need specific attention in order to meet the ambitious targets we have set. Our key countries of Germany, UK and Australia have been tougher than I initially expected, and we have yet to see the benefits of actions already taken. This said, we have been decisive and there are some early signs of success, particularly in Australia where the changes our MD Matthew Dickason and team have made are starting to bear fruit.

Our culture is vital to our success. Through enhanced communications and dialogue, we have ensured that all colleagues understand our strategy, vision and the clear benefits of greater focus. Alongside our new Chief People Officer, Deborah Dorman, I look forward to reporting further development in our people strategy in the future.

Operational & Strategic review continued

"Foremost in my mind is that we are a people-centred company. Our people strategy is key, and I am determined to build an empowering, mission-led culture."

What are the key actions you have taken so far?

Within the c.£60 million of annualised cost savings delivered in FY24, c.£30 million of these savings are structural in nature. We have taken tough decisions to close business lines and restructure our operations, incurring exceptional restructuring costs, and we recognise the impact this had on our colleagues. These include our Health & Social Care businesses in the UK and Australia our Sales & Marketing Temp business in Germany, our Statement of Works business in France and our Temp business in Italy. We also closed or merged 17 offices.

These units were sub-scale and unlikely to ever get to our target conversion rate of 22-25%, so we are focusing our resources in areas where we can reach these levels of profitability.

We will only scale these when we are satisfied that we have the right operating model. An important point though is that our regional leadership teams took most of these decisions. Our updated strategy was set by the Executive Leadership Team, however it is our regional management teams which are putting it to work.

What is your medium-term vision for Hays?

I want to build the leading recruitment & workforce solutions business globally, recognised for powering progress through people and market-leading technology. This is the vision I have set the company. In doing so, we will chart a path back to our previous peak operating profit of £250 million, and then beyond. I firmly believe that this and our target Group conversion rate of 22-25% is achievable, but it will take time. And it will need our markets to normalise and improve, we have been operating in increasingly tough markets now for over two years.

Also, our work to build greater rigour across Hays has highlighted that we have historically had a number of businesses which consistently delivered fees without acceptable profitability. We are leaving no stone unturned via increased business line reporting and rigorous appraisals of delivery models to ensure consistency and excellence.

My focus, as set out in the updated strategy and 'Golden Rule', is to deliver profit growth ahead of fee growth. This may mean in the future we have higher profits with fees below previous peaks, but I firmly believe this would represent an improvement in the quality and resilience of Hays. But foremost in my mind is that we are a people-centred company. Our people strategy is key, and I am determined to build an empowering, mission-led culture.

I also want enabling functions across Hays which are best-in-class. This includes looking at the structure of Technology, Data, Finance, People & Culture and Marketing, and I can see opportunities to increase efficiency and impact, and lower costs – these are 'win-wins'. We have grown historically as a devolved, somewhat federal organisation, and I see significant opportunities to better capitalise on our global scale by making choices about where we centralise and eliminate duplicated costs.

One of the first projects I started as CEO was to task our new Chief Technology Officer, Tim Fulton, to appraise and enhance our Group Tech infrastructure. Our systems have served us well for many years, but I want to lead our industry in terms of technology. Given the rapid pace of change in recent years, it is entirely right that we fully understand what best-in-class looks like today.

One of Tim's first decisions has been to outsource our back-office infrastructure to Cognizant, a leading specialist global player, and that process has started well. As set out at our preliminary results in August 2024, we believe that there are significant long-term cost savings to come from this, however we also stand to benefit from the leading technology capability of our partner which will be key in how we evolve our systems to embed latest AI developments – although clearly there are some near-term restructuring activities and investments needed to unlock these savings (see more on page 28 to 31).

I am also determined that we lay the foundations to become the leading AI-enabled recruiter globally, and this means giving our consultants the best front-office tools available. I look forward to reporting on this further in FY25.

As you will see in our CFO James Hilton's section, our global project to deliver a much leaner, more efficient Finance function is well underway. Together, our efficiency projects in Technology and Finance have the potential to deliver further annualised cost savings of around £30 million once complete. And in Marketing, our team is increasing our already high focus on customers.

And of course, as a people business, it is critical that as well as giving our people the right tools for the job, we are the employer of choice for the best talent in the industry. I am very focused on working with our Chief People Officer to ensure we build on our strong track record to be a rewarding and inclusive place to work and grow (read more about this on pages 21 to 27).

"Our efficiency projects in Technology and Finance have the potential to deliver further annualised cost savings of around £30 million once complete."

> "We are managing tough near-term conditions while positioning the business to benefit strongly from recovery. When markets improve, which they will, I am confident that we can return Hays to prior peak profits of £250 million and beyond."

How will you evolve Hays' culture and ESG strategy?

Having spent my whole career at Hays, I deeply understand the importance of culture. Hays has a special culture, sometimes called the 'Hays Spirit', which is why many of our people choose to stay and grow their careers with us. I am determined to continue to evolve our culture to ensure it responds to the needs of a changing workforce and enables us to achieve our vision as a business. Our purpose is to benefit society by investing in partnerships that empower people and organisations to succeed, and I believe passionately in our core value of always doing the right thing.

I want Hays to be a welcoming and inclusive destination for the best talent in our industry. This will enable the attraction, development and reward of our people, allowing them to build fulfilling careers – and making a positive impact on our clients, our candidates and our communities.

Having highly engaged colleagues who understand the values and direction of the business and the part they play in that is a core priority. Our YourVoice feedback process is essential to our two-way communication and regular listening.

I also want to carefully consider the different priorities of multi-generational workforces, and in doing so, provide a compelling blend of pay, benefits and career opportunities.

On ESG, we have built strong foundations with our Sustainability Framework, shown on page 48. Delivering our science-based GHG reduction targets remains a key focus, and our reduction in Scope 3 emissions, by far our largest area, was a step in the right direction. Also, as laid out on pages 75-78, we have identified a number of opportunities for Hays, including fee growth in finding talent for the Green Economy, changing internal behaviours and reducing our energy consumption. We can also do more to ensure we are using renewable energy where available, and reducing the impact of our vehicle fleet by lowering the amount of cars, and increasing our proportion of EV's.

But as a people-based business helping people with their careers and companies with their talent shortages, I firmly believe that Hays can have the greatest impact in social areas. Our continued work internally on culture, our growing DE&I capability via FAIRER and our charity focussed Helping for Your Tomorrow programme are all prime examples of this, I am proud that our volunteering hours increased by 59% YoY, and look forward to reporting continued progress next year.

What are your other key priorities?

- We are a sales-orientated business, and a key part of my role is to align our updated strategy and the investment needs of Hays with the reality of global economic and geopolitical conditions. We have been living in a world of significant macroeconomic uncertainties which are out of our control for many years now, and we are not seeing meaningful green shoots in our core markets yet.
- Accurately predicting the impacts of the many forces at work is challenging, however I am determined that Hays is adaptable to changing circumstances. I also want to see meaningful improvement in our profitability in FY25, providing that key markets remain sequentially stable.
- Our move to greater business-line reporting means we can run the business much more effectively using accurate, real-time data. In time, this can give us a competitive advantage in terms of insight and informed decision-making in a fast-moving world. I am excited by this potential, building on our existing skills and data assets.
- The world has new challenges to face today, but I am confident Hays will adjust as those challenges unfold. In a world characterised by acute skill shortages, our focus is on navigating through this uncertain backdrop while continuing towards our own North Star of becoming the global leader in recruitment and workforce solutions.
- Our management teams worldwide are expert at responding nimbly and our active management of consultant headcount and productivity in FY24 is clear evidence of this. We are managing tough near-term conditions while positioning the business to benefit strongly from recovery.
- When markets improve, which they will, I am confident that we can return Hays to prior peak profits of £250 million and beyond. We have the right strategy in place, and have the right team of leaders on our Executive team to deliver this.

Global megatrends

POWERFUL MEGATRENDS DRIVING THE WORLD OF WORK

Our strategy is designed to capitalise on powerful megatrends, targeting long-term structural growth opportunities in recruitment and workforce solutions.

Organisation challenges
- Growing complexity in managing workforces
- Greater digitalisation
- Adoption & integration of AI
- Hiring & retention of talent
- Changing stakeholder needs
- Many sectors facing significant transformation

Skill shortages
- STEM sectors particularly impacted by skill shortages
- Driving wage inflation
- Desire/need for upskilling
- Partially solved by greater use of flexible, high-skilled Contractors

Employee demands
- Higher salaries
- Desire for flexible/ remote working
- Increasing desire to work for a purpose-led organisation
- Continual upskilling

Demographic challenges
- Smaller working populations
- Broader demographics and lifestyle choices
- Greater propensity for Contracting and Freelance

Societal demands
- Responsible business practice
- Importance of sustainability and response to climate change
- DE&I
- Social purpose
- Social mobility
- Regulation

Growth in flexible, high skill, non-Perm careers
Skilled workers are increasingly seeking interesting, and often highly paid, non-Perm roles as they build ‘portfolio’ careers. This trend is also strongly supported by remote and hybrid working.

We believe higher skill, higher salary Temp and Contracting represent long-term growth markets, particularly in STEM careers. We use our expert consultants, global network, data and technology to build deep and broad Talent Networks.

Jobs are changing and skills are short
Digitalisation and Artificial Intelligence are changing almost every industry. Many employers are struggling to find the talent they need, particularly in higher skill, higher salary areas. Our strategy is focused on building the strongest relationships with candidates in the most skill-short markets, such as Technology, Engineering, Life Sciences and the Green Economy.

Demographic changes and increased employee demands
Rising costs of living create greater incentives for skilled employees to change job and increase their earnings. Also, we live in an era of unprecedented access to training, upskilling and development, meaning that the routes for candidates’ career progression are more open than ever. Hays is well-positioned to add value to candidates here, and at scale. Attitudes towards remote and hybrid careers have materially changed, which can act as a further driver of job churn, particularly once economic confidence grows.

Societal demands are changing
For all employers, there is an increasing awareness of the importance of business sustainability, which can be enhanced by addressing ESG in operations and culture. Many employees want to work for a purpose-led organisation which matches their own values, and new job categories are being created or expanded.

Our ability to create equitable and diverse Talent Networks will increasingly be a key competitive advantage, as is our ability to help clients with related talent services such as our FAIRER DE&I consultancy, and workforce planning.

Organisations increasingly need expert help to find the talent they need
To help secure talent, organisations increasingly need partners such as Hays who can bring a far broader and deeper pool of talent to them, from a far wider geographic area, much faster.

This applies to larger outsourcing deals with Enterprise clients and more transactional ‘spot’ recruitment with SMEs. Importantly, all clients have increased demands for related workforce solutions.

Our strategy

OUR FOCUSED STRATEGY **POSITIONED TO DELIVER**

Our vision is to build the leading recruitment and workforce solutions business globally. Contracting, Temp and Perm recruitment is our core expertise, and placing talented workers in roles to solve our client's skills shortages is the heart of Hays.

Our strategic framework

Our focused strategy consists of three key elements:

Our strategy is based around our people. We believe in primarily hiring straight from university, and then provide colleagues with expert training to allow them to become specialists in their field, empowered by our culture.

We believe that the best people, focused on the best parts of the market, and enabled by highly efficient technology, support functions and back-offices, will deliver outstanding customer services for clients and candidates.

All our activity in the 'Innovate, Digitise and Enable' box is designed to power our core business. Everything we do is designed to make our people more productive and to be able to focus on value-added tasks, driving superior client and candidate experience.

Successfully delivering our strategy also increases our resilience as a business and delivers highly profitable growth through increased focus and enhanced operational rigour.

Our strategy continued

OUR FOCUSED STRATEGY
BUILDING ON MARKET LEADERSHIP

Our focused strategy is driven by our five strategic levers which inform key decision making.

Our strategy is designed to deliver greater resilience and highly profitable growth through increased focus and enhanced operational rigour.

Our five strategic levers to drive long-term growth, increase profitability and enhance fee resilience.

1 Grow our leading positions in the most in-demand future job categories

The opportunity

Future job category growth (inc. STEM). Given existing skill shortages, there is potential for higher margins over time

2 Increase our focus on higher skilled, higher paid roles

The opportunity

The most skill-short areas need long-term talent partners. Increase our resilience and our ability to grow fees via higher salaries

3 Greater focus on resilient and growing industries and markets

The opportunity

Focusing on long-term growth industries will reduce our reliance on the economic cycle

4 Build stronger relationships with our clients and candidates

The opportunity

Increase market share and repeatability of fees by becoming long-term partners

5 Drive an increased proportion of non-Perm fees across our businesses

The opportunity

As market leaders in non-Perm, we are ideally placed to capitalise on the megatrend towards increased flexible working

Underpinned by a renewed focus on operational rigour

Underpinning our strategy is an increased focus on operational execution, which we are driving across the Group. We will improve medium-term consultant productivity in excess of inflation, with a greater focus on dynamic pricing, technology tools and data. We have also identified efficiencies from greater consistency of operating models globally, and we will better leverage our overhead costs.

Our key long-term focus is on growing consultant productivity at least in line with inflation, and increasing operating leverage to drive greater profitability through the cycle. Our medium-term Group conversion rate target is 22-25%.

Our 'Golden Rule' for all countries and each business line

Overall, we have implemented a 'Golden Rule' for all countries to execute our strategy. Operating profit growth **must be greater than** fee growth, which in turn **must be greater than** headcount growth through the cycle.

Operating profit growth > **Fee growth** > **Headcount growth**

Profitable growth sits at the heart of our strategy. Each business line must have a credible plan to at least deliver our medium-term conversion rate target of 25% (before central costs).

STRATEGIC PRIORITIES

Our clear strategic priorities are profitable growth, increasing focus on key markets, enhancing efficiency and developing our networks.

Our priorities will help to increase our business resilience, our quality of earnings and our cash generation. We will do this by building a more balanced portfolio of business lines in key and focus countries by sector. This will allow us to return to, and then exceed, previous peak Group profits.

Our people and technology sit at the core of our strategy, enabling our business and allowing us to solve ever more complex client talent problems. Our commitment to sustainability is also a key business enabler.

Enhance

Drive productivity and efficiency to deliver cash-backed profit growth, fund reinvestment and enable substantial returns to shareholders

Focus in FY24

- Manage our capacity in challenging markets
- Control overhead costs
- Show greater resilience of non-Perm fees

Link to relevant KPIs

1 2 3 4 5

Profitable growth

Materially increase Group operating profit and drive conversion rate towards our medium-term target of 22-25%

Focus in FY24

- Increase market share with existing and new clients
- Conduct detailed review of our operations on a business-line basis
- Review and closure of under-performing business lines

Link to relevant KPIs

1 2 3 4

Develop networks

Nurture stronger relationships with candidates and clients, and partner with best-in-class third party technology providers

Focus in FY24

- Provide outstanding service to customers
- Detailed appraisal of our technology infrastructure

Link to relevant KPIs

1 2 3

Focus

Increase our focus on resilient, growing industries and markets

Focus in FY24

- Launched our focused strategy in Feb 2024
- Enhanced operational rigour across Hays
- Review and closure of under-performing business lines

Link to relevant KPIs

1 2 3 4

Key performance indicators **(see page 14)**

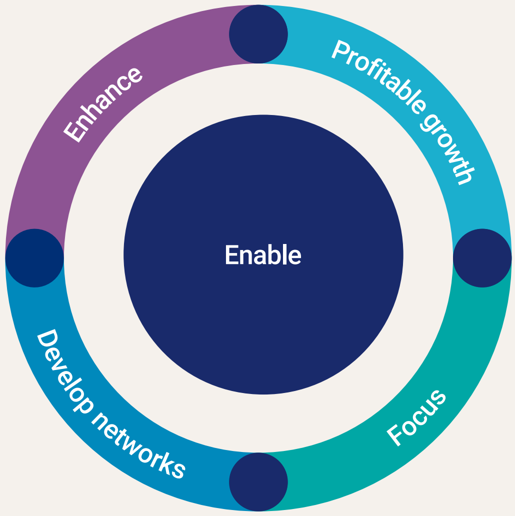
1 Like-for-like net fee growth
2 Basic earnings per share growth
3 Like-for-like net fees per consultant
4 Conversion rate
5 Cash conversion
6 Employee engagement
7 Percentage of female senior leaders
8 Greenhouse gas emissions

Our strategic priorities underpin our actions and governance across our business.

Key performance indicators

KEY **PERFORMANCE** INDICATORS

Our aim is to be the global leader in recruitment and workforce solutions, and to execute on our focused strategy. We use a combination of five financial and three non-financial alternative performance measures to track our performance, in line with our strategic priorities.



Measured against our strategy

We clearly link each of our KPIs to our four strategic priorities.

Profitable growth Focus Develop networks Enhance Enable

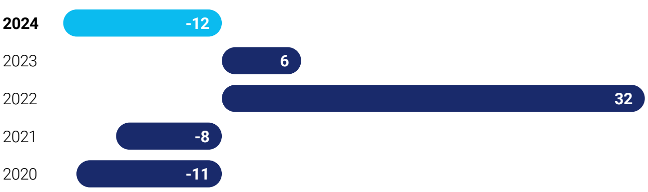
1. Like-for-like[1] net fee growth (%)

Measure

How the Group's business is performing over time, measured as net fee growth on a constant-currency basis.

Progress made in FY24

Net fees decreased by 12%, with increasingly challenging conditions in most markets. Lower volumes were the main driver of reduced fees, with average Perm fees increasing in line with wage inflation and benefiting positively from mix. Our average underlying Temp margin was stable YoY.



2. Basic earnings per share[2] growth (%)

Measure

The underlying profitability of the Group, measured by the pre-exceptional earnings per share[2] of the Group's operations.

Progress made in FY24

Basic earnings per share[2] down 53% to 4.03 pence. This was driven by 50% lower pre-exceptional PBT YoY and 440 bps higher Group tax rate.

3. Like-for-like[1] net fees per consultant (£000s)

Measure

The productivity of the Group's fee earners. Calculated as total Group net fees (on a constant-currency basis) divided by the average number of consultants.

Progress made in FY24

Like-for-like fees per consultant increased by 1% YoY to £141.4k, and despite a 12% fee decrease, remained near record levels. Placements per consultant fell significantly as market conditions toughened through the year, notably in Perm. However, this was offset by our actions to drive higher average fees per placement, including positive mix effects and wage inflation benefitting fees.

4. Conversion rate[3] (%)

Measure

Calculated as pre-exceptional operating profit[2] divided by net fees. Measures the Group's effectiveness in managing our level of investment for future growth and controlling costs.

Progress made in FY24

Conversion rate[3] decreased by 580bps to 9.4%. Challenging market conditions and longer average time-to-hire negatively impacted our average number of placements per consultant. However, our decisive actions and operational rigour reduced costs by an annualised c.£60 million. Our longer-term aspiration for conversion rate remains 22-25%.

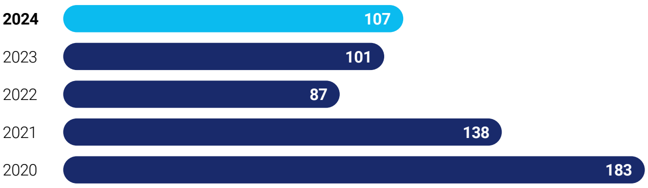
5. Cash conversion(5) (%)

Measure

The Group's ability to convert profit into cash. Calculated as cash generated by operations(4) as a percentage of pre-exceptional operating profit(2).

Progress made in FY24

We delivered 107% conversion, a strong result. Cash inflow from a reduction in Temp volumes was partially offset by an increase in debtor days to 36 days (FY23: 33 days), although debtor days remain below pre-pandemic levels. The increase in debtor days is largely due to greater resilience in our Enterprise business, which typically has longer payment terms.



6. Employee engagement(6) (%)

Measure

We work with Culture Amp to deliver our annual employee engagement survey, delivering actionable insights into our employees' experiences of working at Hays. We run two surveys annually, a shorter 'pulse' engagement in November and a more detailed exercise in May.

Progress made in FY24

81% of all staff completed the survey (FY23: 84%), providing a strong representation of employee opinion. Our engagement score decreased to 71% (FY23: 76%). While we are not satisfied with this, it also reflects challenging economic conditions and the impact of the restructuring of our operations in FY24.

7. Percentage of female senior leaders (%)

Measure

We believe in equality in all forms across our business. This KPI was introduced in FY21, with a target of reaching 50% by 2030. We define our senior leadership cohort as the three management levels below our Executive Board, which in FY24 represented the top c.670 managers in Hays.

Progress made in FY24

Female senior leaders decreased by 1.3% to 43.0%, driven by a higher proportion of voluntary female leavers than male during the year. We retain our ambitious target of parity by 2030. In FY25, we will undertake a review of job categories globally to ensure we have the most representative sample of senior leaders.

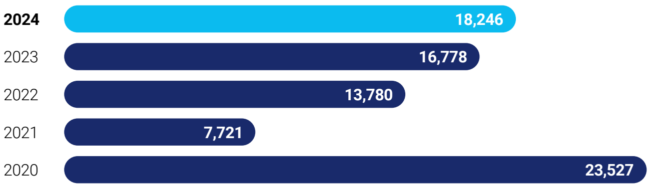
8. Greenhouse gas emissions (CO_2 tonnes)

Measure

Hays is committed to halving its GHG emissions, in line with the Paris Agreement, and has validated science-based target (SBTs). Our GHG data-gathering exercise continues to improve and FY24 included some emissions not previously captured. Also, as reported in FY23, 2022 and 2020 GHG emissions were restated to reflect more comprehensive data gathering (more information on page 68).

Progress made in FY24

Total emissions directly controlled by Hays (scope 1, 2 and the selected scope 3 emissions outlined on page 68) increased by 9% to 18,246 CO_2e tonnes, due to enhanced data capture, but sit 22% lower than our 2020 base year. Overall Group CO_2e emissions declined by 1% YoY and are 12% below base year. We are broadly on track to deliver our ambitious SBTs.



(1) Like-for-like growth represents organic growth at constant currency.
(2) FY24 and FY20 operating profit and basic earnings per share are stated before exceptional charges. FY24 operating profit and basic EPS are presented before exceptional costs of £80.0 million, of which £42.2 million relates to restructuring of Group operations. The remaining £37.8 million is non-cash and comprises £15.3 million relating to the impairment of goodwill in the USA and £22.5 million relating to the impairment of intangible assets. There were no exceptional charges in FY21, 22 or 23.
(3) Conversion rate is the proportion of net fees converted into pre-exceptional operating profit(2).
(4) Cash generated by operations is stated after IFRS 16 lease payments, as we view leases (mainly on property) as an operating cost. FY21 cash generated by operations of £130.8 million is also adjusted for £118.3 million of FY20 payroll tax and VAT deferred which was paid in FY21.
(5) Cash conversion represents the conversion of pre-exceptional operating profit(2) to cash generated from operations.
(6) The significant disruption of the pandemic meant we postponed the FY20 survey until November 2020, i.e. in FY21. Given employee engagement is so important, we ran two surveys in FY21, with one in May 2021.

Our business model and purpose

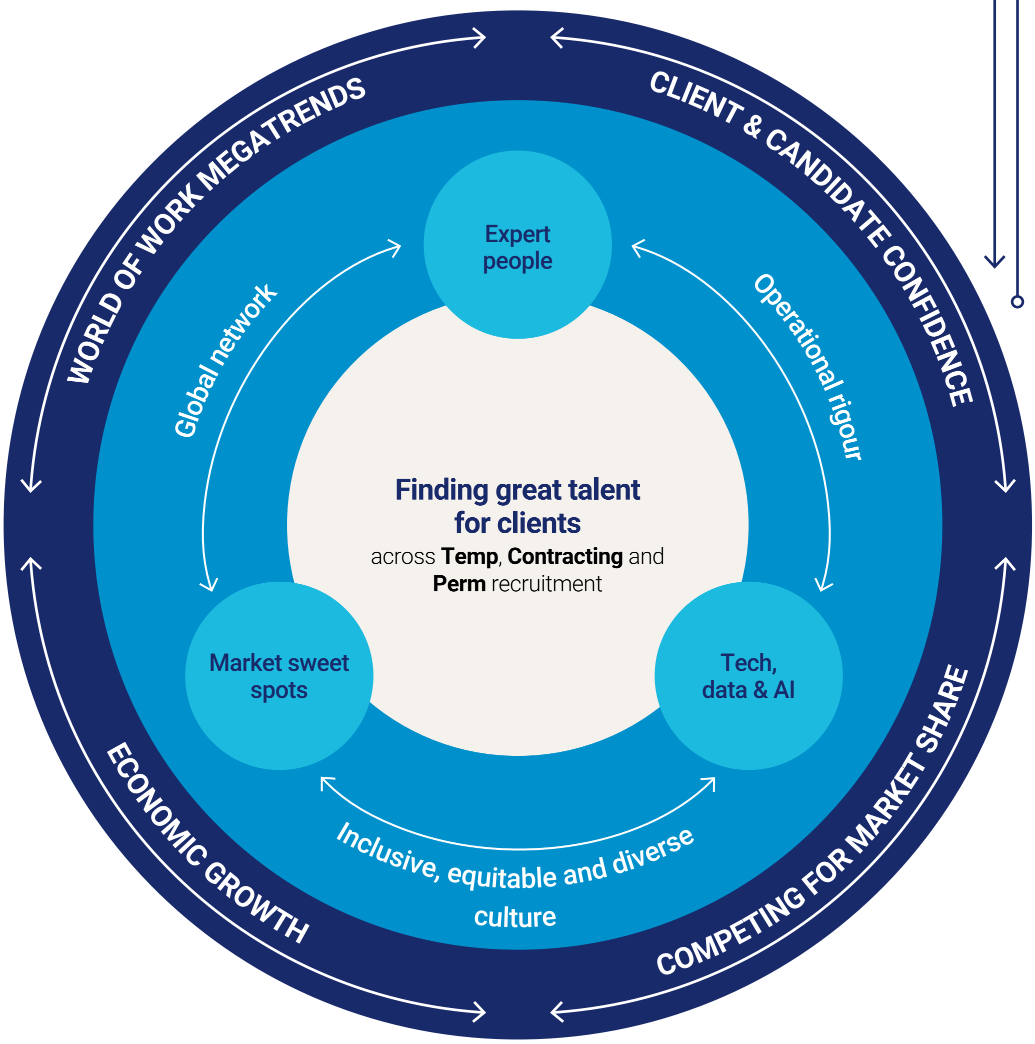
CREATING VALUE FOR OUR STAKEHOLDERS

We seek to benefit society by investing in lifelong partnerships that empower people and organisations to succeed. Our business has scale, breadth and diversity of exposure, and is highly cash generative.

Our focused strategy is designed to increase our resilience as a business.

Our key resources and relationships

- **Market-leading experts** in each geography, sector, technology and service
- **Powerful global brand** and our reputation as trusted partner and adviser
- **Market-leading positions** in some of the most attractive recruitment markets
- **Diversified client base** by region, client size and sectors
- **Insightful digital data** providing valuable market information
- **Strong L&D platform** building candidate skills and engagement
- **Inclusive, equitable & diverse culture** is a key strategy enabler



How we operate

Finding our clients great talent and helping candidates fulfil their potential sits at the heart of our business.

Our expert consultants build and nurture millions of relationships every year.

What sets us apart

Global capabilities, locally delivered
Global reach across 33 countries combined with local knowledge and insights at a client and candidate level.

Integration driving synergies
A single culture, brand and technology platform drives significant network synergies.

Lifelong partnerships
We can unlock significant new business opportunities by being trusted advisers to talented people, helping them fulfil their potential.

Commitment to sustainability & social impact
We add stakeholder value as a business committed to being sustainable and operating responsibly.

Focus & scale
We are positioned to help clients and candidates globally, but also to understand local needs and challenges.

Our focused strategy is based on targeting our resources on those sectors with the greatest long-term skill shortages, and also where we believe we can consistently deliver conversion rates of 22-25%.

An important driver of our growth remains the first-time outsourcing of recruitment to third parties. This means that these markets are relatively less cyclical, and relatively less driven by the prevailing economic backdrop, or short-term sentiment.

We can drive significant synergies across our network.

33 countries
3 key, 8 focus and 22 emerging countries

Industry expertise
Further enhancing our expertise and relationships in key sectors

Single platform
We seek to operate as 'One Hays' globally

Culture
Our inclusive, equitable and diverse culture is a key enabler

Brand
We are fiercely protective of our brand and reputation

Technology
We aim to be the tech-enabled leader in our industry

Market-leading positions
Over many years, we have purposely built leading businesses in attractive structural growth markets such as Technology, Engineering, large Enterprise clients and Germany.

We are also market leaders in the UK&I and ANZ, which both have long-term growth and recovery potential, despite near-term cyclical challenges.

We have strong and growing positions in many other markets where the outsourced use of agencies is relatively immature, with considerable opportunities to take share from in-house HR teams.

Lifelong partnerships
Millions of relationships are formed and nurtured by our consultants, at the heart of our business. By becoming trusted advisers to talented people, helping to navigate their careers and fulfil their potential, we unlock significant opportunities.

By providing high quality of service, clients can count on us to provide unrivalled access to top talent, and to provide market insights to help them scale and flex their evolving work-forces. We add additional stakeholder value as a business committed to being sustainable and operating responsibly.

STAKEHOLDER **ENGAGEMENT**

We have built strong relationships with a wide range of stakeholders over many years. Their trust and support enables us to build a more sustainable, resilient business which operates responsibly and creates a wide range of stakeholder benefits.

Core to Board decision-making is maintaining an open and effective dialogue with stakeholders. This helps ensure our strategy is supporting our aim to do the right thing for stakeholders.

Our Section 172(1) statement can be found on page 102.

Stakeholder	How we engaged
Employees	We invest substantially in training, development, diversity and culture to ensure Hays is a great place to work. This was supported by enhanced leadership communication around our CEO transition, and our focused strategy launch. This was done via town halls, videos, email campaigns and regional Employee Resource Groups (ERGs). We also undertake bi-annual global employee engagement surveys. The results are analysed by regions and executive management and presented to the Board.
Candidates	By building long-term relationships with candidates, we help them fulfil their career ambitions. Our engagement is multi-channel, working via our website, social media, publications and Hays MyLearning - our free-to-use Training & Wellbeing platform.
Clients	We partner with our clients, helping find the talent they need to thrive while building deeper and stickier relationships. We do this via providing value-added workforce services like MSP, RPO, Assessment & Development, Workforce Planning, DE&I Consulting and learning via our Hays MyLearning portal.
Shareholders	We actively engage with the investor community through meetings, roadshows and conferences, and are very grateful for their long-term support. The Board receives regular updates on investor themes and questions and the Chair also hosts meetings with some of our largest institutional investors.
Communities and the natural environment	We seek to have a positive impact by engaging with the communities in which we operate, actively providing support, career advice and training. Our 'Helping for your tomorrow' programme expanded significantly in FY24. We are committed to reducing our environmental impact, setting ambitious targets to halve our own GHG emissions by 2026, and reducing our broader environmental impact. Our Net Zero Working Group is developing strategies which will underpin our SBT on reducing carbon emissions.
Suppliers	We are committed to treating our suppliers fairly and with respect, and publish a Supplier Code of Conduct on our website. We have contacted landlords and are in discussions with suppliers to assess their commitment to reducing environmental impact and increasing societal engagement.
Host countries and governments	Hays contributes to economies and society both directly and indirectly, through the taxes we pay, the jobs we fill, the candidates we help upskill and the local business opportunities, education and community initiatives we support.

Stakeholders

1. Employees
2. Candidates
3. Clients
4. Shareholders
5. Communities and the natural environment
6. Suppliers
7. Host countries and governments

What was important in FY24	Our actions and how we responded
• Clear communication of our focused strategy • Ongoing commitment to learning & development • DE&I progress • Advocating for positive mental health and colleague wellbeing • Communication of our Employee Value Proposition (EVP) • Enhanced working practices with flexible and hybrid working • Promotions and overseas transfers	• New Group Chief People Officer joined in June 2024 • Direct actions based on YourVoice findings (more information on page 25) • Progress on our DE&I strategy • Enhancements and growth of ERGs, including ERG Leaders training programme developed • Board commitment to employee mental health (more information on page 57 - 58)
• Providing career opportunities • Market insights, thought leadership and expert career advice • Provision of training and development via Hays MyLearning (more information on page 31) • Helping people back into the workplace • Identifying and supporting hidden talent • Protecting customers' data	• Investment in customer service and user experience • Career mentoring and volunteering (more information on page 60 - 61) • Tailoring learning and development to individual career requirements (more information on page 57) • Talent+ initiatives in the UK&I and Germany (more information on page 34) • Focus on data protection and responsible AI strategy (more information on page 30)
• Delivering a professional service and solving skill shortages • Responding to rapidly changing conditions • Providing support needed to thrive in recovering markets • Insight into recruitment trends and market comparisons • Enhanced advisory and talent services • Compliance with regulatory matters	• Focus on customer services and building lifelong partnerships with clients and candidates (more information on page 32 - 37) • Investment in client relationship managers • Provision of training and compliance services • Growth in DE&I consulting via FAIRER Consulting (more information on page 35)
• Clear communications and transparent reporting • Successful CEO transition to Dirk Hahn • Transparent communication around our focused strategy • Focus on embedding sustainability in our strategy and investment case, and publishing our first ESG report	• Regular engagement with shareholders and analysts • Clear communication around focused strategy (more information on page 11) • First Group ESG report published in November 2023
• Ongoing growth of 'Helping for your tomorrow' and our volunteer/community programmes worldwide • Increased internal awareness of our environmental impact and our GHG abatement strategy • Remaining carbon neutral • Maintaining a trajectory to deliver on our SBTs • Fee growth in the Green Economy	• Each colleague is entitled to one day of volunteering each year • Volunteering increased by 59% YoY, having risen by 85% in FY23. Our efforts are targeted on helping people in the world of work, and the environment (more information on page 54) • Significant local charity fundraising • For the second year, our 'Neighbourly' initiative in the UK delivered over 6,900 hours of volunteering in FY24. The UK&I continues to offer two volunteering days per colleague • Engaged in a provisional ESG double materiality analysis (see page 52) and also a verification readiness review for our GHG data
• Clear Supplier Code of Conduct • Partnership in reducing environmental impact, including stating our preference to work with partners also on a Net Zero journey	• Communication of our environmental standards and requirements to customers • Working with landlords around our own GHG reduction plan
• Supporting Public sector administrations • Ensuring worker tax and regulation compliance • Collecting and paying employee and employer taxes on behalf of host countries	• Regular and open dialogue with governments and tax authorities and payment of taxes in a timely manner • Community involvement and initiatives as part of 'Helping for your tomorrow' (more information on page 60 - 61) • Continued enhancement of training courses on Hays MyLearning (more information on page 31) • Talent+ initiatives (more information on page 34)

Delivering our strategy

OUR SENIOR LEADERSHIP TEAM

Our senior team is focused on navigating short-term market challenges, while positioning Hays for long-term growth.

Our senior leadership team is energised and highly committed to delivering our strategy. We will do this by ensuring we have the right operating models for each business line, by embracing the huge potential presented by technology, and via our commitment to enhanced operational rigour.

As set out on the subsequent pages, we have a clear strategy to return Hays to growth. Once key end markets stabilise and then recover, we are confident our team can drive Group operating profits back to, and then beyond, previous peak profits of c.£250 million.

LEADING OUR **TRANSFORMATION**

Becoming the welcoming and inclusive destination for the best talent in our industry

Deborah Dorman
Chief People Officer

Page 21

Building on our strong foundations to become industry technology leaders

Tim Fulton
Chief Technology Officer

Page 28

Driving efficiency and productivity to reach our medium-term conversion rate target of 22-25%

James Hilton
Chief Financial Officer

Page 44

PEOPLE & CULTURE

We are deeply proud of our culture, which is based on expertise, training, collaboration, inclusivity and doing the right thing.

Every day, our colleagues nurture long-term partnerships that empower people and organisations to succeed. Attracting and retaining the best talent is fundamental to our ability to deliver for our customers and to grow our business. Our aim is for Hays to be recognised as the most welcoming and inclusive destination for the best talent in our industry.

We want people to build fulfilling careers with us, to be developed and rewarded and make a positive impact on our clients, our candidates and our communities.

Our culture is a reason why so many of our people choose to stay and grow their careers with Hays. When we ask colleagues to describe our culture, they have used terms such as ‘high energy’, ‘inclusive’, ‘growth mindset’ and ‘great people’.

Having highly engaged colleagues who understand and share our values of the business and the part they play in that is a core priority. Our ‘YourVoice’ feedback process is essential to our two-way communication and regular listening.

A strong employer brand helps to differentiate Hays. We are able to recruit and retain the best talent in the industry by offering a high energy culture, an inclusive environment, exciting careers, world-class training and development, and opportunities to contribute to the communities in which we operate.

We enable colleagues to reach their full potential through industry-leading training and development. Most new recruits join us from university on our graduate scheme, or from a vocational career. But we also carefully consider the different priorities of multi-generational workforces, to provide a compelling blend of pay, benefits and career opportunities.

We train our people in the ‘art’ of recruitment, building expertise and the insights required to find the best person for a role, both in terms of skills and cultural fit. We then equip them with the best tools to do the job, embracing new technologies; the ‘science’ of recruitment.

Talented people want to work with the best: people, brand, tools, technology and infrastructure. They also want career development. Our culture is shaped and created by these features. We believe this is special, and of great value to our stakeholders. We also know our people want to do interesting and meaningful work, increasingly in an organisation that is purpose-led. This is demonstrated in the work we have done through our commitment to DE&I, Net Zero and our global volunteering and fundraising programme, ‘Helping for your tomorrow’.

LEADING OUR TRANSFORMATION

Deborah Dorman joined Hays in June 2024, bringing a wealth of experience in leading large-scale, people-centred transformations, including cultural change and organisational effectiveness.

She will drive Hays’ strategic people agenda, driving key areas such as culture, diversity and inclusion, talent management, compensation & benefits, and succession planning.

“Our brilliant colleagues are the heart of Hays. Our key priority is to continue to equip them with the skills needed to deliver outstanding service to our customers, both today and in the future. We will also ensure colleagues have access to great career development opportunities, all within an engaging and inclusive culture.

I look forward to further developing our people strategy in FY25 and beyond.”

Deborah Dorman
Chief People Officer

People and culture continued

We want to deliver a high-performance environment. We will build on our strong track record in training and development, ensuring we foster the business capabilities we need and focus our talent on the key sectors where our clients need help and expertise. Having strong leadership across the organisation is central to our strategy.

Given the challenging conditions we operated in during FY24, and the transition the business is going through, clear communication has been more important than ever. We are committed to regular and transparent two-way dialogue with our people. Through a series of communications, town halls, videos and open Q&A sessions, we have sought to ensure that all colleagues understand our strategy and vision, and the clear benefits of greater focus.

Growth and development through training

Investing in training and developing all our colleagues is central to our strategy and culture. This has been adapted for flexible and hybrid ways of working, including using blended, online learning solutions, while also connecting people in person.

Typically, a first-year joiner will spend on average 46 days in training, helping them to climb the 'productivity curve' while embedding the Hays culture. Demonstrating the ability to progress a career at Hays, 3,842 colleagues were promoted in FY24, and 61 people transferred internationally within Hays.

The quality of our leadership has always been a key strength. As the world of work changes, we recognise our leaders are running more complex businesses. We have therefore made a significant investment in our leadership programmes, designed to build the skills, mindset and behaviours to create the best leaders in the industry and drive the business.

Our leadership development strategy is based on:

- building better strategic and operational thinking skills
- deeper psychological safety and stronger relationships
- expanding our ability to lead inclusively
- developing stronger operational execution capability

Our world-class and award-winning training programme is the **International Leadership and Management Programme (ILMP)**, which has been running for seven years with over 200 leaders attending. The ILMP helps develop the skills our leaders need to best-position Hays in rapidly changing markets.

Female leadership percentages

Role	FY24 total number	FY24 percentage female	FY23 percentage female
PLC Board	**10**	50	44
Senior management as defined by UK corporate governance code	**148**	39.9	36.6
Hays senior leaders	**c.670**	43.0	44.3

Christoph Niewerth
MD, EMEA

ILMP – Christoph Niewerth

"I became MD of EMEA shortly after attending Hays' flagship ILMP course. The timing was ideal and provided me with a strong platform for my first few months.

An early priority was getting to know each country leader, in order to better understand each market. The lessons I learned at the ILMP meant I used these visits to give colleagues far more time and space to talk.

I didn't want to dominate these visits by asking too much, but instead to listen and be fully present. The benefits have been clear – my conscious investment in personal relationships has helped colleagues to feel able to be open with me and believe they want to be part of a team, driving our EMEA business.

We have been refreshing our EMEA strategy, aligning it with the global Hays strategy. My goal has been to give our leaders space to answer the question of how they think our strategy should be delivered. My adoption of mission-led principles has given them a prominent voice, meaning we capitalise on their expertise. Rather than being directive, which I have done in the past, I have been clear on the 'what and why', and our country heads have had space and my trust to propose the 'how'".

More detail on pages 57

Putting DE&I at the heart of our culture

We are committed to attracting diverse talent and maximising our people's potential, and our commitment to DE&I is fundamental to unlocking that potential. Our promise to colleagues and clients is to do the right thing around people, thinking beyond on diversity, putting inclusion first and building partnerships with clients and candidates to create an inclusive and diverse tomorrow for Hays and the communities we serve.

Our approach to DE&I

Our DE&I vision

'Creating Tomorrow Together' – diversity and inclusion will drive and enable our rapidly evolving future

Our DE&I promise

To do the right thing on diversity, think beyond on inclusion, bringing to life the skill, talent and potential of everyone at Hays, enabling lifelong partnerships with the communities we serve

DE&I strategic pillars	**People**	**Workplace**	**Markets**
Strategic goals	**Diversity at all levels, everywhere**	**Culture of inclusion and allyship**	**Employer of choice and DE&I thought partner**
Key Strategic Priorities	• Inclusive hiring (senior appointments process) • Targets, data, tracking • Family friendly policies	• Global ERGs and leadership • Allyship communication and initiatives • Wellbeing	• Clients, partners and services
Future thinking	• Global recruitment methodology • Caring, friendly culture	• Allyship in action	• Systemic inclusive impact

Our values

Do the right thing, think beyond, build partnerships

See page 26 for more information

Three-year DE&I plan

Diversity at all levels and geographies

- Increase diversity pool, both internal and external
- Inclusive hiring processes
- Equity standards (e.g. Carers, Wellbeing)

Create a culture of inclusion and allyship

- Inclusion champions & sponsors
- Employee Resource Groups (ERGs)
- Global communications calendar

Be an employer of choice and DE&I thought partner

- To clients and partners via FAIRER Consulting
- Via our ERGs
- Via thought leadership content

FY24 DE&I Achievements

In FY24, we have made significant strides in DE&I as part of our three-year DE&I strategy:

- All ELT members have DE&I leadership goals
- All Regional Boards have gone through allyship & sponsorship conversations
- Exec sponsors nominated for all 26 regional ERGs. 10 new ERGs in FY24
- First Global International Women's Day celebrations across all regions (WE Lead)
- Increased our understanding of diverse communities within Hays (Your Voice DE&I Demographics)
- Significantly increased client engagement through DE&I events (Fairer Consulting)

THE EXPERTS' VIEW
EMPLOYEE RESOURCE GROUPS

We have established over 20 Employee Resource Groups worldwide in the last two years. These groups exist to foster better communication and cultural learning across Hays.

What is your Employee Resource Group's main goal/ambition for FY25?

"In FY25, our ERG plans to create mentoring programmes. This will enable our people to build networks – internally and externally – and support each other to succeed. We will seek to amplify the great work we are doing through connecting with clients and driving gender equality beyond our own organisation."

Kelly Hopkins
WE Lead ANZ

What has been the biggest impact of your ERG for the wider Hays community?

"The launch of our mentoring programme. Twenty senior female leaders have partnered with more junior counterparts. This has led to impactful conversations in a safe space, significant personal development and network building.

We also hosted two highly visible panels for International Women's Day. These focused on the importance of allyship, and the impact of AI on the world of work from a gender perspective."

Anna Lüttgen
WE Lead Germany

"The increase in pay for primary parents is a clear signal we recognise the contribution of our people as their lives and priorities develop. We have also sought to influence management so our people experience meaningful support pre-and post-long-term family friendly leave.

This recognises colleagues' changes in priorities and aligns to continuing career progression. Also, our expertise in the world of work has supported parents in preparing their children for life after education through workshops on CV writing, interviewing and career planning offered directly to children."

Parents@Hays
UK&I

Driving employee engagement

Having engaged colleagues is critical to our future success. A key way we understand the engagement of colleagues globally is through our YourVoice survey.

We conduct two global employee surveys annually – a main survey in May and a pulse survey later in the year, which can be used to explore key issues raised in the previous main survey. YourVoice is translated into 12 languages, and is completely confidential, which allows colleagues to share their honest views with anonymity. Feedback is reviewed closely by the Executive Board and senior managers to identify and inform actions.

We also use other continual two-way communication channels to ensure colleagues are kept informed of key developments, including town halls, CEO Q&A sessions and Regional MD email campaigns. These enable us to engage with a broad cross-section of our people and provide important opportunities to listen directly to their challenges, opinions and ideas.

"In highly challenging markets we have had to make some difficult decisions and deliver significant change across Hays, and this has been reflected in recent YourVoice scores. However, these changes were needed to deliver our focused strategy, and position the Group to capitalise strongly on market recovery when it comes. We are actively focused on improving people engagement and restoring our former above-market levels."

Deborah Dorman
Chief People Officer

YourVoice favourability score (%)	**2024**	2023	2022	Commentary
Overall employee engagement	**71**	76	80	While we are not satisfied with the decrease, it should be viewed in the context of challenging market conditions
I believe that at Hays we positively impact organisations and people	**78**	81	84	78% of colleagues believe Hays has a positive impact
I would recommend Hays as a great place to work	**73**	81	86	Almost three quarters of colleagues believe Hays is a great place to work
At Hays, I feel a strong sense of belonging	**64**	70	75	Creating an environment where people feel they belong is a great culture enabler
People from all backgrounds have an equal opportunity to succeed at work	**81**	82	84	Over 80 represents a strong score in this area
Hays creates an inclusive workplace, recognising and respecting every employee as an individual	**79**	80	83	We are determined to build an inclusive culture across Hays
I have a positive working relationship with my manager	**89**	90	92	We are delighted that so many colleagues have a positive relationship with their manager

Board involvement and responsibility

The Board has overall responsibility for the welfare and interests of the workforce, and during the year Non-Executive Director MT Rainey continued her work as designated workforce engagement director. MT's role serves as an additional and independent channel for the Board to hear directly from Hays' diverse workforce.

People and culture continued

LIFE
AT HAYS

Our values

Do the right thing
We always seek to act in the best interests of our candidates, clients, colleagues and communities. We aim to find the right solution each time, because every situation is different. We stand by our commitments, we keep our promises and we treat everyone with the respect they deserve. This is what earns trust.

Build partnerships
Collaboration and inclusivity are at the heart of our approach, creating solutions together, learning from each other and sharing our knowledge and experience. We take time to listen and understand people's needs and aspirations so that we can meet them, enabling shared success.

Think beyond
Our knowledge and ambition drive us forward. We challenge ourselves and our customers by bringing open, inquisitive minds. We aren't constrained by 'that's the way we've always done it'. We see the big picture today, anticipate change and are confident and agile with our advice. That is what makes us experts.

What makes Hays a great place to work?

"You are rewarded for your hard work. Both individual and team success is celebrated. It's a workplace where you get out what you put in, which I love. You are given the tools, support and guidance you need to succeed, and you are able to build a very successful career."

Emily Nuttall
Senior Manager, Australia

"I believe Hays is committed to its employees, its culture, and its clients, and rewards and recognises employees' commitment. We are innovative market leaders, but remain committed to doing the right thing."

Jeff Patenaude
Senior Associate General Counsel – North America

"Hays' inclusive culture and commitment to personal and professional growth. To be surrounded by leaders that are passionate about their people is special, you walk away each day feeling valued and appreciated."

Lisa Markham
Associate Director – MSP, UK

How do you see inclusion happening at Hays?

"People are at the heart of what Hays does, and everyone has a voice. We have many internal networks, including Leading Women and Pride."

Julia Foster
Senior Manager, UK

"Hays offers each individual the opportunity to share their ideas and suggestions. This happens in one-to-ones, team & department meetings or anonymously via the Innovation Hub platform, which our Managing Directors evaluate directly. Every year, several projects are actually implemented in practice and presented to the employees."

Wladimir Baghdasarian
Team Leader, Austria

How does Hays' culture help you to succeed, both day to day and over the long run?

"I feel I have the autonomy to run my own business in a way that works for my market. I have the tools at my disposal to be successful in servicing my clients and candidates, and also to effectively grow and develop my own team. I have the support of my management team who are readily available whenever I need."

Felicity Reinalda
Senior Manager – Client Engagement, Australia

"Hays' culture allows people to excel in their roles and grow further as an individual. It fosters a culture of respecting each other and to being open-minded to other views/opinions."

Robby Chedie
Senior Director – IT Service Delivery, Americas

"The trust you receive from your manager and ability to make your own decisions and take responsibility right from day one. You always have communication at eye level, can find a suitable contact for problems and can rely on a strong network of helpful colleagues. This puts you in control of your own success and gives the best possible support for your customers."

Lisa Leonhardt
Key Account Manager, Germany

How are you building stronger and more meaningful relationships with your clients?

"At Hays, we position ourselves as life-long partners to both candidates and clients. There has never been a better phrase to encapsulate the work and focus we have day to day to be the most helpful and forward-thinking to our clients. Every conversation should be about the next 10 years, not the next 10 minutes!"

Sam McCarthy
Director – UK

"Building strong, meaningful client relationships requires time and patience. It is essential to meet clients personally to understand their professional and personal needs fully. This understanding allows us to tailor our solutions effectively. As clients experience our integrity and commitment to their best interests, we become trusted advisors."

Ben Thomson
Team Manager, Hong Kong

TECHNOLOGY & DIGITALISATION

We have strong foundations in technology and data, with long-term expertise. Our 'data funnel' automatically enables us to process tens of millions of data points daily, turning them into meaningful signals and actionable insights for our clients, candidates and consultants, at a scale and depth.

However, given rapid advances in technology and Generative AI, we believe now is a good time to enhance our overall digitalisation, technology infrastructure and stack of applications.

Technology and data empower our consultants, giving real-time insights and freeing up their time to improve productivity. Our goal is to give our colleagues best-in-class tools, allowing them to better service clients and earn fees. A key part of our focused strategy is therefore our ambition to become the most technology-enabled recruiter in the world. This will involve some investment, but we also expect to deliver efficiencies as we consolidate our systems, which were previously run more on geographic basis.

During the year a Group-wide project was initiated to transform our IT infrastructure to better support the operations of the business. This led the Directors to conclude that certain intangible assets would either no longer be used in the Group's operations or that their carrying value was impaired and this resulted in an impairment charge of £22.5 million.

LEADING OUR TRANSFORMATION

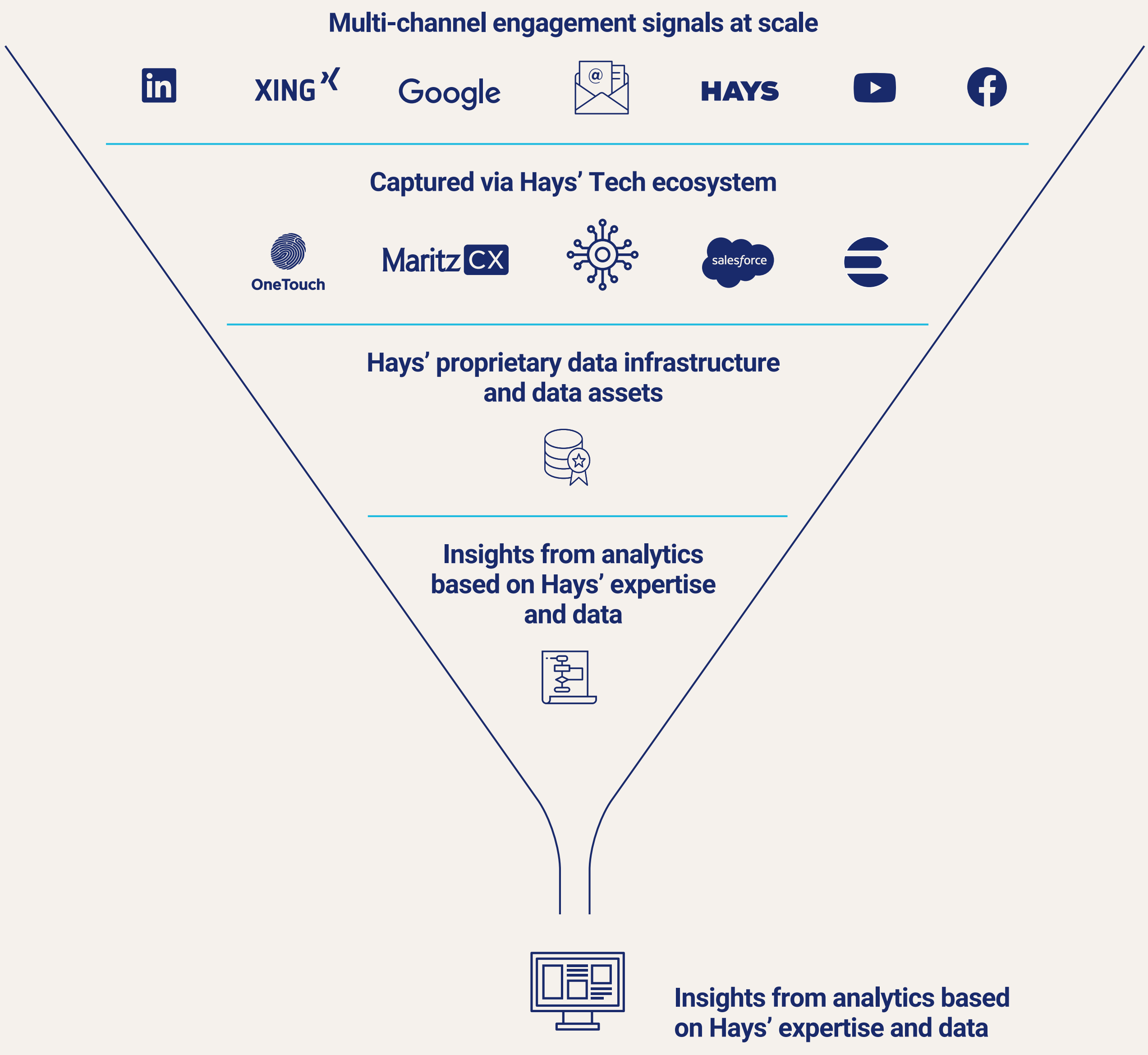
"Hays is on a mission to transform and evolve into a more globally integrated business, with IT and data as a pivotal driving force. To help us with our future technology journey, we have partnered with Cognizant, a leading global technology and consulting company. This strategic partnership will enable us to transform Hays' technological landscape and deliver operational efficiency and innovation capabilities.

This partnership will enable us to focus on delivering exceptional recruitment services to our clients and candidates worldwide."

Tim Fulton
Chief Technology Officer

The Hays data funnel: Driving more value from data than in-house HR teams and our competitors

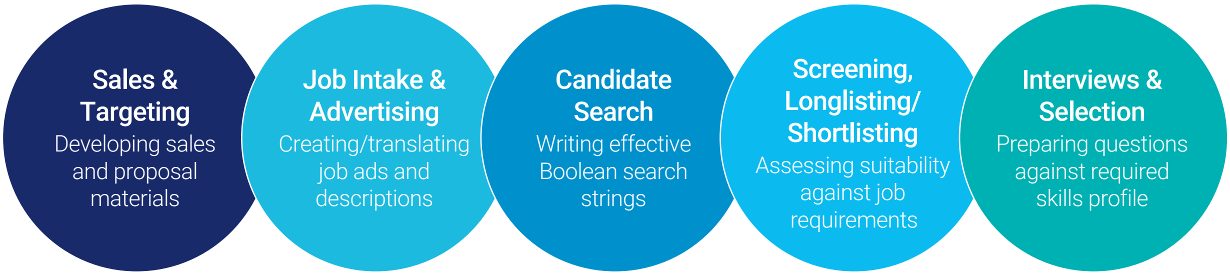
Our long-term commitment to technology places data at the heart of our business.



1. Access to more and better data
2. Convert data effectively into insights
3. Drive real actions from insight

Technology and digitalisation continued

Generative AI use at Hays



Generative AI in recruitment

We aim to be recognised as market leaders in the use and optimisation of Artificial Intelligence (AI), and we are developing a responsible AI strategy globally. Generative AI brings vast possibilities for Hays and our customers. In time, our ambition is to deliver enhanced customer service using AI across all processes.

AI also brings significant challenges around data, data protection, legal compliance and ethics. We believe the use of AI tools and resources will present great service and productivity opportunities going forward, and our strategy is based around driving efficiencies in a highly responsible and compliant way.

We have numerous positive use cases, and we are working closely in partnership with key suppliers to evolve business tools. This will identify opportunities to incorporate generative AI into key Hays workflows and help evaluate our processes. The key aim is to ensure that our colleagues have insightful tools, boosting productivity and helping provide clients and candidates with the best user experience and service possible.

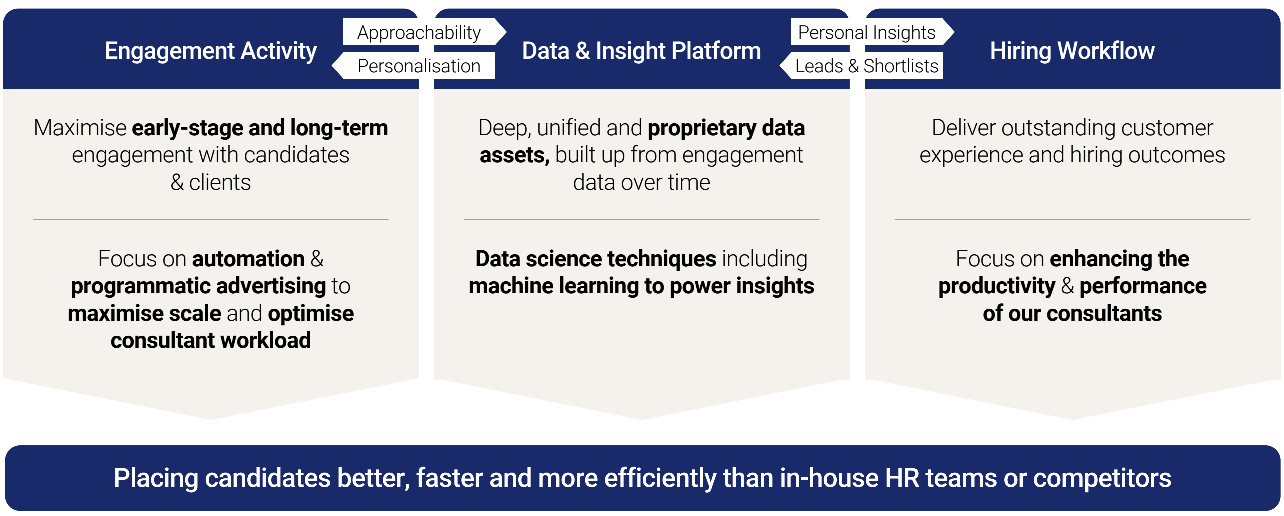
AI has significant potential to improve all stages of the recruitment process for clients and candidates, and our consultants, including:

- summarising job requirements
- creating job descriptions and web adverts
- curating Talent Networks
- analysing key market trends and developing strategies
- identifying skill shortages for candidates and offering training.

More specifically, the graphic above shows some practical use cases which are already in progress:

We still firmly believe that the human will remain central to recruitment processes. For example, in a world where Generative AI can produce perfect CVs and cover letters, there is real value in the process of having expert consultants curate short-lists.

Our engagement strategy has developed over many years and underpins Talent Networks



Talent Networks offer clients unique insights and solutions – and help to find candidates faster

Talent Networks are the community ecosystems we have built to support our consultants, built on top of our vast 'digital data lake'. They optimise our digital candidate sourcing strategies, largely operating in real time, and reducing our time to shortlist.

We believe the scale of information we bring is a differentiating asset. We add value by presenting customers with real-time information to significantly enhance their decision-making, and their ability to engage the right talent to grow. Consultants can also demonstrate to a customer, in real time, where a particular role sits in terms of supply and demand, salary and local market knowledge.

Supported by our automated marketing technology, we constantly source skills that our customers need, building relationships with candidates from their first digital interactions with Hays.

Hays MyLearning and upskilling/reskilling

An important service we provide to candidates is via Hays MyLearning, our online learning portal. MyLearning gives an additional level of candidate service, going beyond the expert career advice our consultants give daily, and demonstrating personalised insights on how candidates can develop additional skills to better equip themselves for future success. MyLearning also benefits from our experience in understanding many hundreds of thousands of career journeys.

Using millions of data points amassed over time, our algorithm maps skills against roles dynamically. We can link candidates to training specific to a range of pathways for their careers, based on the successful careers of others with similar skills. MyLearning is dynamic, learning from new data added daily, and we also offer it to customers as a way of white labelling their own training and upskilling.

In the last 3 years over 30 million minutes of learning has been consumed via the MyLearning portal, and in FY24 we had nearly 100,000 enrolled users. New enrolments were up 13% YoY, and we saw an increase in consumption per user, up 5% YoY. We saw particularly good progress in the UK, including a doubling of users via the Hays Outplacement UK section of MyLearning.

Conclusion: differentiating through expert-led and data-driven customer service

Hays was an early adopter of using data-driven technology insights – at scale – in recruitment. We have strong foundations and a clear vision to be a leader in technology in our industry. However, given the rapid advancements of Generative AI in recent years, now is a good time to be assessing our needs, and planning for the next decade for customer service and experience.

This represents a major opportunity as our customers rightly demand better services than ever. These demands create opportunities to win recruitment market share and grow in related talent and workforce solutions by delivering an outstanding service, backed by people, technology and data

.

CUSTOMERS

LIFELONG PARTNERSHIPS, POWERED BY **OUR PEOPLE AND TECHNOLOGY**

'Working for your tomorrow' is our promise to customers, by which we mean both our clients and candidates, that their continued success is at the heart of what we do.

We do this by combining our knowledge through scale, meaningful innovation and deep understanding. We have the depth and breadth of a global network, data points across many sectors and deep expertise driven by c.7,000 expert consultants. We continually challenge ourselves to provide customers with greater insights on what is happening in the world of work, both now and in the future.

We understand that professionals need different forms of support throughout their career. Our commitment to building trust and lifelong partnerships with candidates is a key priority, and we offer continuous support to our community of Contracting, Temp and Perm candidates, helping them to achieve their career ambitions.

By offering our customers an unrivalled service, we can set Hays apart from our competition and create long-term value by delivering the recruiting experience of tomorrow.

"Our vision is to ensure clients see 'One Hays' globally, with consistency of process and innovation alongside business-focused outcomes. This is being brought to life under our new Enterprise 'Target Operating Model' strategy. Whether we are advising on talent acquisition strategy or running the talent acquisition process on an outsourced basis, our highly experienced and passionate teams help to ensure quality of engagement and business growth-focused outcomes. We have delivered some great results in FY24, including 120 new client wins and extensions."

Nigel Kirkham
MD, Hays Enterprise Solutions

Hays' broad client types and key characteristics

Client type	Spot/one-off transaction	Multiple placements per year	Preferred Supplier List (PSL)	Full outsourced
Key customer needs	• Typically SME clients, but also some larger clients, who need to access deeper pools of available talent, faster and more accurately than they can do themselves • Some clients may use Hays only once, others may use Hays many times each year		• Customers who need a partner to help with broader talent solutions • Dozens or even hundreds of placements each year	• Requires a deep, trusted relationship to deliver all (or part) of their HR function • Thousands of placements each year
Proportion of Hays' fees	c.20%	c.30%	c.30%	c.20%
Customer's service requirement	Serviced by Hays' global network	Known Hays contact and Hays' global network	Account Management team	Dedicated client engagement managers
Growth opportunities for Hays	• Economic growth • Win new customers • Win market share with existing clients	• Win new customers – many thousands of organisations we do not deal with today • Deliver recruitment across more specialisms • Scope to convert multiple placements into a PSL arrangement • Opportunities to offer selected talent services	• Win market share as Preferred Suppliers (PS) (we have c.1,200 PS clients; typical share of their spend is 20-50%) • Win more client contracts • Convert to full outsourced contract • Add new, value-added talent services	• Win more outsourced contracts with c.80-90% of client spend. We currently have c.150 fully outsourced contracts with blue chip global companies • Add new regions to existing contracts • Add new, value-added talent services

In Focus: Enterprise clients

A key lever of our strategy is building stronger relationships with clients. A key part of this is Enterprise Solutions, which works with some of the largest companies in the world on a contracted basis, often in multiple countries and sectors. Our services include managing contingent labour forces under MSP arrangements (our largest area at c.75% of Enterprise fees), RPO, onboarding, compliance, assessment and workforce planning. In FY24, our direct and indirect fees in Enterprise were £223 million, equating to just over 20% of Group fees. Notably, fees in Enterprise clients were more resilient than the Group overall, down 5% YoY, despite the more challenging markets we faced globally.

We aim to be the leading provider of talent solutions to complex global enterprises. We will do this by being their partner-of-choice in helping solve intricate talent and workforce challenges, using tailored solutions. Successfully providing a consistent global approach to how we engage with clients, how we contract with them, and how we deliver services, gives opportunities to capture more 'wallet share', by growing geographically and by cross-selling our Enterprise services.

Every global organisation is facing world-of-work 'megatrends'. These include skills shortages, changing demographics, the desire for flexible working conditions, differing cost rates for the same skill-sets across regions, the need for a clear DE&I strategy and the rapid development of Generative AI. We help our clients to navigate these 'megatrends' globally – providing a consistent, single 'face' to the client, under a single and cohesive engagement strategy. Enterprise Solutions helps drive the appropriate talent acquisition strategy for each client, delivering skilled people at scale when, where and how they're required.

Since FY20, Hays Enterprise fees have increased from £159 million to £223 million. Our growth has been underpinned by our ability to build longer and stickier relationships with clients, and our medium-term ambition remains to double the size of our Enterprise business, and to reach our Group conversion rate target of 22-25%.

Examples of operational rigour in action include moving part of our UK sourcing function from Leicester to India, and a significant portion of our delivery function from ANZ to India. Our aim is to improve fulfilment rates and consistency of delivery as well as to drive lower costs, all while enhancing operational service delivery. These changes have been successful, and India placements per head have grown four-fold during FY24.

Industry experts Everest awarded Hays 'Star RPO Performer', ranking in their Peak Matrix, a significant improvement YoY.

Global Enterprise fees[1] (£m)

(1) This excludes any fees which originate from preferred supplier arrangements, which represented a further c.30% of Group fees.

Customers continued

In Focus questions: How are you building stickier and more meaningful partnerships with your clients?

"In Germany, we launched our 'Talent+' initiative in 2022, to help manage talent shortages. We focus on the attraction of young talent, i.e. graduates, helping them enter into professional life.

By helping at the start of their career, Hays can begin a lifelong relationship with talented people. We have a dedicated recruitment approach combined with targeted marketing campaigns, and in the last two years we increased our talent pool by 27,000 new talents.

More than 1,000 candidates (80% in STEM) began their career with Hays in Talent+. It is highly scalable, creating value for candidates, clients and Hays. Our aim is to grow Talent+ by connecting more clients with some of the best trained graduates in the market."

Aleks Amidzic
MD, Technical Solutions Germany

"Clients come to us with a problem statement, which can be large or small, strategic or tactical. It can be related to day-to-day operations, or it can be tangential. The statement may be articulated clearly, or it might be intangible. Often clients will know something is wrong, but may not be able to distil down to a single event, or series of intersecting factors causing the problem.

In FY24, we deployed a project team to perform workforce process deep-dives that allowed us to build the right type of workforce solution at a regional level and scale, ensuring the client could drive globally strategic objectives in a consistent manner.

All of these problem statements are unique. What was constant was the collaborative and non-judgemental approach that we took to understand our clients' challenges and then iteratively and pragmatically work in partnership to solve the problems together. No magic wands. Just listening, understanding, designing, developing and then executing on the best answers for the customer – as they, not Hays, require."

Scott Cameron
Global Head of Service Delivery

Building stronger relationships: Workforce Planning case study

Workforce Planning is an important service we provide to help build stronger and stickier long-term relationships.

We work with clients to identify and manage their workforce requirements, defining hiring strategies and helping to ensure that projects have sufficient resources.

Through a series of key stakeholder planning sessions (e.g. HR, Procurement and hiring managers), Hays provides insights and data on current market conditions, talent availability and cost analysis. We also advise on the most appropriate contract form clients need. By becoming integrated into the workforce planning process, we can provide a stronger service, as well as giving the client better visibility on the total costs of hiring.

Once the sourcing strategy has been established and resourced, we continue to support the client in areas such as retention and managing contract extensions, ensuring the client's needs are met across the recruitment process.

In Focus: FAIRER Consulting

A transformative year

Vercida Consulting, acquired in 2023, was re-launched as FAIRER Consulting in January 2024. This re-brand reflects a new direction, aiming at global appeal. FAIRER represents core values of fairness, accessibility, inclusion, respect, equity and representation.

FAIRER Consulting's core products and services are aligned in three core offerings:

Training: we design and deliver a wide range of diversity and inclusion training programmes for clients. Our core is within the UK, but we have an increasing number of global clients. Training products include inclusive leadership and conscious inclusion.

We aim to broaden our programmes to widen our appeal to clients and many of our courses will be designed as virtual learning.

Diversity and inclusion training will remain our core product. We will expand to a wider HR offering, focusing on wellbeing and employee motivation, building effective teams through psychological safety and a suite of leadership development courses.

Consulting: We offer diversity and inclusion consulting, strategy and audit services. We aim to increase the number of clients spending over £50k through new business wins, and via increased share with existing clients.

Leadership development: We offer leadership development programmes to global clients, and we will expand our offering to appeal to a broader client base.

Future expansion

In FY25, we see revenue growth opportunities through expansion of new products and services, significant investment in digital marketing, and expansion into Germany.

Leveraging Hays' German client base will be a core focus and can also provide a platform for future European expansion.

Building a global community

We are seeking to build global communities of diversity and inclusion professionals, together with colleagues from the fields of Human Resources, Learning and Development, and Wellbeing.

Additionally, we will build a network of 'FAIRER Ambassadors' across Hays' global network, promoting our products and services to existing customers.

Growth platform

We will build capacity in the UK and Germany through a focus on promoting our key products within core sectors, including Financial Services, Professional Services, Construction & Property, Technology and Consumer Goods.

We will leverage relationships with core buyers, including HR, Talent Acquisition, Learning & Development, Diversity & Inclusion and Heads of Talent.

"In FY25, we see revenue growth opportunities through expansion of new products and services, significant investment in digital marketing, and expansion into Germany.

Leveraging Hays' German client base will be a core focus and can also provide a platform for future European expansion."

Dan Robertson
MD of FAIRER Consulting

CLIENT SERVICE IN ACTION

A selection of our client services offered, highlighting the breadth of services and the enduring strength of relationships which Hays builds globally.

1. France

Airbus

We are delighted to be considered a strategic supplier to Airbus, who employ c.150,000 people worldwide. Airbus is a key strategic client globally, reflecting the significance of contingent workforce staffing services to their business, aiming to design, produce and deliver innovative solutions.

We started our partnership with Airbus almost 20 years ago in Germany, and eight years ago in France when Hays became the managed service provider for all Airbus Temporary workers in France. We recently extended our partnership to continue improving our collaboration, notably on diversity and inclusion topics, based on our key values: customer focus, reliability and teamwork.

2. UK

Sony

Hays began their trusted relationship with Sony Europe in 2015, launching a Managed Service Programme for all Sony contingent labour in the UK, followed by a phased roll out throughout Europe later in that year. This partnership provides Sony with full visibility of their contingent worker population across 12 countries in Europe via a Hays' local expert and a central account management team in the UK. Hays provides resource in Technology and Professional Services, and also incorporates Sony's UK field sales team and production operatives in South Wales.

Innovation and continuous improvement sit at the heart of our partnership as we continue to drive excellence together. This has manifested in Hays supporting Sony to deploy new user experience technology for contingent workforce, and with Sony supporting the 'Hays Inspire' initiative, which provides tailored career online content for schools.

"I have been involved in the programme from day one and continue to sponsor the partnership today. The account team have worked with me throughout and together we find the right solutions to business and technology challenges. There is strong alignment and understanding between us, and that is why it works so well."

Alastair Hinde MCIPS
Head of Business Support & Service Delivery at Sony

3. Canada

Brookfield Properties

Hays and Brookfield have worked together since 2010, with Hays providing Temp, Perm and Contracting workforce solutions across Technology, Finance and HR. In FY24, we enhanced our partnership by providing DE&I advisory services. With a tailored training programme, Hays is helping Brookfield advance their culture of inclusivity and commitment to an inviting work environment.

4. Latam

Symrise

Symrise is a leading German chemicals company specialising in developing, producing and selling fragrance, flavouring and food ingredients and cosmetic active ingredients. In FY24, Hays and Symrise began a collaboration in Spain to provide key roles within the Symrise 'Experts' unit. We subsequently expanded our partnership to an 'RPO' model and have also delivered c.30 hires per month in Colombia and Mexico. In April 2024, this partnership was further extended across Latin America and Hays has transitioned to become a strategic partner of Symrise. This means actively participating in decision-making discussions with internal hiring managers, where our advisory role has helped to enhance Symrise's recruitment processes.

DIVISIONAL **OPERATING REVIEW**

We report our business in four operating divisions, Germany, UK&I, ANZ and RoW. Germany, the UK and Australia are each key countries.

Included in Rest of World are our eight focus countries (Austria, France, Italy, Japan, Poland, Spain, Switzerland and the USA) and 20 emerging countries.

GERMANY

H2 performance impacted by tough economic conditions and client cost controls.

Our largest market of Germany saw net fees decrease by 7% to £351.8 million, with fees and activity slowing through H2 24 and particularly in Q4. Operating profit[3] decreased by 31% to £68.0 million, although adjusting for two fewer working days, which impacted fees and profit by £3.5 million, fees decreased by 6% and operating profit by 27%. Conversion rate was 19.3% (FY23: 26.2%), or 20.1% WDA.

Having been resilient during FY23 and H1 24, despite a deteriorating economic outlook, demand for skilled Contractors and Temps decreased in H2 24, which led to lower YoY volumes including Q4 down 6%. Additionally, average hours worked per Contractor declined by 8% in Q3 and 10% in Q4, primarily driven by client cost controls. This led to a negative fee and operating profit impact of c.£16 million YoY, reducing conversion rate.

Temp and Contracting, (82% of Germany fees), decreased by 7%, or down 6% WDA. This was driven by 1% decline in volumes and 6% from materially lower average hours worked in H2 24. Pricing and mix remained solid and is expected to remain steady in H1 25. As previously reported at our Q4 results, overall Temp and Contracting volumes in June 2024 were down 6% YoY and we expect a further 2% decline in volumes in Q1 25, driven by lower new starter numbers. Temp margin was flat versus the prior year.

In Perm, activity slowed through the year and fees decreased by 5%, including Q4 down 20%. This resulted from a 12% decrease in Perm volumes, partially offset by a 7% increase in our average Perm fee.

At the specialism level, our largest specialism of Technology (33% of Germany fees), decreased by 12%, with Engineering, our second largest, down 3%. Accountancy & Finance decreased by 4%, Construction & Property was up 3%, with HR down 13%. Fees in our Public sector business (15% of Germany fees) increased by 4%.

Although conditions were tough, and after several years of significantly outperforming the market, in FY24 we consolidated our market-leading share in Germany. Fees with outsource/MSP clients were flat in the year, demonstrating greater resilience than more transactional parts of the market, and overall we are very well-positioned to benefit from recovery when it comes.

Operating performance

Year ended 30 June 2024	2024	2023	Actual growth	LFL growth
Net fees	**£351.8m**	£382.0m	(8)%	(7)%
Operating profit[3]	**£68.0m**	£100.2m	(32)%	(31)%
Conversion rate[1]	**19.3%**	26.2%		
Period-end consultant headcount[2]	**1,858**	2,044	(9)%	

Note: unless otherwise stated, all growth rates discussed on this page are LFL YoY net fees and profits, representing organic growth of operations at constant currency.

(1) Conversion rate is the proportion of net fees converted into operating profit (before exceptional items).
(2) Closing consultant headcount at 30 June.
(3) Operating profit was stated before exceptional charges, as detailed in note 5 to the Consolidated Financial Statements on page 166. There were no exceptional charges in FY23.

Net fees by contract type

Permanent
18%

Temporary
82%

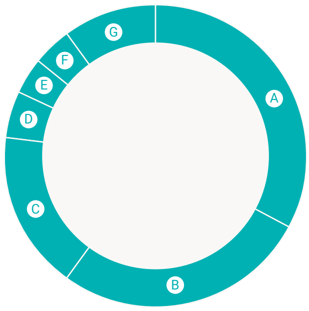
Net fees by sector

Public
15%

Private
85%

Net fees by specialism

- Ⓐ Technology: **33%**
- Ⓑ Engineering: **27%**
- Ⓒ Accountancy and Finance: **17%**
- Ⓓ Life Sciences: **5%**
- Ⓔ Sales and Marketing: **4%**
- Ⓕ Construction and Property: **4%**
- Ⓖ Other: **10%**



Key actions taken in FY24

- Restructured the business appropriately for market conditions, particularly in H2. Details of the resulting exceptional costs are provided in notes 4 and 5 to the consolidated financial statements.
- Consultant headcount decreased by 9% YoY, including a 10% reduction YoY in H2.

Divisional operating review continued

UK & IRELAND

Markets slowed through the year, particularly in Perm, significantly impacting profit.

In the United Kingdom & Ireland (UK&I), net fees decreased by 15% to £225.7 million. Operating profit[3] of £6.4 million represented a decrease of 78% versus the prior year, at a conversion rate of 2.8% (FY23: 10.8%).

Driven by decreased client and candidate confidence, Perm fees and activity slowed materially through H1 and, after a period of relative stability in H2, decreased again in the lead-up to the General Election. Temp was less impacted, although down YoY due to lower volumes. Against this backdrop, we actively managed costs, down 8% YoY, as we aligned capacity to market conditions and reduced our back-office and overhead costs as part of our exceptional restructuring programme. Given the pace of decline in fees through the year, we incurred negative operating profit leverage, which was magnified by a weaker June fee exit rate.

Temp (57% of UK&I), decreased by 13%, with Temp volumes down 12% and the mix of price and margin down 1%. Our Perm business saw fees decrease by 17%, with volumes down 26%, partially offset by a 9% increase in average Perm fee. The Private sector (68% of UK&I fees) declined by 17%, with the Public sector down 10% including a slowdown in June 2024.

All UK&I regions traded broadly in line with the overall UK&I business, except for Northern Ireland, down 5%, and the South East, down 21%. Our largest region of London decreased by 18%, while Ireland declined by 10%. Direct outsourced fees with Enterprise clients performed strongly, up 12%.

Our largest UK&I specialism of Accountancy & Finance decreased by 13%, with Construction & Property down 12%. Technology and Office Support decreased by 29% and 19% respectively.

Operating performance

Year ended 30 June 2024	2024	2023	Actual growth	LFL growth
Net fees	**£225.7m**	£266.1m	(15)%	(15)%
Operating profit[3]	**£6.4m**	£28.7m	(78)%	(78)%
Conversion rate[1]	**2.8%**	10.8%		
Period-end consultant headcount[2]	**1,629**	1,935	(16)%	

Note: unless otherwise stated, all growth rates discussed on this page are LFL YoY net fees and profits, representing organic growth of operations at constant currency.

(1) Conversion rate is the proportion of net fees converted into operating profit (before exceptional items).
(2) Closing consultant headcount at 30 June.
(3) Operating profit was stated before exceptional charges, as detailed in note 5 to the Consolidated Financial Statements on page 166. There were no exceptional charges in FY23.

Net fees by contract type

Permanent 43%

Temporary 57%

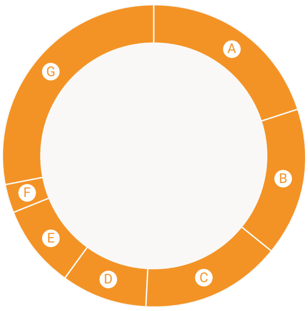
Net fees by sector

Public 32%

Private 68%

Net fees by specialism

- (A) Accountancy and Finance: **20%**
- (B) Construction and Property: **16%**
- (C) Technology: **15%**
- (D) Office Support: **9%**
- (E) Education: **9%**
- (F) HR: **3%**
- (G) Other: **28%**



Key actions taken in FY24

- Despite tough market conditions, we maintained our market share in UK&I and actions were taken to restructure the business appropriately for market conditions. Details of the resulting exceptional costs are provided in notes 4 and 5 to the consolidated financial statements.
- Our actions will help to increase our profit and conversion rate when markets recover.
- Consultant headcount decreased by 16% YoY.

AUSTRALIA & NEW ZEALAND

Markets slowed sharply through the year, but significant actions taken to align capacity to current market conditions.

In Australia & New Zealand (ANZ), net fees decreased by 20% to £139.7 million, with operating profit[3] down 61% to £11.5 million. This represented a conversion rate of 8.2% (FY23: 17.0%). Currency impacts were negative in the year, decreasing net fees by £12.8 million and operating profit by £2.4 million.

As a result of changing our ANZ leadership in H2 23, we undertook a restructuring of the business, focusing on improving consultant productivity and driving operational efficiencies. Overall costs decreased by 12%, driven by 21% lower average consultant headcount YoY, partially offset by our own cost inflation. We also conducted a full review of operational management capacity, which we aligned to market conditions. This said, the pace of decline in fees through the year meant we incurred negative operating profit leverage.

Temp (65% of ANZ) decreased by 16%, with volumes down 17%, but remained sequentially stable through H2. Fees and activity in the Public sector continued to reduce, and we saw lower activity in some large Enterprise clients. Perm fees decreased by 28%, with volumes down 24% and slowing through the year. The Private sector (63% of ANZ fees), declined by 23%, with Public sector fees down 16%.

Australia, 92% of ANZ, saw fees decrease by 19%. New South Wales and Victoria decreased by 23% and 18% respectively. Queensland fell by 14%, with ACT down 24%. At the ANZ specialism level, Construction & Property (20% of fees), decreased by 24%, with Technology down 19%. Accountancy & Finance decreased by 18%, with Banking down 25%, although HR was less impacted, down 16%. New Zealand fees decreased by 36%.

We enter FY25 with positive conversion rate momentum and are well-positioned to benefit from market recovery when it comes.

Operating performance

Year ended 30 June 2024	2024	2023	Actual growth	LFL growth
Net fees	**£139.7m**	£188.4m	(26)%	(20)%
Operating profit[3]	**£11.5m**	£32.1m	(64)%	(61)%
Conversion rate[1]	**8.2%**	17.0%		
Period-end consultant headcount[2]	**729**	1,071	(32)%	

Note: unless otherwise stated, all growth rates discussed on this page are LFL YoY net fees and profits, representing organic growth of operations at constant currency.

(1) Conversion rate is the proportion of net fees converted into operating profit (before exceptional items).
(2) Closing consultant headcount at 30 June.
(3) Operating profit was stated before exceptional charges, as detailed in note 5 to the Consolidated Financial Statements on page 166. There were no exceptional charges in FY23.

Net fees by contract type

Permanent 35%

Temporary 65%

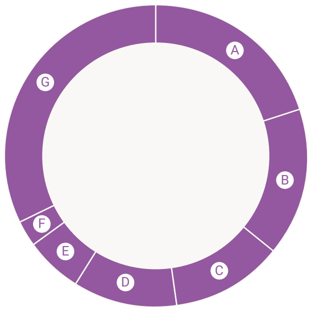
Net fees by sector

Public 37%

Private 63%

Net fees by specialism

- Ⓐ Construction and Property: **20%**
- Ⓑ Technology: **16%**
- Ⓒ Accountancy and Finance: **12%**
- Ⓓ Office Support: **11%**
- Ⓔ HR: **6%**
- Ⓕ Sales and Marketing: **3%**
- Ⓖ Other: **32%**



Key actions taken in FY24

- Although conditions in ANZ remain challenging, our management team's decisive actions and increased rigour are improving our operational performance. Productivity increased by 1% YoY in FY24.
- We restructured appropriately for market conditions. Details of the resulting exceptional costs are provided in notes 4 and 5 to the consolidated financial statements.
- ANZ consultant headcount decreased by 32% YoY.

Divisional operating review continued

REST OF WORLD

EMEA slowed through the year, negatively impacting operating profit. Stability and improved profitability in H2 in China and the USA.

Fees in our Rest of World (RoW) division, which comprises 28 countries, decreased by 11%. Fees in Temp (39% of RoW) were resilient and flat YoY, whilst Perm was down 17% as markets slowed through the year, particularly in EMEA. Operating profit[3] decreased by 46% to £19.2 million, with RoW operating costs down 8% YoY, representing a conversion rate of 4.8% (FY23: 7.9%). Currency impacts were negative, decreasing fees by £11.1 million and operating profit by £0.6 million.

EMEA ex-Germany (64% of RoW) fees decreased by 7%. France, our largest RoW country, decreased by 6%, as activity slowed through the year, particularly in Q4, with the impact of elections being felt across Northern Europe. Southern Europe was much more resilient, with Portugal and Italy producing record performances and increasing by 10% and 8% respectively, and the UAE delivering record fees, up 10%. Switzerland and Poland decreased by 8% and 26% respectively. In response to market conditions, we reduced EMEA ex-Germany headcount by 15% YoY, primarily in H2.

The Americas (21% of RoW) fees decreased by 21%. Conditions were tough throughout the region in H1, although we saw stabilisation and then some early signs of recovery in the USA in Q4. USA fees declined by 19%, Latin America by 25% and Canada by 23%. Overall, the Americas was modestly loss-making in H1, although encouragingly returned to profit in H2.

Asia (15% RoW) fees decreased by 13%, with mainland China down 14%, including H2 up 4%, and our actions taken to reduce costs drove a return to China profitability. Japan and Malaysia fees decreased by 5% and 8% respectively.

A key part of our focused strategy is delivering 25% conversion rates in each country, and to deliver materially greater profits across the Group. That said, given many markets are currently facing cyclical pressure, we will give our businesses an appropriate time to improve their profitability. So, while we are not satisfied with our overall RoW profitability, we are confident our actions will improve performance, particularly in our Americas and Asian Focus countries, where productivity is currently increasing.

Operating performance

Year ended 30 June 2024	2024	2023	Actual growth	LFL growth
Net fees	**£396.4m**	£458.1m	(13)%	(11)%
Operating profit[3]	**£19.2m**	£36.0m	(47)%	(46)%
Conversion rate[1]	**4.8%**	7.9%		
Period-end consultant headcount[2]	**2,829**	3,540	(20)%	

Note: unless otherwise stated, all growth rates discussed on this page are LFL YoY net fees and profits, representing organic growth of operations at constant currency.

(1) Conversion rate is the proportion of net fees converted into operating profit (before exceptional items).
(2) Closing consultant headcount at 30 June.
(3) Operating profit was stated before exceptional charges, as detailed in note 5 to the Consolidated Financial Statements on page 166. There were no exceptional charges in FY23.

Net fees by contract type

Permanent
61%

Temporary
39%

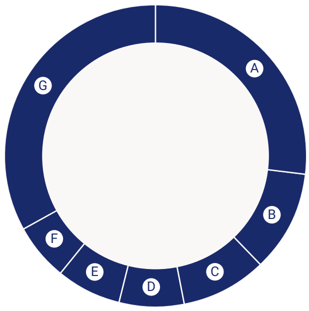
Net fees by sector

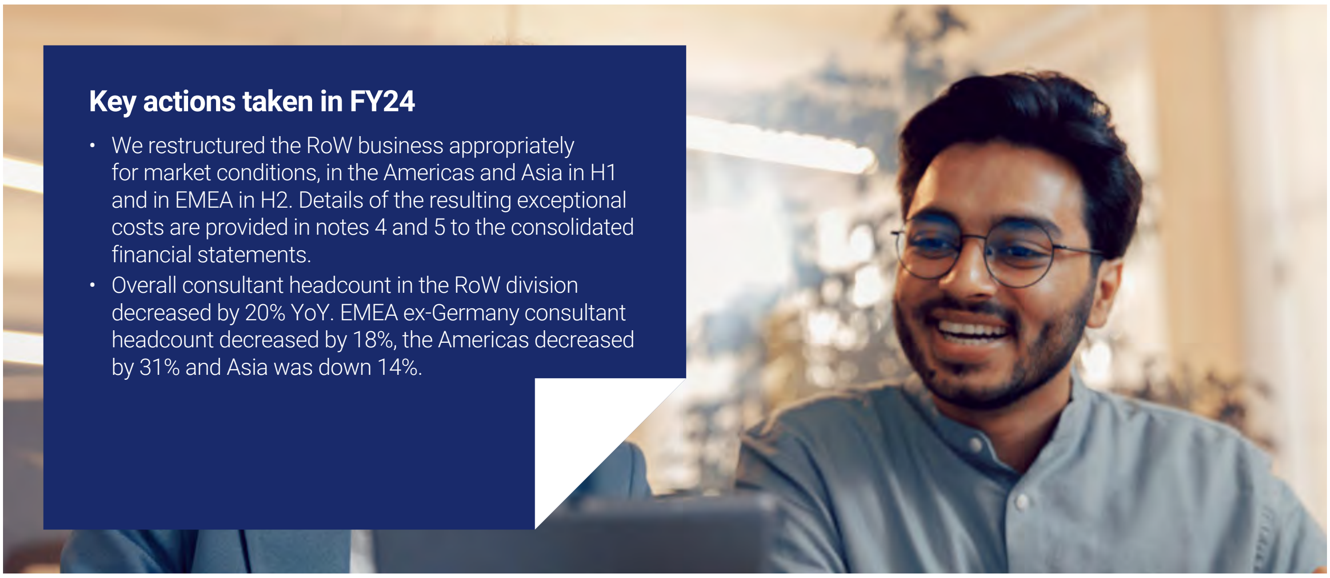
Public
2%

Private
98%

Net fees by specialism

- Ⓐ Technology: **27%**
- Ⓑ Accountancy and Finance: **11%**
- Ⓒ Construction and Property: **9%**
- Ⓓ Engineering: **7%**
- Ⓔ Life sciences: **7%**
- Ⓕ Sales and Marketing: **6%**
- Ⓖ Other: **33%**



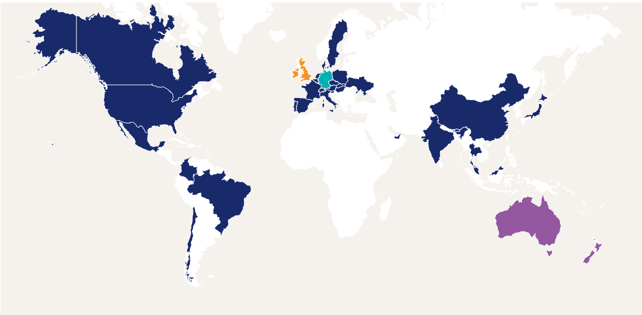


Key actions taken in FY24

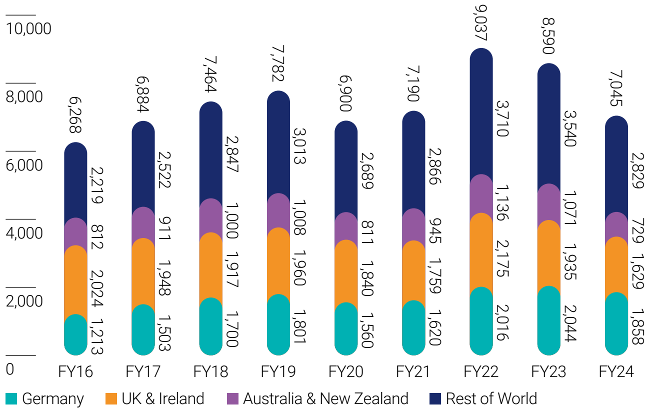
- We restructured the RoW business appropriately for market conditions, in the Americas and Asia in H1 and in EMEA in H2. Details of the resulting exceptional costs are provided in notes 4 and 5 to the consolidated financial statements.
- Overall consultant headcount in the RoW division decreased by 20% YoY. EMEA ex-Germany consultant headcount decreased by 18%, the Americas decreased by 31% and Asia was down 14%.

HISTORICAL COMPARISONS
FY16–24

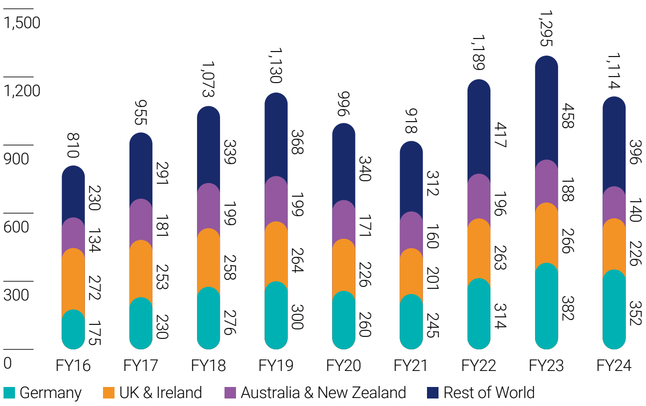
To assist investors in their analysis of Hays, we present our net fees, operating profit, headcount and conversion rate since FY16. A downloadable version of our financial results is also available.



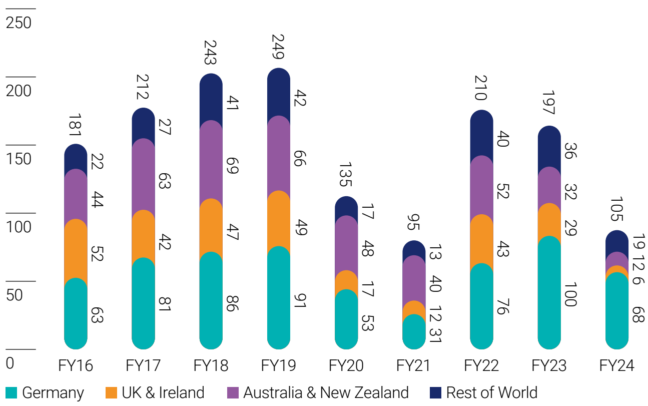
Closing consultant headcount



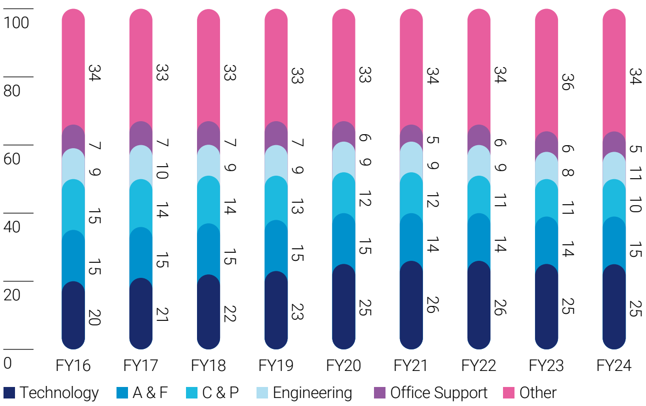
Net fees by division
(£m)



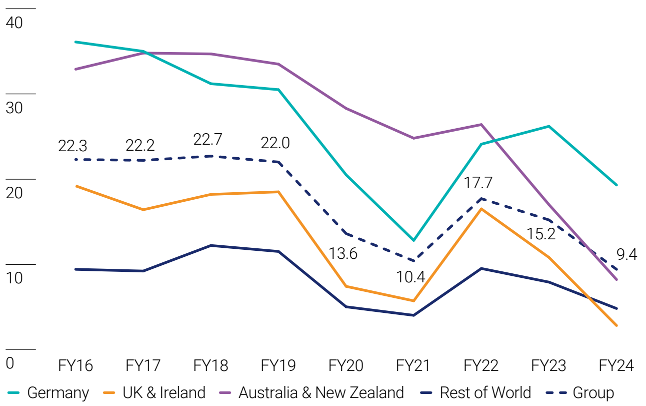
Operating profit by division(1)
(£m)



Net fees by specialism
(%)



Conversion rate(2)
(%)



(1) FY24 operating profit is stated before exceptional charges of £80.0 million. FY20 operating profit is stated before exceptional charges of £39.9 million. FY19 is stated before exceptional charges of £15.1 million. There were no exceptional charges between FY16 and FY18 or between FY21 and FY23.
(2) FY24, FY20 and FY19 conversion rates are shown on a pre-exceptional basis.

CHIEF FINANCIAL OFFICER'S REVIEW

"Given challenging markets, we focused on productivity and managing costs. We delivered c.£60m in annualised savings, half of which are structural. Looking ahead, our ongoing efficiency programmes are expected to deliver a further c.£30m in savings by FY27."

Decrease in LfL Group net fee income

(12)%

FY23: 6%

Decrease in Group operating profit[5]

(46)%

FY23: (9)%

Decrease in Profit before tax

(92)%

FY23:(6)%

Year-end net cash

£56.8m

FY23: £135.6m

Cash from operations[4]

£112.3m

FY23: £199.3m

Conversion rate[3]

9.4%

FY23: 15.2%

Cash conversion[8]

107%

FY23: 101%

Operating performance

Year ended 30 June (£m)	2024	2023	Actual growth	LFL growth
Turnover[1]	**6,949.1**	7,583.3	(8)%	(6)%
Net fees[2]	**1,113.6**	1,294.6	(14)%	(12)%
Pre-exceptional operating profit[5]	**105.1**	197.0	(47)%	(46)%
Post-exceptional operating profit	**25.1**	197.0	(87)%	
Profit before tax	**14.7**	192.1	(92)%	
Pre-exceptional basic earnings per share[5]	**4.03p**	8.59p	(53)%	
Post-exceptional basic earnings per share	**(0.31)p**	8.59p	(104)%	
Cash generated by operations[4]	**112.3**	199.3	(44)%	
Core dividend per share	**3.00p**	3.00p	–	
Special dividend per share	**–**	2.24p	(100)%	

Note: unless otherwise stated all growth rates discussed in the Finance Director's Review are LFL YoY net fees and profits, representing organic growth of operations at constant currency.

(1) Net fees of £1,113.6 million (FY23: £1,294.6 million) are reconciled to statutory turnover of £6,949.1 million (FY23: £7,583.3 million) in note 5 to the Consolidated Financial Statements.
(2) Net fees comprise turnover less remuneration of temporary workers and other recruitment agencies. LFL (like-for-like) net fees and profits represent organic growth of continuing operations at constant currency.
(3) Conversion rate is the proportion of net fees converted into pre-exceptional operating profit[5].
(4) Cash generated by operations is stated after IFRS 16 lease payments, which we view as an operating cost.
(5) FY24 operating profit and EPS are presented before exceptional costs of £80.0 million, of which £42.2 million relates to restructuring of our operations across the Group. The remaining £37.8 million is non-cash and comprises £15.3 million relating to the impairment of goodwill in our US business and £22.5 million relating to the impairment of intangible assets. FY20 and FY19 operating profit and basic earnings per share are stated before exceptional charges. There were no exceptional charges in FY18, FY21, FY22 and FY23.
(6) The underlying Temp margin is calculated as Temp net fees divided by Temp gross revenue and relates solely to Temp placements in which Hays generates net fees, and specifically excludes transactions in which Hays acts as an agent on behalf of workers supplied by third-party agencies, and arrangements where the Group provides major payrolling services.
(7) FY20 net cash excludes £118.3 million of deferred tax payments.
(8) Operating cash conversion represents the conversion of pre-exceptional operating profit[5] to cash generated from operations[4].

Fees and turnover

Turnover for the year ended 30 June 2024 decreased by 6% (8% on a reported basis). Net fees for the year ended 30 June 2024 decreased by 12% on a like-for-like basis, and by 14% on a reported basis, to £1,113.6 million. This represented a like-for-like fee decline of £152.3 million versus the prior year.

The decrease in fees was due to lower volumes in both Temp and Perm, partially offset by increases in our average fees per placement, which were driven by the impact of wage inflation and our management actions. The higher net fee decline compared to turnover was due to the relatively resilient performance in Temp fees versus Perm, and the impact of greater resilience in our MSP contracts.

Temp fees (59% of Group) decreased by 8%. Temp volumes declined by 7% YoY, with a further 2% or c.£16 million fee impact from lower average hours worked per contractor in Germany. Partially offsetting this, we saw an increase of 1% from mix, margin and rates, which included our underlying Temp margin(6) down 40bps YoY at 15.5%. This was primarily due to resilience in Enterprise clients, which tend to be slightly lower margin but where volumes are higher.

Perm fees (41% of Group) decreased by 17%. Perm volumes decreased by 25% as job inflow decreased and hiring processes extended as FY24 progressed. As with prior years, this was partially offset by good growth in our average Perm fee, up 8%.

Operating profit and conversion rate

FY24 pre-exceptional(5) Group operating profit of £105.1 million represented a LfL decrease of 46% (down 43% WDA). Group conversion rate(3) decreased by 580bps YoY to 9.4% (9.7% WDA).

Like-for-like administrative expenses decreased by 6% YoY or £64.5 million (£89.1 million on a reported basis, down 8%). This was driven by a 9% lower average Group consultant headcount, lower commissions and bonuses, and reduced operational overhead spend. This was partially offset by our own salary increases and underlying cost inflation, notably in property and insurance costs.

Since our FY23 preliminary results, our actions have reduced our costs per period(8) by c.£5 million, equating to annualised Group cost savings of c.£60 million. Of these savings, c.£30 million arose from the 18% reduction in consultant headcount. A further c.£30 million of savings is more structural and resulted from our decisive response to increasingly challenging market conditions and to improve our operational performance. We restructured operations and back-office functions, and closed or merged 17 offices in our network in FY24, including 12 in Q4, ending FY24 with 236 offices. Collectively, these actions resulted in FY24 exceptional restructuring charges of £42.2 million(5), detailed below. In addition, we expect our ongoing restructuring actions will deliver further annualised back-office cost reductions of c.£30 million by the end of FY27.

Working-day adjustments

As previously reported, our Germany business had two fewer working days versus the prior year, which impacted our fees and operating profit by c.£3.5 million. Therefore, on a WDA basis Group operating profit was £108.6 million(5), down 43% YoY, and represented a conversion rate of 9.7%(3). There are no material working-day impacts in FY25.

Pre-exceptional operating profit(5) (£m) / **Pre-exceptional conversion rate(3)** (%)

Foreign exchange

Exchange rate movements decreased net fees and operating profit by £28.7 million and £4.2 million, respectively. This resulted from the strengthening in the average rate of exchange of sterling versus our main trading currencies, notably the Australian dollar. Currency fluctuations remain a significant Group sensitivity.

Impairment of goodwill, intangible assets and exceptional restructuring charge

During FY24, the Group incurred an exceptional charge of £80.0 million (FY23: £nil). Of this, £15.3 million resulted from the partial impairment, in H1, of the carrying value of goodwill relating to the 2014 Veredus acquisition in the USA, given ongoing challenges in US trading conditions. The remaining Veredus goodwill balance at 30 June 2024 is £7.2 million. During the year, a Group-wide project was initiated to transform our IT infrastructure to better support the operations of the business. This led the Directors to conclude that certain intangible assets would either no longer be used in the Group's operations or that their carrying value was impaired, and this resulted in an impairment charge of £22.5 million. Both the goodwill and intangible impairment charges are material non-cash items that, based on their size and nature, are considered to be exceptional.

As noted at the top of this page, in a direct and decisive response to increasingly challenging market conditions and a clear slowdown in most markets, we restructured the business operations of several countries across the Group, to better align business operations to market opportunities and reduce operating costs. The restructuring exercise led to the redundancy of a number of employees, including senior and operational management and back-office positions. As reported at our Q4 results, the combined costs relating to this were £42.2 million and are considered exceptional given their size and impact on business operations. The cash impact of the exceptional charge was £22.9 million in FY24, with a further £17.8 million cash outflow expected in FY25. We estimate that these restructuring actions will result in c.£30 million per annum in longer-term cost savings, which are included in the overall c.£60 million of annualised cost savings resulting from our FY24 actions.

Chief Financial Officer's review continued

Net finance charge

The net finance charge for FY24 was £10.4 million (FY23: £4.9 million). The increase YoY was primarily due to a £1.3 million charge on defined benefit pension scheme obligations (FY23: credit of £1.1 million) and is non-cash. The non-cash interest charge on lease liabilities under IFRS 16 was £5.0 million (FY23: £4.2 million) and net bank interest payable (including amortisation of arrangement fees) was £4.0 million (FY23: £1.7 million). The Pension Protection Fund levy was £0.1 million (FY23: £0.1 million).

We expect the net finance charge for FY25 to be c.£10 million, broadly in line with FY24.

Taxation

Taxation for the year on profit before exceptional items was £30.7 million (2023: £53.8 million), representing a pre-exceptional[5] effective tax rate (ETR) of 32.4% (2023: 28.0%). The tax charge on post exceptional profit was £19.6 million, representing an effective tax rate on reported profits of 133%, due to the lower effective tax credit on exceptional costs.

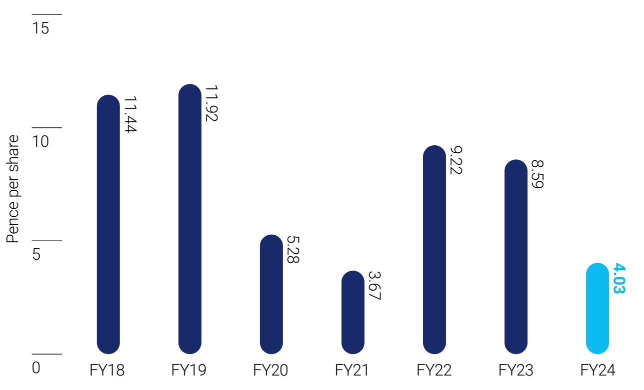
The increase in the pre-exceptional ETR year-on-year is primarily driven by the geographic mix of operating profit, notably the higher proportion of profits made in Germany, which has one of our highest country tax rates and which accounted for 65% of group profits in the year. We expect the Group's ETR will be c.32% in FY25, unless our geographic profit mix changes materially.

Earnings per share

The Group's pre-exceptional basic earnings per share[5] (EPS) of 4.03p was 53% lower than the prior year, with post-exceptional EPS of (0.31)p, down 104%. The reduction was primarily driven by 46% lower pre-exceptional operating profit. In addition, we incurred a modestly higher net finance charge and a higher ETR, both noted above. The impact on EPS was partially offset by a 1% reduction in average shares in issue, arising from our FY23 share buyback programme.

Earnings per share[5]

(p)



Strong balance sheet and cash generation

Our net cash position at 30 June 2024 was £56.8 million. We converted 107% of operating profit[5] into operating cash flow[4], up YoY (FY23: 101%[4]). We saw a working capital outflow of £16.5 million in FY24 (FY23: £28.7 million outflow), driven by an increase in debtor days to 36 days (FY23: 33 days), largely due to greater resilience in our Enterprise client business and relative resilience in Germany and EMEA, each of which have longer payment terms than the Group average. Debtor days remain below pre-pandemic levels and our aged debt profile remains strong. Group bad debts remain in line with FY23 and are at historically low levels.

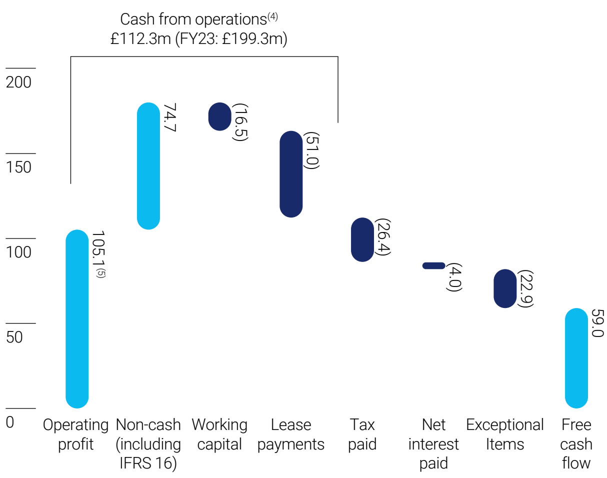
Cash tax paid in the year was £26.4 million (FY23: £65.8 million) and included some pre-payments to certain tax authorities. Net capital expenditure was £23.4 million (FY23: £29.1 million), with continued investments in infrastructure and cyber security. We expect capital expenditure will be c.£30 million in FY25.

Company pension contributions were £18.2 million (FY23: £17.7 million) and net interest paid was £4.0 million (FY23: £1.7 million). The cash impact of the exceptional restructuring charge in FY24 was £22.9 million.

During the year, we paid a £32.6 million final core dividend for FY23, a £15.0 million FY24 interim dividend and a special dividend of £35.7 million. During H1, we also purchased £12.3 million in shares under our Treasury share buyback programme announced in September 2023, which was completed during FY24.

Operating profit[5] to free cash flow

(£m)



Retirement benefits

The Group's defined benefit pension scheme position under IAS 19 at 30 June 2024 has resulted in a surplus of £19.4 million, compared to a surplus of £25.7 million at 30 June 2023. The decrease in surplus of £6.3 million was driven by a decrease in expected returns from scheme assets and a change in financial assumptions, notably a decrease in discount rate, partially offset by company contributions.

During the year, the Group contributed £17.7 million of cash to the defined benefit scheme (2023: £17.2 million), in line with the agreed deficit recovery plan. The Trustees are currently performing our 2024 triennial valuation review. The 2021 triennial valuation quantified the actuarial deficit at £23.9 million on a Technical Provisions basis. Our long-term objective continues to be reaching full buy-out of the scheme, and therefore our recovery plan remained unchanged and comprised an annual payment of £16.7 million from July 2021, with a fixed 3% uplift per year. The scheme was closed to new entrants in 2001 and to future accrual in June 2012.

Free cash flow priorities

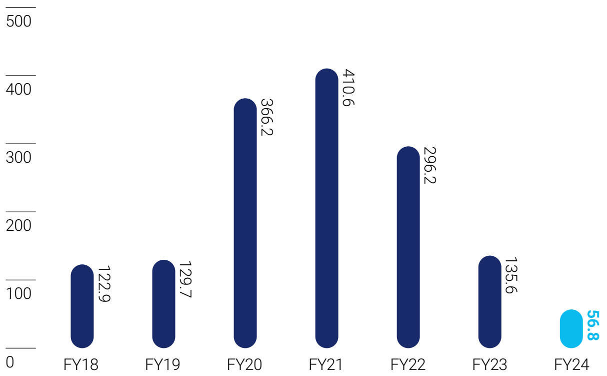
Our business model remains highly cash generative. The Board's free cash flow priorities are to fund the Group's investment and development, maintain a strong balance sheet, deliver a progressive, sustainable and appropriate core dividend and to return any surplus cash to shareholders through a combination of special dividends and share buybacks, subject to the economic outlook.

The Board has proposed an unchanged final dividend of 2.05 pence per share, giving a full-year dividend of 3.00 pence per share. This represents pre-exceptional dividend cover of 1.34x, below our target dividend cover range of 2.0-3.0x earnings. Given the Board's confidence in the Group's strategy and long-term prospects, plus our strong financial position, the Board considers an unchanged dividend payment is appropriate.

Our policy for returning surplus cash to shareholders remains unchanged and is based on paying capital above our cash buffer at each financial year-end (30 June) of £100 million, subject to the economic outlook. At 30 June 2024, our net cash position was £56.8 million, and therefore the Board does not propose a return of surplus capital to shareholders in respect of FY24. As a reminder, we have a strong track record of paying cash to shareholders, with c.£950 million in core and special dividends paid in respect of FY17 to FY23, and additionally £93.2 million of share buybacks since April 2022.

Closing net cash[7]

(£m)



Treasury management

The Group's operations are financed by retained earnings and cash reserves. In addition, the Group has in place a £210 million revolving credit facility, which reduces in November 2024 to £170 million and expires in November 2025, and we are actively planning the renewal process. This provides adequate headroom versus current and future Group funding requirements.

The covenants within the facility require the Group's interest cover ratio to be at least 4:1 (ratio at 30 June 2024: 34.2:1) and its leverage ratio (net debt to EBITDA) to be no greater than 2.5:1 (at 30 June 2024, the Group held a net cash position). The interest rate of the facility is on a ratchet mechanism with a margin payable over Compounded Reference Rate in the range of 0.70% to 1.50%.

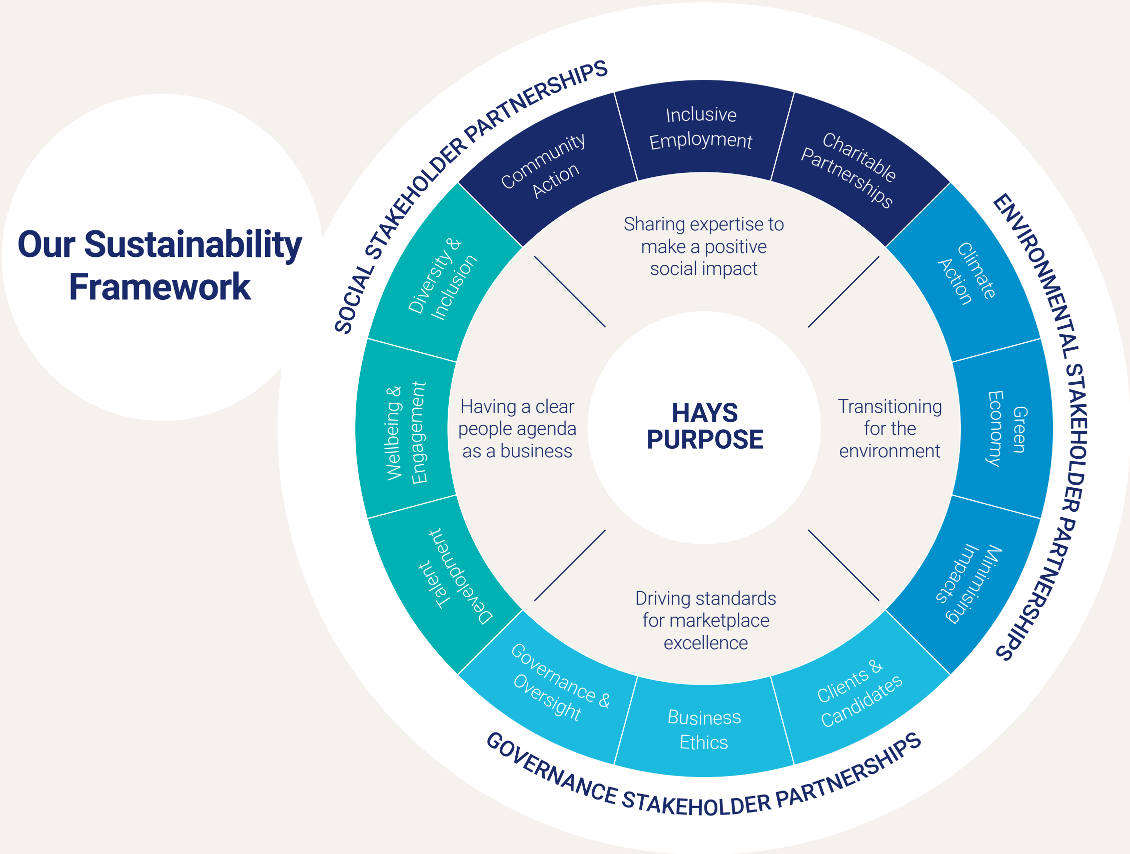
At 30 June 2024, £145 million of the committed facility was undrawn (30 June 2023: £200 million of the committed facility was undrawn).

The Group's UK-based Treasury function manages the Group's currency and interest rate risks in accordance with policies and procedures set by the Board, and is responsible for day-to-day cash management, the arrangement of external borrowing facilities, and the investment of surplus funds. The Treasury function does not operate as a profit centre or use derivative financial instruments for speculative purposes.

James Hilton
Chief Financial Officer

21 August 2024

SUSTAINABILITY IN THE WORLD OF WORK



Our commitment and Sustainability Framework

Hays aims to be a purpose-led organisation, benefiting society by investing in lifelong partnerships that empower people and organisations to succeed. Our core company value is 'Do the right thing', and it is a central pillar of our strategy. Our values help to define how we do business, and how we interact with our many stakeholders.

We are committed to being a sustainable business in its widest sense, as defined by our values, the United Nations Sustainable Development Goals (UN SDGs) and our participation in the United Nations Global Compact. Our Sustainability Framework is focused on the areas of highest materiality to Hays across Environmental, Social and Governance (ESG) issues.

Purpose is at the centre of our framework, and our colleagues help drive our sustainability strategy. This can be advocating for our climate ambitions, participating in our 'Helping for your tomorrow' community programme, being active in our Employee Resource Groups, or upholding the high standards that underpin the way we work.

Focusing on social impact

We seek to positively contribute and add value to society through employment and the world of work. For this reason, we have deliberately doubled the weighting of societal categories within our framework. We believe Hays can have the greatest stakeholder impact in the societies we operate in via our social initiatives. Our focus is on helping people with their careers and skill development, and helping organisations find the talent they need to thrive.

Our goal is to provide clients with access to the most diverse, equitable and inclusive skilled talent pools globally. Achieving this requires progress in numerous areas, and will take continuous investment in people, culture, technology and sustainability.

We want Hays to be recognised as an inclusive place of work, one which makes positive social impacts everywhere we operate – and shares our experiences and expertise with the wider world.

Sustainability is a key strategy enabler. Our policies and actions are designed to materially – and permanently – reduce our environmental impact, ensure fair rates of tax are paid, nurture an equitable and fair culture, and ensure discrimination and labour exploitation are not tolerated. We are also focused on a just and effective transition for the environment.

We explain our actions and progress aligned to our framework, the UN SDGs and our participation in the United Nations Global Compact. This includes progress versus annual objectives, as agreed by our ESG Committee, and longer-term targets.

Integration of the UN SDGs

We first adopted three UN SDGs in FY21. We believe they present an opportunity in terms of pursuing a fairer, more equitable and sustainable economic future. Our aim is to focus on those goals where we can have the greatest impact, given our role in economies and societies.

To integrate the UN SDGs we undertook a broad appraisal of each goal, in the context of our global Hays operations. We based our appraisal on how we operate in our key specialisms, our strategic priorities, and stakeholder feedback received. The aim was to use the analysis to maximise our positive contributions, and drive our sustainability objectives.

We considered all 17 goals In mapping and considering the materiality of each UN SDG. However, we believe there are nine which are material in terms of our business activities, our stakeholder expectations and value creation. The table on the next page provides an explanation of these.

WE SUPPORT

ESG indices and ratings

We participate in a number of investor ratings and assessments, including S&P Global, Sustainalytics, MSCI, Ecovadis and Bloomberg. We are also part of the FTSE4Good Index Series.

Global Index Provider FTSE Russell confirms that Hays plc has been independently assessed according to the FTSE4Good criteria and has satisfied the requirements to become a constituent of the FTSE4Good Index Series. Created by FTSE Russell, the FTSE4Good Index series is designed to measure the performance of companies demonstrating strong ESG practices.

FTSE4Good

Sustainability continued

UN SDG	Relevance in our business and stakeholder context	Examples of our contribution in action
13 CLIMATE ACTION	Addressing climate change is a significant element of our sustainability strategy. We present Hays' risks and opportunities in our TCFD report. By delivering on our science-based reduction targets, we can establish credibility as a leader in recruitment and workforce solutions. Key sectors include Sustainability, Technology, Construction & Property and Engineering. This SDG is also about how we engage our people and help raise awareness and collaborate with other stakeholders, particularly clients and suppliers.	Awarded a ClimatePartner Accreditation for climate commitment and action. Shortlisted for climate work in Green Business Awards 2024. Group-wide activities marking Earth Day 2024.
11 SUSTAINABLE CITIES AND COMMUNITIES	We work from 236 offices worldwide. As a global leader in Construction & Property and Engineering recruitment, Hays is well placed to help supply much of the talent that will help to make cities more sustainable, including energy efficiency and building retrofit and civil engineering projects to protect communities from flooding and other natural disasters.	Working to find talent in the Green Economy. Supporting city tree planting projects and undertaking volunteer litter picks. Focus on energy efficient buildings and renewable energy sources for our offices.
10 REDUCED INEQUALITIES	This is a strategic priority in terms of our DE&I agenda, as well as linked to how we access the widest pool of talent to serve clients. This SDG is linked with our respect for human rights and our approach to mitigate modern slavery and human trafficking risk. It is further linked to our Finance, HR, Legal and Technology specialisms in terms of levelling up, inclusion and empowerment.	26 DE&I Employee Resource Groups across all six dimensions of diversity. Supporting clients with DE&I, with inclusive recruitment practices, and by providing DE&I services. Focusing on inclusive employment and employability skills with our 'Helping for your tomorrow' programme.
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	This SDG directly links with our core recruitment business in all our sectors, including how we innovate internally, and our focus on sustainability in its widest sense. It also relates to how we deploy and utilise technology, and collaborate with clients in sectors key to infrastructure and innovation.	Chief Technology Officer appointed in FY24 driving a new IT transformation programme. Training our people in the use of open-source AI. Client collaborations such as from the UK Construction & Property team in support of construction worker wellbeing.
8 DECENT WORK AND ECONOMIC GROWTH	As a recruitment and workforce solutions business, this SDG is fundamental to our operations. It relates to the candidates we place, our own labour practices and the influence we have in encouraging respect for human rights in our supply chain. It is linked to our 'Helping for your tomorrow' programme, which is focused on driving inclusive employment within less advantaged groups.	New collaboration with the Slave-Free Alliance. New Human Rights Statement published on Hays website. Completion of our desk-based human rights review.
5 GENDER EQUALITY	Gender equality is a key part of our DE&I agenda, including targets for female leadership and our pay gap reporting commitments. It links with our the sourcing of talent for leadership roles.	Progressing towards our gender balance leadership target. Enhancements to and extension of family friendly policies. Group-wide support for gender diversity and celebration of International Women's Day.
4 QUALITY EDUCATION	This SDG is relevant in terms of the development of candidates, our client service offering, our people and our community engagement, plus our Education specialism.	Partnering with schools through our 'Helping for your tomorrow' community programme. Development of the Hays learning curriculum and offer. Providing open access training via Hays My Learning.
3 GOOD HEALTH AND WELL-BEING	As a people business, good health and wellbeing is a key focus. It links through to our benefits packages which covers topics such as parental leave and access to private medical cover. It is relevant to a number of our specialisms, including Life Sciences and Sustainability.	Held our first global wellbeing webinar. Participation in the CCLA benchmark on mental health. Wellbeing focus and offer in every Hays region.
17 PARTNERSHIPS FOR THE GOALS	This is a holistic goal, capturing much of the ethos of the other 16 UN SDGs. It focuses on the benefits of greater collaboration between organisations to strengthen the foundations of, and mindset for, sustainable development. It resonates with our Purpose, which is to invest in lifelong partnerships. We recognise that when we collaborate with our stakeholders, we can have a greater positive impact.	Being a signatory to the UN Global Compact. Participating in partnerships such as with the professional environmental institute IEMA and the Slave-Free Alliance. Supporting over 100 charitable partnerships globally as part of our 'Helping for your tomorrow' community programme.

INTRODUCTION TO OUR MATERIALITY ASSESSMENT

We have commenced the process to identify and assess our material impacts, risks and opportunities to better inform our ESG strategy.

Working with expert consultants, Verisk Maplecroft, we have prepared our provisional Group double materiality assessment, as part of our preparations to comply with the EU Corporate Sustainability Reporting Directive. The assessment considers outward impacts on society and the environment, as well as the inward financial risks and opportunities.

To conduct our double materiality assessment, we have a structured five step process.

Our double materiality assessment process

1 Background research to understand business context

Verisk Maplecroft appraised our governance, strategy, operations and reporting practices. They reviewed key company and industry documents, including our previous materiality work, performed peer group benchmarking, examined Group KPIs and gained insights across key geographies.

2 Define internal and external stakeholders

We jointly considered our business structure and reach to define clusters of multi-disciplinary internal and external stakeholders. External stakeholders include clients, candidates, community partners, third-party contractors, industry bodies, investors and suppliers. Internal stakeholders were identified considering a mix of professional subject expertise and geographical responsibilities.

3 Identify relevant ESG issues

To determine our most relevant impacts, risks and opportunities across our value chain, Verisk Maplecroft considered a number of sources, including their bespoke risk indices, global ESG reporting standards and frameworks, capital market expectations and media reports. Noting future compliance requirements, issues were mapped against the European Sustainability Reporting Standards. This led to our final list of relevant ESG issues. Terminology was refined and the issues further clarified with definitions pertaining to our operating context.

4 Assessing the ESG issues and stakeholder engagement

Verisk Maplecroft created a detailed materiality scoresheet which was then completed by internal stakeholders. This prompted consideration of both positive and negative impacts, whether an actual or potential impact, and provided the opportunity for internal stakeholders to comment in relation to the short, medium and longer term. ESG issues were scored under 'impact materiality' and 'financial materiality'. Likelihood of the impact materialising was also captured, and appropriate weightings applied. The resulting draft materiality matrix was then put forward for discussion and refinement with external stakeholders.

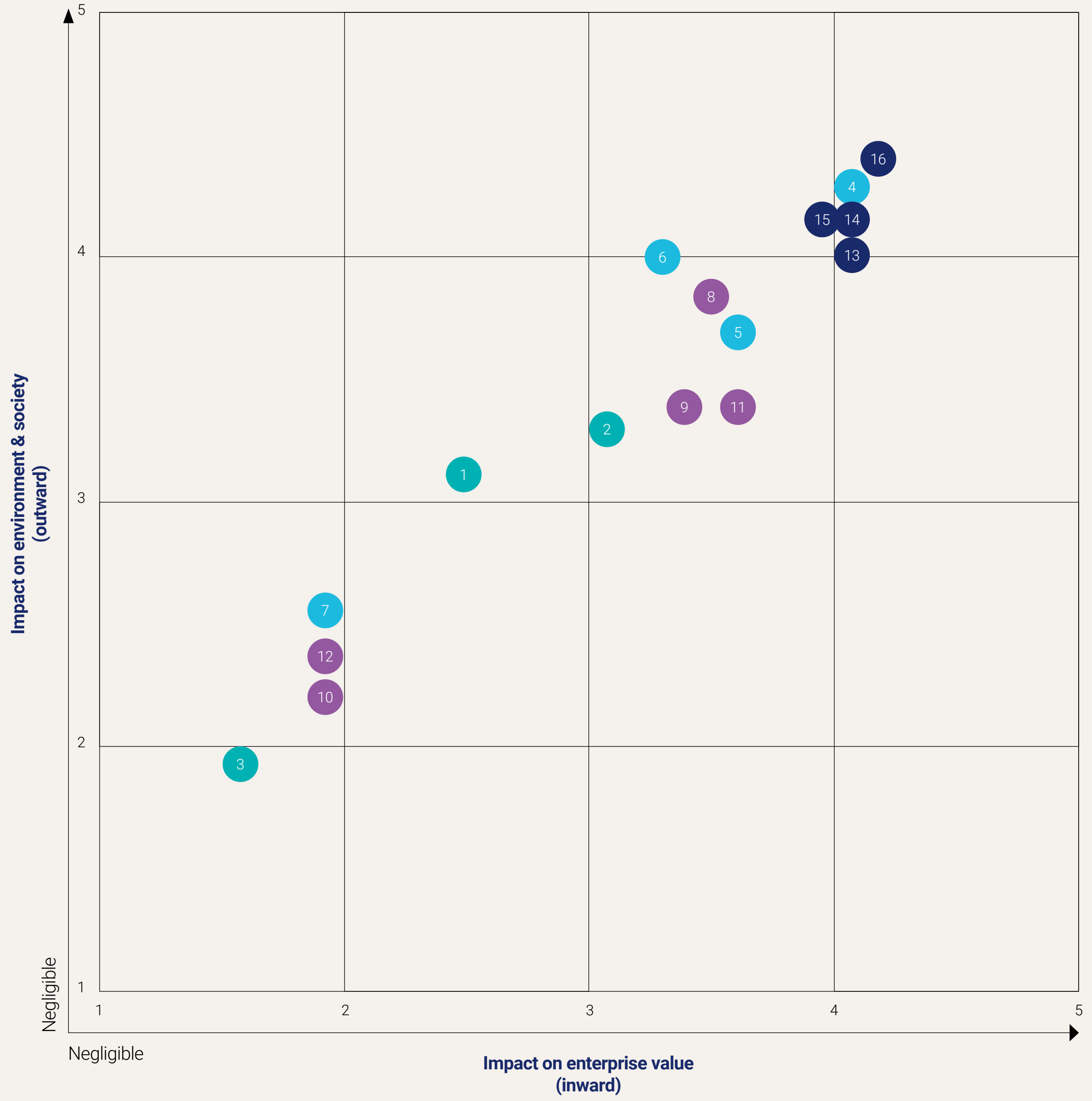
5 Validation and Board approval

The proposed materiality matrix will then be put forward to the Board for approval. This Board approval will also confirm, which of the ESG issues are material. These ESG issues will then be directional for policy development, risk management, objective setting, ongoing stakeholder engagement, reporting and disclosures.

Close understanding of our most material ESG issues will help us deliver value for stakeholders and drive sustainable long-term business success.

Sustainability continued

Hays' Provisional Double Materiality Matrix



Hays' provisional double materiality matrix

Provisional views (weighted average of scores out of 5)

	ESG Issue	Outward Impact	Financial R/O
1	GHG emission reductions	3.1	2.5
2	Climate transition & adaptation	3.3	3.1
3	Resource use & waste management	1.9	1.6
4	Attracting, developing & retaining talent	4.2	4.1
5	Employee engagement & wellbeing	3.7	3.6
6	Diversity, equity & inclusion	4.0	3.3
7	Community impact	2.6	1.9

	Topic	Outward Impact	Financial R/O
8	Business ethics	3.8	3.5
9	Governance & oversight	3.4	3.4
10	Policy & industry engagement	2.2	1.9
11	Data protection & cyber security	3.4	3.6
12	Sustainable procurement	2.4	1.9
13	Digital transformation & technology	4.0	4.1
14	Client service excellence	4.1	4.1
15	Sustainable growth & business leadership	4.1	4.0
16	Attracting, nurturing & placing candidates	4.3	4.2

Key

- Environment
- Social
- Governance
- Business sustainability

Materiality and framework alignment

The table below shows the ESG issues identified from our double materiality assessment and their alignment with our own Sustainability Framework, plus the relevant European Sustainability Reporting Standards (ESRS). This is part of our preparations ahead of ESG reporting requirements as driven by the EU Corporate Sustainability Reporting Directive (EU CSRD).

All ESG issues are important as we are committed to being a responsible and sustainable business. However, we recognise that those ESG issues, identified as material, will provide us with the greatest opportunity to drive our long-term sustainable success.

Once our material issues are confirmed, we will also confirm which corresponding ESRS topic is required for our disclosures to meet requirements of the EU CSRD.

Material issues will be directional in terms of policy development, reporting and disclosures, risk management, objective setting and ongoing stakeholder engagement.

Next steps are to include appraising our existing reporting capabilities against relevant ESRS requirements and devising a plan to enhance them.

We have identified that disclosures will be required across a number of Hays entities, operating inside the EU, in relation to FY26. The EU CSRD will eventually apply to the whole Hays Group, in relation to FY28.

ESG Issues relevant to Hays	Hays Sustainability Framework alignment	Corresponding ESRS topic*	For more information on the relevant ESG issue refer to pages
1 GHG emission reductions	Climate action	E1. Climate change	68
2 Climate transition & adaptation	Climate action Green Economy	E1. Climate change	67-78
3 Resource use & waste management	Minimising impacts	E5. Resource use & circular economy	69
4 Attracting, developing & retaining talent	Talent development	S1. Own workforce	21-22, 26-27, 57, 82
5 Employee wellbeing & engagement	Wellbeing & engagement	S1. Own workforce	21, 26-27, 57-58, 103
6 Diversity, equity & inclusion	Diversity & Inclusion Inclusive Employment	S1. Own workforce	23-25, 59
7 Community impact	Community action	S3. Affected communities	60-61
8 Business ethics	Business ethics	G1. Business conduct	63-65, 83
9 Governance & oversight	Business ethics	G1. Business conduct	63, 89-97
10 Policy & industry engagement	Business ethics	G1. Business conduct	64
11 Data protection & cyber security	Clients & candidates	S4. Consumers & end-users	63, 84
12 Sustainable procurement	Business ethics	G1. Business conduct	64
13 Digital transformation & technology	Clients & candidates	S4. Consumers & end-users	28-31, 63, 84
14 Client service excellence	Clients & candidates	S4. Consumers & end-users	32-37, 63
15 Sustainable growth & business leadership	Governance & ethics	G1. Business conduct	10, 16-17, 63, 102
16 Attracting, nurturing & placing candidates	Clients & candidates	S2. Workers in the value chain	10-11, 63

* ESRS disclosure will only be required for those ESG issues, which are finally confirmed and approved as material by the Board.

Sustainability continued

ESG AT A GLANCE

At Hays we understand that our people are key to driving our success as a responsible business. They enable us to create a positive stakeholder difference for society and the planet.

Social

Focus on people and social impact

Our people embody the Hays values, with a shared sense of purpose. We develop our own people, focus on wellbeing and engagement, prioritise DE&I and give back to community

Community action with 'Helping for your tomorrow'

Our community engagement programme had its most successful year yet, focusing on inclusive employment and skills development through charitable partnerships and volunteering.

41%
Volunteering participation rate

100+
Community partners

In Germany our community efforts were recognised with the HR Excellence Award (#HREA) in the Sustainability Management & Social Engagement category for our 'Helping for your tomorrow' programme.

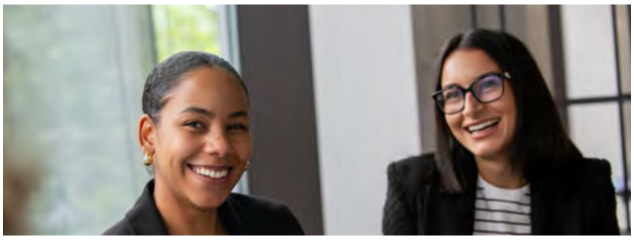
Investing in our people

We supported our people's development from early career to senior leadership.

46
Average training days for a first year new joiner

3,842
Internal promotions

56
Participants in the ILMP leadership programme



Prioritising wellbeing and engagement

We strengthened our global focus on wellbeing, with champions and leads confirmed across all regions.

In UK&I, we were a 'top improver' in the CCLA corporate mental health benchmark.

71%
Global Engagement Score

Fostering an inclusive culture

With our strategic approach to DE&I we progressed leadership objectives as well as messages of allyship, inclusion and intersectionality, furthered Employee Resource Groups, enhanced people policies and increased client engagement through FAIRER Consulting.

26
No. of Hays DE&I Employee Resource Groups

43%
Female leadership at Hays

Governance

Driving standards for marketplace delivery

Reinforcing business ethics, governance and oversight.

How we collaborate as an organisation and create value for clients and candidates.

Ensuring the good conduct of our people as a key success factor.

Tax contribution

Taxes pay for important public services. Our transparent tax strategy ensures that the tax due is paid in the appropriate jurisdiction at the right time.

£378m

Taxes paid

Excellence for clients and candidates

We sought feedback from clients and candidates in order to offer the best possible service and to foster positive interactions.

>1,100

Jobs filled daily

Respecting human rights

We established a new collaboration with the Slave-Free Alliance, inviting them to conduct a best practice gap analysis of our policies and working approach, with a view to evolving our risk mitigation.

We published our first Human Rights Statement, identifying our most salient human rights.

Environment

Transitioning for the environment

Taking action on climate and minimising our environmental impact, plus our contribution to the Green Economy.

Helping our people contribute to environmental stewardship.

Global action for Earth Day

Every region took action in respect of Earth Day, with colleagues participating in environmental related competitions and volunteering, avoiding single-use plastics, planting trees, and engaging in new e-learning.

Green Economy jobs

Our 'Green Labs' global network of specialist recruitment consultants grew, helping to fulfil the increasing demand for ESG and environmental related skills and roles.

We collaborated with clients and organisations such as the environmental institute IEMA, to help deliver insights on the world of work and the Green Economy.

Ambitious reduction targets

Our SBTI-approved science-based climate targets are aligned to 1.5°C. We are listed as a Financial Times European Climate Leader 2024 for our emission reductions.

-27%

Scope 1 & 2 reductions (base-year 2020)

-15%

Scope 3 business travel reductions (base-year 2020)

CDP Climate performance

We received a B, placing us in the Management band. We align with the European average and are higher than the commercial & consumer services sector average.

B

CDP climate

Sustainability > Social

SOCIAL

As a people business, we're strongly committed to a social purpose for workplace engagement and community impact.

Volunteering hours	Volunteering participation	Internal promotions	Women in leadership	Engagement score	Hays colleagues
28,064	41%	3,842	43%	71%	c.11,100
FY23: 17,673	FY23: 20%	FY23: 4,506	FY23: 44.3%	FY23: 76%	FY23: c.13,000

Hays helps people develop their careers and skills, by helping organisations find the talent they need to thrive. We seek to add societal value through employment and the world of work.

We focus on our own people and the communities in which we work and live to deliver social impact.

FY24 objective	Status	Progress
Explore regional approaches to wellbeing and better share good practice.	Achieved	Wellbeing champions and leads confirmed in all regions and global best practice sharing calls in place. Enhancements to wellbeing offerings in all regions during FY24. New global wellbeing proposal for FY25.
Address the Hays leadership and management competency framework to include clear reference to sustainability, recognising ESG issues can drive long-term success.	Achieved	Wording for 'sustainable success' written for the competency framework and a leadership session training plan framed, ready for deployment in FY25.
Foster a culture of inclusion and allyship and further promote the development of Employee Resource Groups. Enhanced executive sponsors, global structures, and leadership training.	Ongoing	Focus on leadership – DE&I incorporated in personal objectives and allyship training delivered. First global International Women's Day and Pride celebrations held.
Address diversity across Hays, at all levels and regions, by focusing on a data-driven approach to enhance diverse talent attraction & retention.	Ongoing	Increased understanding of diverse communities across Hays by using self select anonymous data on gender, age, sexual orientation, trans identity, disability status, educational background and care giving status.
Contribute to the wider inclusive employment agenda through consultancy services, client partnership and delivery of thought leadership.	Ongoing	As FAIRER Consulting we invested in digital marketing and partnerships, focusing on relevant DE&I communities the wider HR community, and a sector-based approach. We delivered products and services in relation to training, strategy consultancy and leadership development.
Promote community engagement with our 'Helping for your tomorrow' programme. Grow volunteering hours and employee participation rate YoY.	Achieved	Employee volunteering participation increased to 41%, up 105% and the number of volunteering hours increased to 28,064 up 59% YoY.
Deploy new awards to acknowledge meaningful community contributions as part of 'Helping for your tomorrow'.	Achieved	Winners of the awards were announced in December 2023.

FY25 objectives
Revisit and refresh Hays' global People and Culture strategy with a view to enhancing the attraction, retention and engagement of talent.
Deliver additional support and tools for colleagues around financial wellbeing and mental health as part of overall wellbeing strategy.
Foster a culture of inclusion and allyship with development of Employee Resource Groups, executive sponsors, global structures, leadership training and focus on data.
Expand awareness of the FAIRER brand and the DE&I consulting service offer, particularly in the German market.
Further community impact with 'Helping for your tomorrow' reaching more than 8,500 individuals and exceeding 200K community hours.
Inspire and enable our people to give back, delivering at least 25,000 volunteering hours and attaining a 40%+ participation rate.

Talent development

Investing in training and development is about enabling our people to reach their potential, and equipping them to do the best job possible. We support learning, succession planning and career development. We provide blended learning solutions with specific courses, on-the-job training, secondments, in-person training, virtual and on-line options, coaching and mentoring.

We invest in all cohorts. New joiners are typically recruitment consultants learning the role and how to be effective, and we focus on driving Hays' culture and workplace service standards.

Our country heads and senior managers are more focused on leadership. Our award-winning International Leadership and Management Programme (ILMP) challenges participants to explore their leadership style and develop personally.

In FY24, we ran three ILMP cohorts, totalling 56 participants. Our online Hays learning hub 'Go1' was extended through EMEA.

We want our people to have fulfilling and successful careers, and this year 3,842 colleagues secured an internal promotion.

In Focus: Training in open-source AI, Americas

In the Americas, colleagues have established an Optimising AI Hub to ensure our recruitment consultants are using open-source AI in a way that is compliant with all regulations, secure and adding value to our clients. Our ability to leverage AI will contribute to delivering the best service to clients and candidates.

Training is being undertaken and developed to help colleagues optimise their use of AI. This will improve efficiency and accuracy, creativity and innovation, data searches, insights, and recommendations, and enable us to discover new opportunities with clients, partners and suppliers, as well as advance our knowledge.

Wellbeing and engagement

We support colleagues by helping to find solutions to help them overcome external issues and contribute to their overall sense of wellbeing. This links to Group strategy by improving retention and driving growth. We focus on wellbeing across four key aspects of wellbeing relating to (i) physical wellbeing, (ii) mental wellbeing, (iii) social wellbeing, and (iv) personal wellbeing.

Wellbeing is supported by our People and Culture teams. Initiatives include further training of Mental Health First Aiders, specific wellbeing sessions and the introduction of engagement tools. Our first global wellbeing webinar was also delivered.

In FY24, we significantly enhanced our performance in CCLA Corporate Mental Health Assessment, making the 'top improvers' list. We scored highest in 'management and commitment', although we recognise there is more to do in performance reporting.

We seek our people's feedback through our annual survey, 'Your Voice'. Engagement levels are in line with industry norms, however there was a slight decline from 76% to 71%. We believe this reflects an economically challenging year. Engagement is a key management focus and we are committed to addressing feedback.

We know that it is important to our people to work for an organisation that takes its social and environmental responsibilities seriously. This was reported at a score of 77%.

In Focus: Wellbeing app and incentives, EMEA

A new wellbeing app, 'Humanoo', has been launched across EMEA to increase employee engagement and have one platform to unite the region. Our first-year activation goal of 30% was exceeded, with a 42% activation rate.

Various walking challenges have been organised, encouraging colleagues to walk extra steps each day. Humanoo also provides personalised health plans and rewards efforts with 'diamonds', which can be converted into gift cards, tree planting or plastic waste collection. The wider EMEA region has collected 445,368 diamonds, planted 24 trees and collected 6kg of plastic.

In Focus: New Parental Leave Kit, Asia

In rolling out enhancements to the 'Family friendly' policies in Hays Asia the opportunity was taken not just to drive the standards offered to our people, but to also take a holistic approach with greater awareness and support from the leadership teams, with greater understanding of the parental experience.

Spearheaded by Mabel Ng, Head of HR, a parental leave kit was developed. This not only detailed the benefit changes but also focused on upskilling leaders to have supportive conversations and create a psychologically safe environment. The same work fostered a keen sense that supporting parents and carers is something that should be focused on. A new Employee Resource Group, 'Parents and Carers at Hays' was then launched, further fostering a supportive workplace community.

In Focus: Progress on mental health in the UK&I

Last year we set out our two-year wellbeing plan with a sharp focus on mental health (MH), and we are pleased to report significant progress against our mental health goals in the UK&I.

We continue to enable all employees to make positive choices for their wellbeing, at every stage of their life and career. We have worked hard to ensure MH remains front and centre of our UK&I wellbeing agenda, recognising its links to financial, physical, and social strategy and the principles of good work.

In our strategy we seek to understand the root causes of the challenges faced by our people. The emphasis is on prevention, ensuring leaders and line managers have the confidence and knowledge to support wellbeing and can effectively signpost to best-in-class support and resources.

This year we worked closely with our employee networks to further understand how to continuously improve access to and engagement with our initiatives. We further extended our reach, focusing on clients and candidates. We were delighted to be 'Highly Commended' for the Employee Initiative Of The Year at the Inside Out Awards for our partnership with Band Of Builders, which saw us supporting the charity's efforts to raise awareness, reduce stigma and signpost mental health support within the construction industry.

UK&I key achievements for FY24 & mental health goals for FY25

Area of focus	FY24 Goal	Progress	Moving forward
Mental Health First Aid roll out	Train 50 MHFAs	73 MHFAs trained in-house and our MHFAs have held over 200 mental health first aid conversations	Reach 100 MHFAs. Evolve our MHFA programme to better support MHFAs to include opportunities to reflect, learn and continue to develop their MHFA skills
Improve MH literacy of senior leaders	Deliver one MHFA leadership cohort	Two leadership cohorts totalling 22 senior leaders including our UK&I CEO and COO completed MHFA training	Deliver one MHFA leadership cohort
Ensure managers have the skills and knowledge to support employee wellbeing	Train 50 managers in our in-house Managing Well workshop	122 managers successfully completed Managing Well, gaining knowledge and tools to support their own mental wellbeing and that of their team	Train a further 50 managers Develop and launch Leading Well, aimed at senior leadership
Ensure employees feel well supported by their manager	Ensure Your Voice score for 'My manager cares about my wellbeing' is 85%+	2024 Your Voice score for 'My manager cares about my wellbeing', 87%	Maintain our score at over 85%
CCLA Mental Health Index	Improve on our 2023 score	We were recognised as a top improver from 2023 to 2024, moving from Tier 4 to Tier 3	Improve on our 2024 score, particularly in relation to performance reporting and impact
Ensure our wellbeing initiatives and programmes are fit for purpose	Ensure Your Voice score for 'Hays provides the programmes and initiatives to support my health and wellbeing' is 75%+	2024 Your Voice score for 'Hays provides the programmes and initiatives to support my wellbeing', 75%	Maintain our score at 75%
Provide easy-to-access, inclusive specialist mental health support for our employees and their immediate family	Implement Sonder to replace our traditional EAP, digital doctor, and our proactive wellbeing tool POWR	Successfully implemented Sonder, achieving 40% activation in the first six months	Achieve 50% activation rates
Create a safe space for employees who identify as male to talk about their health and access relevant help and support	Set up a men's health forum	November 2023: ran a successful men's health panel discussion, with senior leaders sharing lived ill-health experiences January 2024: held two men's health focus groups to learn from employees on creating an intervention to support men's health March 2023: launched our men's health drop-in, a bi-monthly peer-to-peer call for experience sharing	Continue to evolve the men's health drop-in

Diversity, equity and inclusion (DE&I)

We consider DE&I across a breadth of personal characteristics, recognising people are unique. We want our people to feel included and free to be themselves.

We have committed to DE&I, understanding its importance in terms of engagement, retention, creativity, productivity and organisational success.

Our strategic approach includes a focus on people in terms of how we attract and retain our own talent, nurturing a culture of inclusion and allyship, and on how we deliver in the marketplace in terms of our services, clients and partners.

During the year, we continued to drive a multifaceted approach in terms of leadership, Employee Resource Groups, communication and awareness campaigns, developing data insights, learning and development, inclusive hiring and furthering policies.

FAIRER Consulting, our specialist DE&I consultancy which forms part of our advisory services, helped clients to expand and diversify their talent pools and build inclusive cultures.

In Focus: Being a Disability Confident employer, UK&I

Hays UK&I introduced the 'Work with Me' passport as a place for colleagues to share information about a disability, neurodivergence, mental health problem, physical health or learning difficulty. This aims to further support managers and employees to have open conversations about what they might need to be successful in alignment with the UK&I Workplace Adjustments Policy.

"The REACH network has become such an asset and outlet for the business, a true safe space in drop-in sessions for people to get the support they need to be the best they can be. Raising awareness of various conditions has definitely made an impact, lots of little wins have added up to a big difference."

Rachael Richards
Business Director

In Focus: Supporting national reconciliation, ANZ

We launched our Innovate Reconciliation Action Plan, a two-year strategy that reaffirms our commitment to reconciliation and outlines how we will continue to create meaningful, respectful relationships with Aboriginal and Torres Strait Islander peoples that elevate equity and inclusion, in the workplace and society. It outlines how we will continue to identify opportunities to further the economic and social prosperity of Aboriginal and Torres Strait Islander peoples and communities.

This year, in honour of Reconciliation Week, Hays participated in the Indigenous Literacy Foundation's Great Book Swap, with colleagues making donations and purchasing books. Recognising that reconciliation is not limited to Reconciliation Week, colleagues also set up a new book club – Reading for Reconciliation.

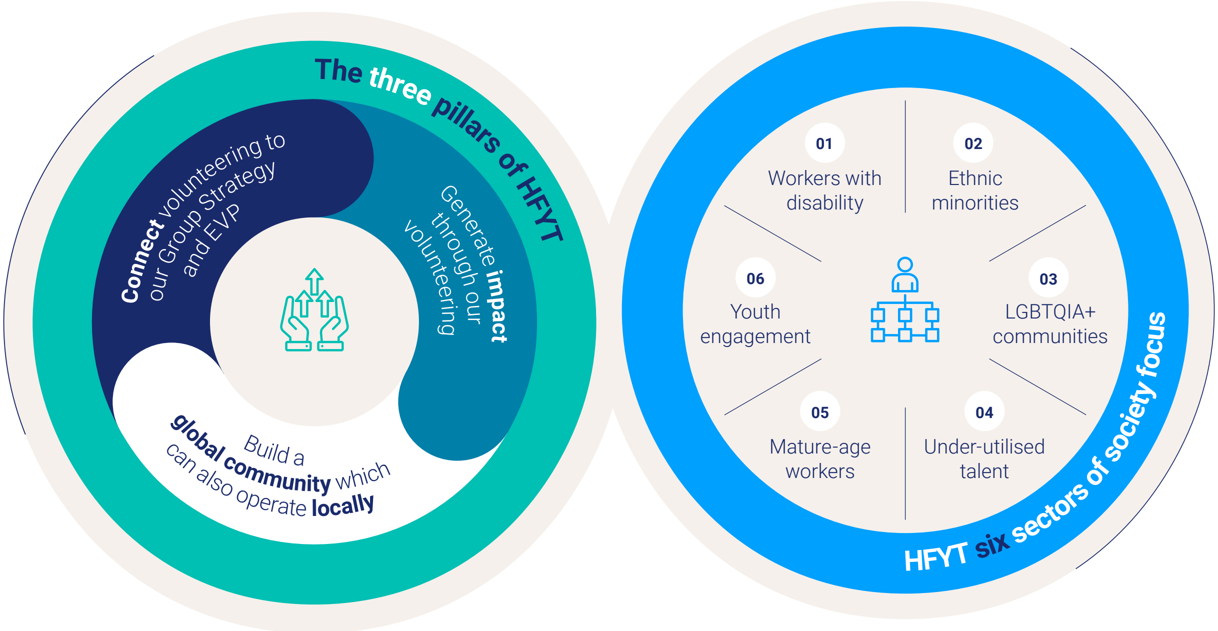
"FAIRER Consulting stands at the forefront of workplace inclusion. Our aim is to build a fairer world of work by eliminating structural barriers. Our vision is based on a desire to promote fairness of opportunity and outcomes by tackling conscious and unconscious biases and working towards the promotion of consciously inclusive practices."

Dan Robertson
FAIRER – Managing Director

Sustainability > Social continued

Helping for your tomorrow

Our flagship community engagement programme 'Helping for your tomorrow' (HFYT) is how we mobilise our people to deliver community action, enable our charitable partnerships and focus on the power of inclusive employment to deliver societal benefit.



Community engagement

'Helping for your tomorrow' enables our people to volunteer, using time and expertise to work with individuals and community groups to develop in their education, skills and general employability.

We encourage colleagues worldwide to get involved under the guidance of our global 'Helping for your tomorrow' steering group. This year James Hilton, CFO became its new executive sponsor.

We also launched our 'Create a better tomorrow' interview series to share news internally, and the Hays Helps Awards to recognise teams of colleagues, who have significantly driven activation and impact in their local country.

In Focus: Recognition for community impact, Germany

Colleagues in Germany picked up the HR Excellence Award (#HREA) in the Sustainability Management & Social Engagement category, for our 'Helping for your tomorrow' community programme. The #HREA is a highly respected award recognising outstanding successes, ideas, projects and campaigns.

In delivering 'Helping for your tomorrow', colleagues have collaborated with some of the key strategic partner organisations, including; JOBLINGE, Haus des Stiftens and Queermentor. They also recognise the efforts of the some 50 internal 'Helping for your tomorrow' ambassadors, who bring the programme to life, as well as the colleagues who volunteer, contributing to greater equality.

In Focus: Sharing expertise and learning, UK&I

In the UK colleagues set up 'Flourish' working with charity 'EveryYouth' to help end youth homelessness through social mobility. Flourish is a pro-bono service for employers to help disadvantaged young people secure jobs with real prospects. Features include: employer awareness sessions, mentoring, bursary support, Learning Management System (LMS) access and other holistic support, such as budgeting and mental health.

Several young people are now in job opportunities, eight pilots have been enabled with employers and there is a further pipeline of 40 potential job opportunities. Flourish was also implemented within Hays and a young person was successfully appointed into a UK team. Access to the Hays LMS has provided wellbeing, employability and skills support to over 250 people through the EveryYouth network.

Helping for your tomorrow – FY24 highlights

Our global community engagement programme went from strength to strength.

We made progress in building relationships with new strategic partners, enhancing our volunteering and enabling colleagues worldwide to contribute to local initiatives.

Highlights:

- **4,699 employees volunteered (41% of our global population)**
- **we undertook 28,064 volunteering hours**
- **we helped 7,000+ individuals with employability skills**
- **we fundraised and donated more than £295K**
- **we collaborated with more than 100 community partners.**

In launching our new internal community engagement awards, the UK, Germany and France won the Impact Award, which recognises a substantial growth in volunteering hours.

The highest level of employee participation was achieved by Poland, New Zealand, Chile and the United States, resulting in them receiving the Activation Award 2023.

India dramatically increased the employee activation level by more than 4000%, winning our Phoenix Award.

"I firmly believe that we have a responsibility to give back to our communities. I take immense pride in the fundraising and volunteering work carried out by Hays colleagues across the globe.

That's why I was honoured to be recently appointed as the executive sponsor of 'Helping for your tomorrow', because volunteering and charity work hold a special place in my heart. This year, I'll continue to be directly involved by running business classes to help raise the employability of disadvantaged youths."

James Hilton,
Chief Financial Officer

Our Priority SDGs

Commitment to the UN Global Compact

Principle 5 – the elimination of discrimination

Sustainability > Governance

GOVERNANCE

We recognise the importance of high standards as part of our reputation for trust in the marketplace.

No. of clients served	No. of candidates placed	Taxes paid
c.37,000	c.280,000	£378m
FY23: c.40,000	FY23: c.320,000	FY23: £449m

Doing things in the right way is fundamental in building trust and in being a respected market leader. We recognise that we have a shared reputation with our clients and a strong reputation helps us win business, be an employer of choice and be a better investment.

FY24 objective	Status	Progress
Establish and progress key activities in preparation for the new EU Corporate Sustainability Reporting Directive (CSRD) and to inform group ESG strategy.	Ongoing	CSRD Working Group convened. Completed appraisal of entities in scope and our provisional double materiality assessment for the Group.
Enhance our approach to human rights, with a particular focus on modern slavery risk.	Ongoing	Modern Slavery Working Group convened. Completed good practice review (gap analysis) in collaboration with expert partners Slave-Free Alliance.
Strengthen cyber security from a strategic and operational perspective, progressing improvements with a new global team as well as vulnerability scanning and IT controls.	Ongoing	Progressed as part of the IS Transformation programme. Director of Information Security and Data Protection appointed to support Hays global operations. Vision to implement a standard and externally accredited approach, endorsed by Executive Leadership Team.

FY25 objective
Complete gap analysis of EU CSRD reporting requirements and commence data collection for business entities/countries required to report in 2026.
Formulate action plan to implement improvements as per the Slave-Free Alliance recommendations and progress in priority areas.
To make further appointments to the Information Security and Data Protection team, building capacity and road mapping for the delivery of consistent processes and controls Group-wide.

Clients and candidates

We want both candidates and clients to have the best possible experience in terms of their interactions with Hays and to have the best matches when it comes to clients' needs and candidates' work and career aspirations.

One of the ways we add value is through the research and thought leadership pieces we publish and facilitate. During the year, we published various reports, blogs and articles covering topics such as salaries, what workers want and sector-specific trends as well as more general developments such as the adoption of AI.

We handle personal and confidential data, thus cyber security and data protection is a top priority. During FY24 we progressed our IT transformation programme and were pleased to welcome a new Director of Information Security and Data Protection.

In Focus: Respecting candidates, EMEA

Candidate respect has been a focus in France, with training on 'recruiting without discrimination' and by seeking feedback at key stages of the process. Candidate satisfaction surveys are sent 'in real time' and returns confidentially analysed by the Compliance department. Measuring satisfaction and accounting for candidate and client expectations have been key in developing an excellent and inclusive service.

"I was pleasantly surprised by the quality of the candidate follow-up during my recruitment, experiencing a lot of kindness and interest which is not always the case with recruitment firms." Candidate from Lyon

In Focus: Mental health in construction, UK&I

UK&I Construction & Property have partnered with charity 'Band of Builders' (BOB) to raise mental health awareness and prevent suicide. Hays has visited 570 construction clients to talk about mental health. Site merchandise has been re-branded to display 'Text BOB to 85258' and with our presence on over 1,000 UK construction sites, more and more workers are aware.

The partnership is important because temporary workers are often unable to access help and support in the same way as a permanent employee might. BOB have received a significant uplift in help requests and were shortlisted for the 2024 'Inside Out' Employer Award, and were highly commended for the partnership.

Governance and oversight

Our ESG Committee, chaired by MT Rainey, Non-Executive Director, held its inaugural meeting and we became participants in the UN Global Compact. This further demonstrates our commitment to sustainable business from our Board.

Whilst our PLC Board has overall responsibility, the ESG Committee has been formed to enable more regular and detailed attention to ESG strategy and specific issues. The inaugural ESG Committee meeting was held in March 2024 with a schedule to convene every three months. In addition, to help drive our key priorities, our CEO and CFO have ESG-related personal objectives. We publish the CEO versus Employee pay ratio as part of our Annual Report and Accounts remuneration disclosures in the governance report.

"Establishing the new ESG Committee as a full Sub Committee of the Board has been a really important development in governance at Hays. Held outside the rhythm of regular Board meetings, a full agenda can be devoted to key ESG issues, allowing the Committee to engage much more deeply on a range of topics that are often driven to the margin of regular Board meetings.

Crucially, as ESG issues are reported back to the main Board, more strategic connections can be made between the work of the Board, and the changing legislative and cultural context in which the business operates. Specifically, as Workforce Representative on the Board I've been able to further highlight this work in the ESG Committee, recognising its increasing strategic importance. I welcomed the opportunity to Chair this new Committee and I think it demonstrates that Hays intends to drive a strategic and cohesive approach to ESG going forward."

MT Rainey
NED and Chair of ESG Committee

Business ethics

In FY24, we clearly set out our first Human Rights Statement. This explains the international conventions by which we are guided, including the International Labour Organization Core Conventions and United Nations Declaration on Human Rights. The Statement details the human rights considered most salient to our business. We expect and request our suppliers to also aim for high ethical standards and to operate in an ethical, legally compliant and professional manner by adhering to our Supplier Code of Conduct and exerting influence within their own supply chain.

We are pleased to have formed a new collaborative partnership with the Slave-Free Alliance. Our aim is to further strengthen our policies and working practices that address modern slavery and human trafficking as well as the broader respect of human rights. Our Modern Slavery Statement and our Human Rights Statement are both available to view on our website.

We are committed to our own Code of Conduct and Ethics Policy. All staff within Hays are expected to act with integrity and honesty and behave in a way that is above reproach, and to treat people fairly, act with courtesy, respect diversity and communicate openly.

We encourage our people to speak up and raise concerns. We offer employees a confidential reporting line, managed by a third party, accessible by telephone or online, 24 hours a day, 365 days a year, (as allowed under applicable law, employees may submit reports to the confidential line anonymously in over 100 languages).

We have a zero-tolerance approach to bribery and corruption. All employees are required to comply with the Hays Anti-Bribery and Corruption Policy and undertake annual training and audits. Under the policy, the offer or acceptance of any form of bribery is prohibited, including facilitation payments.

Hospitality, gifts and improper offers or payments that seek to induce or reward improper performance or might appear to place any person under an obligation are prohibited. As part of our policy on anti-bribery and corruption, we have a zero-tolerance approach to tax evasion and the facilitation of tax evasion.

We expect Hays employees to adhere to high ethical and legal standards globally. Conflicts of interest that interfere with performance or independence are prohibited. We expect staff to communicate transparently and honestly with clients, candidates, business partners, suppliers, governments and regulatory bodies, within the framework of privacy and confidentiality.

In Focus: Supplier due diligence, Germany

In FY24, Hays reported under the requirements of the German Supply Chain Due Diligence Act requiring companies to monitor human rights and environmental risks in their supply chain. In addition to the Hays Global Supplier Code of Conduct, the Compliance team in Germany has continued to evolve its focus on supplier due diligence, deploying enhanced risk analysis and establishing a reporting system for potential violations.

Annual and ad hoc risk analysis is conducted with the help of an external service provider. Risks are considered in relation to country data and industry figures. Suppliers are rated based on the assessed level of risk and the potential impact severity. Assessment results influence the selection of suppliers and business contracts, as well as internal processes and training.

In Focus: Positive behaviours and culture, ANZ

Matthew Dickason, Regional Director and CEO Asia Pacific communicates with employees to underpin a positive culture, reinforcing the Hays values. Subjects include our leadership commitment to a healthy workplace that embodies safety, respect and inclusivity, inclusion policies and wellbeing support and encouraging people to speak up.

Positive behaviours are being celebrated with initiatives such as the Business Enablement and Kudos Awards which recognises colleagues for exceptional performance. The Kudos Awards have been allocated for building partnerships, doing the right thing and teaching others by sharing expertise.

SLAVE-FREE ALLIANCE
Working Towards a Slave-free Supply Chain

Collaborating with the Slave-Free Alliance

We formed our Modern Slavery Working Group to help steer our new collaboration with the Slave-Free Alliance, recognising the importance of the issues and the opportunity it offers us as a people business. The Slave-Free Alliance have conducted a gap analysis, which included a review of company policies, procedures and documented working practices and conducted a series of interviews across various functions and operational geographies. Their recommendations include an amendment to how we consider risk, and note increasing requirements such as the EU Corporate Sustainability Due Diligence Directive.

"Slave-Free Alliance is proud to partner with Hays and support its anti-modern slavery initiatives. We completed a comprehensive gap analysis on the business, comprising document reviews and multi-stakeholder discussions. We independently reviewed Hays' understanding of its modern slavery and labour exploitation risks across its operations and supply chain, and current due diligence activities.

Through the analysis, Slave-Free Alliance detailed risk areas and the proportionate steps that can be taken to prevent and mitigate these risks. Slave-Free Alliance also identified opportunities for Hays to progress its human rights agenda. The process was a success, and Slave-Free Alliance commends Hays for its transparency and willingness to digest the findings and implement further improvements. We look forward to further engagements on these initiatives."

Rachel Hartley
Consultancy Director, Slave-Free Alliance

Our approach to tax

Taxation is essential to fund vital public services and when paid fairly ensures a level playing field for businesses, regardless of size. We manage our tax affairs to ensure that the correct amount of tax is paid in the appropriate jurisdiction at the right time.

Hays does not pursue any artificial or aggressive tax planning arrangements, defining such measures as transactions not driven by a valid commercial outcome or transactions that lack significant economic substance. Hays strives to remain competitive by seeking to mitigate tax costs by reviewing commercially motivated activities, while having full regard for reputation and responsibilities.

We do not condone the criminal evasion of tax nor the facilitation of tax evasion, whether undertaken by an employee or a partner. Controls are in place to detect and prevent such activities, whilst guidelines and training are provided to ensure all employees are aware of their responsibilities to report suspicious activities.

Tax risk is managed through internal control policies and procedures, training and compliance programmes, and proactive engagement between the Group Tax team and the broader business. Hays adopts a transparent, proactive approach with tax authorities. We comply with our tax filing, reporting and payment obligations globally on a timely basis. From time to time a tax authority may have interpreted tax legislation, and therefore tax treatment, in a different manner to Hays. Where this occurs, we aim to work collaboratively with the tax authority to achieve an early resolution. The total amount of taxes we pay and collect is significantly more than the tax we pay on our profits.

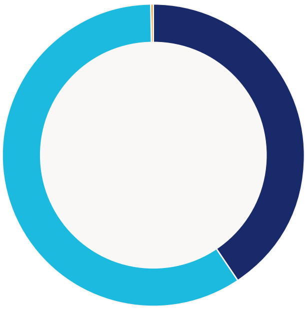
We present opposite our total Group tax contribution for FY24. This includes taxes borne by and collected by Hays in relation to our economic and employment activities. Taxes collected by Hays are not a cost to the Group but instead are collected from customers and employees on behalf of the government.

These comprise:

Indirect taxes: VAT collected represents net VAT. We are charged VAT (Input VAT) on our purchases of goods and services and we charge VAT (Output VAT) in turn on our services and account for this value add or net VAT to the government.

Employee taxes: These include employee income taxes, employee social security contributions and similar payments.

Taxes collected

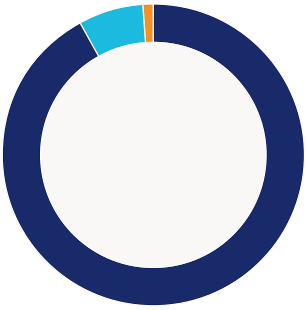


- VAT/GST collected: **£446m**
- Employment taxes collected: **£648m**
- Other taxes: **£2m**

Taxes borne by Hays are a cost to the Group and comprise:

- employer taxes: Employment-related taxes borne by Hays in respect of its role as an employer, including employer social security contributions and similar payments
- corporate income taxes: Corporate income taxes paid on our Group profits, and withholding taxes
- other payments: These are other payments, including stamp duty and apprenticeship levy

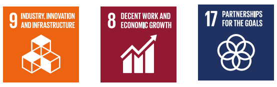
Taxes borne



- Employment taxes borne: **£348m**
- Corporate taxes borne: **£26m**
- Other taxes borne: **£4m**

Our tax strategy is available at https://www.haysplc.com/governance. More information on our corporate governance is on page 91.

Our Priority SDGs



Commitment to the UN Global Compact

Principle 1 – protection of internationally proclaimed human rights

Principle 2 – not be complicit in human rights abuses

Principle 3 – uphold freedom of association and right to collective bargaining

Principle 4 – elimination of all forms of forced and compulsory labour

Principle 5 – effective abolition of child labour

Principle 10 – work against all forms of corruption, extortion and bribery

ENVIRONMENT

Hays is taking action to address the challenges of climate change and reduce our environmental impact.

CDP Climate benchmark	Scope 1, 2 & selected Scope 3(1) emissions	Total Group emissions
B	**18,246**	**58,095**
FY23: B Management Level	FY23: 16,778. FY20 base year: 23,527	FY23: 58,857. FY20 base year: 66,086

We recognise that people, planet and the economy are interconnected. Hays aims to play a positive role by prioritising our own action on climate and in helping to source green talent and skills in the world of work. Communities and the natural environment are identified as a key stakeholder on page 18.

FY24 objective	Status	Progress
Undertake a readiness review of our GHG reporting process and FY23 data, in preparation for external assurance and verification of data.	Complete	We have identified and implemented a number of enhancements to our GHG reporting process.
Develop and deploy new e-learning to enhance environmental awareness and action amongst our people.	Complete	We launched a new environmental e-learning in our CEMEA region in conjunction with Earth Day 2024.
Develop and revise plan for carbon reduction to focus on emissions hotspots as informed by FY23 reporting across scope 1, 2 and 3.	On-going	Working with our external consultants we have planned a number of internal engagements to explore the opportunities for, and the implications of, further reductions across (i) the purchase of goods and services, (ii) fleet and business travel, and (iii) electricity and heating.

FY25 objective
Develop a structured approach for scope 3 emissions reductions by targeting engagement with suppliers and landlords.
Develop a clear process for evidencing Group-wide renewable energy sources and deliver training with support materials to enhance people's understanding and to encourage further adoption of renewable energy sources.
Further our GHG reporting in preparation to move to assurance and verification and with consideration of future targets.

(1) Selected scope 3 emissions guiding our investment in beyond value chain mitigation carbon-related projects are scope 3 business travel and scope 3 fuel and energy related activities.

We have committed to:

- 50% reduction in scope 1 & 2 emissions by 2026 versus 2020 baseline, as approved by the SBTi (1.5°C trajectory)
- 50% reduction in scope 3 emissions from purchased goods, services & capital goods by 2030 versus 2020 baseline, as approved by the SBTi (1.5°C trajectory)
- 40% reduction in absolute scope 3 emissions from business travel by 2026 against a 2020 baseline, as approved by the SBTi (1.5°C trajectory)
- transition to 100% renewable energy where there is a viable market solution for electricity supply
- invest in beyond-value chain mitigation projects in relation to emissions that equate to our scope 1 & 2, scope 3 business travel and scope 3 transition and distribution losses, until at least 2026

Climate action

We have made a number of public commitments which include GHG emission reduction targets approved by the Science Based Targets Initiative (SBTi).

We have set our targets in line with the Paris Agreement's 1.5°C trajectory. Recognising new guidance and with a deeper understanding of our carbon footprint, particularly in terms of scope 3, we have moved away from the previous use of terminology including 'Carbon Neutrality' and 'Offsets'. To date we have been focused on making progress against our near-term targets ahead of setting any longer-term targets. This is work to do and remains part of our ambitions for Net Zero.

We continued our participation in the CDP Climate submission, retaining our B score. We delivered climate-related external communications and updated colleagues on our climate-related actions and progress, in connection with, and to mark, the United Nations' Climate Conference (COP 28).

We were listed in the Financial Times as one of Europe's Climate Leaders of 2024 which recognises businesses that have achieved reductions in their scope 1 and 2 GHG emissions intensity.

CDP
DISCLOSURE INSIGHT ACTION

The Group Sustainability team gained better visibility of reduction initiatives via a new climate action tracker. This will allow idea sharing and stimulate action, in addition to the engagement and support of our global Net Zero Working Group.

During the year our Climate Committee met, considering climate-related risks and opportunities. This covered our work on future climate scenarios in line with the Task Force on Climate-related Financial Disclosures (TCFD), and was also informed by the latest reports on climate change and the current effects of climate change. Representation on the Climate Committee has been increased to further strengthen linkages with the Executive Leadership Team and Group-wide perspectives.

Since 2021 we have been investing in a carbon sequestration project beyond our direct value chain to help with the general mitigation of atmospheric carbon and in the pursuit of additional benefits in relation to biodiversity and livelihoods.

This year we were recognised as a ClimatePartner certified company. This results from our compliance with their five steps of climate action in terms of disclosure of carbon footprint, having reduction targets, implementing reduction measures, supporting climate projects and disclosing progress.

In FY24 we conducted an independent readiness review of our GHG reporting, in preparation to move to limited assurance. This has helped implement various process improvements. We will now work towards attaining limited assurance, potentially in FY25.

In Focus: Replacing fossil fuel vehicles, ANZ

Hays ANZ is transitioning its motor fleet to electric, despite infrastructure challenges as local EV infrastructure is less developed than in Europe. As infrastructure improves, Hays ANZ will be looking to add more EVs.

Employees must select cars below an emission threshold of 160 CO_2 grams per kilometre. Whilst EVs aren't yet fully suitable, hybrid engines are a good alternative and make up 25% of fleet vehicles. As numbers grow with hybrid vehicles, Hays ANZ is looking to halve its fleet emissions by 2027, against a 2022 base year.

In Focus: Addressing business travel, Germany

A new Travel Policy has been introduced to help guide and support colleagues when undertaking business trips, to better consider and limit carbon emissions, for example by travelling by train rather than flying and travelling second class rather than business class.

"As a service provider, many greenhouse gases are generated when travelling on business, in addition to the goods and services purchased. The new successful travel policy sets out a clear path for more climate-friendly business travel by holding business meetings online wherever possible and sensible, reducing short-haul flights, and making train journeys more attractive – also with combined benefits for employees' private rail journeys."

Swanhild Klink
Sustainability Manager, Hays Germany

Sustainability > Environment continued

GHG Reporting

Our reporting for GHG emissions is 1 April 2023 to 31 March 2024. We gather data in relation to every office globally to calculate our GHG emissions, working with our external experts. Our GHG emissions, methodology and calculations are in alignment with the GHG Protocol corporate reporting standard.

We report as shown in our GHG emissions table across scopes 1, 2 and relevant categories of scope 3 and in accordance with obligations under The Companies (Directors' report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018, whereby we follow an operational control approach.

Progress year on year

Following our assurance readiness review, we enhanced our reporting process with further granularity and checks. This has contributed to what can be viewed as limited progress this year.

Our scope 1 emissions have remained flat YoY. A key focus in this area is our car fleet. We are transitioning to EVs to reduce our impact, however this was offset by more in-person meetings.

Our scope 2 market-based emissions are up 22%, mainly resulting from stricter assessment of renewable energy usage where energy is provided by landlords, and overall in obtaining in-dated renewable certification. Given the operation of our business we expected our energy consumption to remain relatively flat year-on-year however we have seen increase of 4%. Some of this is attributed to grid consumption factors which have been applied to calculate our emissions where primary data was unavailable.

Our scope 3 emissions are down 3%, reflecting lower emissions from purchasing trends. There was a small YoY increase in business travel, again driven by in-person meetings, but also reflecting better enhancements to our data gathering process.

Overall, total Group GHG emissions decreased by 1% YoY.

Hays scope 1, 2 and 3 emissions (1 April-31 March reporting year)

	2024			2023				2020 (1) (Restated)			
Emissions Source	UK and offshore	Global (excluding UK and Offshore)	Global (Including UK and offshore)	UK and offshore	Global (excluding UK and Offshore)	Global (Including UK and offshore)	% Change in total emissions (vs 2023 year)	UK and offshore	Global (excluding UK and Offshore)	Global (Including UK and offshore)	% Change in total emissions (vs 2020 base year)
Scope 1	**386**	**5,028**	**5,414**	**645**	**4,763**	**5,408**	**0%**	**807**	**4,635**	**5,442**	**-1%**
Operational Fuel	70	675	745	11	779	790	-6%	12	743	755	-1%
Vehicle Fuel	315	4,353	4,669	634	3,984	4,618	1%	795	3,892	4,687	0%
Scope 2 market-based	**361**	**4,443**	**4,804**	**345**	**3,580**	**3,925**	**22%**	**1,815**	**6,726**	**8,541**	**-44%**
Purchased Electricity and District Heating	333	4,334	4,668	297	3,541	3,838	22%	1,815	6,716	8,531	-45%
Electric Vehicles	27	104	131	48	39	87	51%	-	10	10	1210%
Scope 2 location-based	566	4679	5245	684	4,444	4,926	6%	1,265	6,277	7,542	-30%
Scope 3	**3,000**	**44,877**	**47,877**	**8,544**	**40,980**	**49,524**	**-3%**	**9,718**	**42,385**	**52,103**	**-8%**
Business Travel	281	4,874	5,154	372	4,545	4,917	5%	757	5,320	6,077	-15%
Fuel and Energy-related activities	188	2,686	2,873	282	2,246	2,528	14%	503	2,964	3,467	-17%
Purchased Goods and Services(3)	3	26,823	26,826	3,455	23,077	26,532	1%	3,045	20,337	23,382	15%
Capital Goods	0	2,540	2,540	1,148	3,992	5,140	-51%	1,582	5,505	7,087	-64%
Waste(4)	71	275	346	71	317	388	-11%	78	322	400	-14%
Employee Commuting and Homeworking(5)	2,458	7,679	10,137	3,216	6,803	10,019	1%	3,753	7,937	11,690	-13%
Total tonnes of CO_2e	**3,747**	**54,348**	**58,095**	**9,534**	**49,323**	**58,857**	**-1%**	**12,340**	**53,746**	**66,086**	**-12%**
Beyond value-chain mitigation – Scope 1, 2 market-based and selected(2) Scope 3 emissions	1,215	17,031	18,246	1,644	15,134	16,778	9%	3,882	19,645	23,527	-22%
S1, S2 and selected(2) S3 intensity ratio per FTE	**0.41**	**1.79**	**1.46**	**0.54**	**1.45**	**1.25**	**17%**	**1.23**	**2.13**	**1.90**	**-23%**
Total intensity ratio per FTE	**1.25**	**5.73**	**4.66**	**3.16**	**4.72**	**4.37**	**7%**	**3.90**	**5.82**	**5.33**	**-13%**
Overall Group Energy Consumption(6)	4043	34011	38054	5,846	30,652	36,498	4%	8,763	33,411	42,174	-10%
FTE (average)	**2,987**	**9,493**	**12,480**	**3,021**	**10,455**	**13,476**	**-7%**	**3,162**	**9,236**	**12,398**	**1%**

(1) As explained in our FY23 annual report, in FY23 we restated our 2020 base year after conducting our most comprehensive data gathering. There is no restatement to prior year figures in FY24. The FY23 restatement was driven by additional travel data, updated emissions factors, inclusion of heating and cooling emissions and a more conservative appraisal of renewable energy consumption. The 2020 base year emissions were restated, with scope 1 decreasing from 5,928 tonnes (-8%), scope 2 increasing from 6,165 tonnes (up 39%) and selected scope 3 increasing from 6,630 (up 44%). The restated base year 2020 figures are used in relation to our Science Based Targets and other commitments, to monitor and report our progress on reducing emissions.

(2) Selected scope 3 emissions are our scope 3 business travel and scope 3 fuel and energy related activities. These guide our investment in beyond value chain mitigation carbon-related projects and are used in our 'S1. S2 and selected S3 intensity ratio per FTE'.

(3) Supplier specific data has been used to calculate emissions for the top 30 suppliers (which represent around 75% of Hays spend). Where available and identified, carbon emissions disclosed in the public domain were applied. For the 23 of these top 30 where no such data was available (and for those suppliers outside of the top 30 representing the additional 23% of Hays spend), Quantis spend-based emission factors were applied, adjusted for inflation to 2023.

(4) Where primary waste type data was unavailable, municipal, plastic, glass, bio-waste and paper waste at each site was assumed using office footprint estimates.

(5) An employee survey was deployed to understand homeworking and commuting patterns. If a country had a 10% or higher response rate, this data was used to extrapolate for any non-responders. For countries with a less than 10% response rate, a country specific emission factor was applied for the commuting emissions, and for homeworking, the calculation was based on the office attendance policy. Homeworking emissions were based on an emission factor for the energy consumption of a single room per day. Homeworking has only been calculated since 2021, and has been included in the FY23 2020 base year restatement.

(6) Total energy consumption includes energy consumed for heating (natural gas, district heating), power (electricity) and transport (company leased vehicles, expensed mileage claims) across scope 1, 2 and 3.

We note our two intensity ratios have increased slightly YoY. Although our office footprint reduced by 16 in FY24, most of the consolidation came in our second half, meaning our average office footprint in FY24 only fell slightly. This compared to Group headcount down 15%, as a result of economic challenges.

Progress against targets and base year

Our Scope 1 & Scope 2 market-based emissions are down 27% against the base year. This is the average of our scope 2 market-based emissions being down 44%, reflecting our progress with transition to renewables, and Scope 1 emission being down 1% against the base year. We consider that further progress on our 50% reduction target is achievable, particularly by further transitioning our car fleet to EVs.

Scope 3 emissions relating to the purchase of goods and services and capital spend is down 4% against the base year. A focus on suppliers and supplier engagement is critical to achieving the 50% reduction target. We have initiated organisational changes such as with our IS transformation, which will assist in terms of supplier engagement and spend efficiency.

Scope 3 business travel is down 15% against the base year. Whilst we have made progress, we recognise this will need a concerted effort to make good progress towards our target reduction of 40%.

In relation to other commitments, 35% of our electricity consumption is reported as renewable. This is less than in previous years due to our detailed process to verify renewable energy sources. We will continue to focus on this and look to strengthen engagement with our office landlords and energy providers.

We have continued investment in our beyond-value chain mitigation project, recognising the role of carbon sequestration and added benefits, considering biodiversity and livelihoods.

Our two intensity ratios have decreased by 10% and 13% respectively against the base year, reflecting progress made with climate-related initiatives and our overall emissions reductions.

Minimising impacts

We recognise we have an impact on natural resources in relation to the things we purchase, use and consume and then in terms of how we dispose of them. We seek to minimise our impacts by championing an approach of reduce, reuse, recycle. To minimise our property-related environmental impacts, we are largely dependent on the engagement of our people and our landlords.

Our landlords are important in waste management and recycling. Where possible, we encourage a structured approach to environmental management. In the UK, we maintained accreditation to the international standard ISO 14001.

We recognise the intrinsic link between wellbeing and environment and we want our people to feel empowered to take positive action. To engage our people, we run internal communication and awareness campaigns, encourage green champions and Employee Resource Groups and support environmentally related volunteering.

In Focus: Team tree planting, Americas

A Hays team partnered with the City of Calgary in a tree planting initiative. The team worked together towards a common goal of planting as many trees as possible, enhancing the local area and contributing towards the environment whilst building relationships

In Focus: Points for the Environment, EMEA

The Green@Hays incentive challenged colleagues in offices across France and Luxembourg and rewarded the winners. This year the efforts of colleagues in La Rochelle won the first Green@Hays prize.

Beyond value-chain mitigation

We have invested in an afforestation project in Eastern Uruguay, the Guanare Afforestation Project. This covers 22,000 hectares of previously degraded farming which is being regenerated into forest. The project seeks to store around seven million tonnes of CO_2 over its lifetime, with annual carbon absorption of nearly 130,000 tonnes.

The project has been independently assessed and supports five of the UN SGDs, with around 10,000 local people benefiting, in addition to the biodiversity gains.

Earth Day 2024 – global action

We support Earth Day annually, raising awareness and encouraging colleagues to take positive action. In FY24 action was taken right across the Group.

In ANZ the 'Plant a Tree' initiative was launched, and for every 10 placements made, a tree is planted in the Yarra Yarra Biodiversity Corridor. This is helping to restore the natural landscape and reconnect habitats. In Asia, colleagues replaced fake plants with real plants, focused on greener commutes, supported the reduction of energy consumption and produced an employee guide which was made available to all employees globally.

In UK&I and Germany, colleagues volunteered with litter picks and garden projects. In CEMEA, our environmental e-learning was launched. In the USA, a competition supported activities including eating less meat, ditching plastic, using sustainable products, carpooling and taking public transport.

We hosted a LinkedIn webinar 'How to Find a Green Job'. The event was attended by 1,400 participants with questions raised from those already working in sustainability-related roles and those wishing to transition into such roles. After the event, a further 14,600 views were reported.

Kirsty Green-Mann, Group Head of Sustainability, said: "It was fantastic to see such a range of Hays activities world-wide. Whilst the scale of the environmental challenge can be daunting, it is great to see that colleagues care and will act."

ClimatePartner certified company
climate-id.com/7P6PG1
CO_2 measure reduce contribute

"At Hays, we love the challenges! When the Green challenge starts, we participate to be rewarded during our annual company conference. As we are aware of climate change, we are motivated to do the right thing."

Green Ambassador
Lille, France

Green Economy

'Green Labs' is our global network of specialist recruitment consultants working across various sectors and specialisms around the world. They are helping to fulfil the increasing demand for environment-related skills and roles as well as broader ESG-related roles. In this way, we are using our core service provision to assist with the transition to a low-carbon economy and develop organisations that are better equipped for sustainability.

We are seeing increasing demand and opportunities for placements in corporate sustainability, sustainable finance, sustainable building, green energy, carbon management, circular economy, environmental management or sustainable transport.

We continue to raise our profile through various activities such as our partnership with the IEMA in the UK, organising business events in EMEA, speaking at conference events in Asia, utilising networks such as participation in the Energy & Sustainability Committee with the New York Building Congress in the USA and participating in trade events in Germany.

In Focus: Green client collaborations, Asia

Colleagues in Hong Kong have been working to collaborate with clients to help inform and promote the sustainability agenda, recognising that sustainability professionals are in high demand.

Activities include partnership videos and events such as 'Bridging the Green Skills Gap: Strategies for Building a Skilled & Sustainable Workforce'. This involved Rethink, LinkedIn, Hong Kong Green Finance Association and the British Chamber of Commerce.

"The global demand for green skills is outpacing the growth in talent, creating a significant green skills gap. This presents both a challenge and an opportunity. Jobseekers with green skills will find themselves increasingly employable, while businesses that invest in green upskilling for their workers are likely to see better retention rates.

Corporate partnerships play a crucial role in addressing this demand. Our collaboration with Hays is a prime example – Hays has been instrumental in advancing our mission by sourcing and nurturing green skills within their organisation and advocating for greater skills development across the whole economy. Hays' efforts support a more sustainable future and together we are working towards an economy where green skills are abundant and diverse.

Partnerships like ours are key to closing the green skills gap and fostering a more inclusive and sustainable economy."

Sarah Mukherjee MBE,
IEMA CEO

IEMA
Transforming the world to sustainability

Our Priority SDGs

13 CLIMATE ACTION
11 SUSTAINABLE CITIES AND COMMUNITIES

Commitment to the UN Global Compact

Principle 7 – support a precautionary approach to environmental challenges

Principle 8 – promote greater environmental responsibility

Principle 9 – encourage environmentally friendly technologies

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

This statement contains the Group's TCFD disclosure in accordance with FCA requirements of Equity Listed UK corporates. The Company has provided responses across the four TCFD pillars, and 11 recommended disclosures, achieving consistency with Listing Rules, and aims to advance the maturity of its climate-related actions and disclosures on an annual basis. We have considered the TCFD Annex and applied it where relevant. This statement is also provided in respect of the Companies Act 2006 and the requirements of section 414CB (as amended by the Companies Climate-related Financial Disclosures) Regulations 2022.

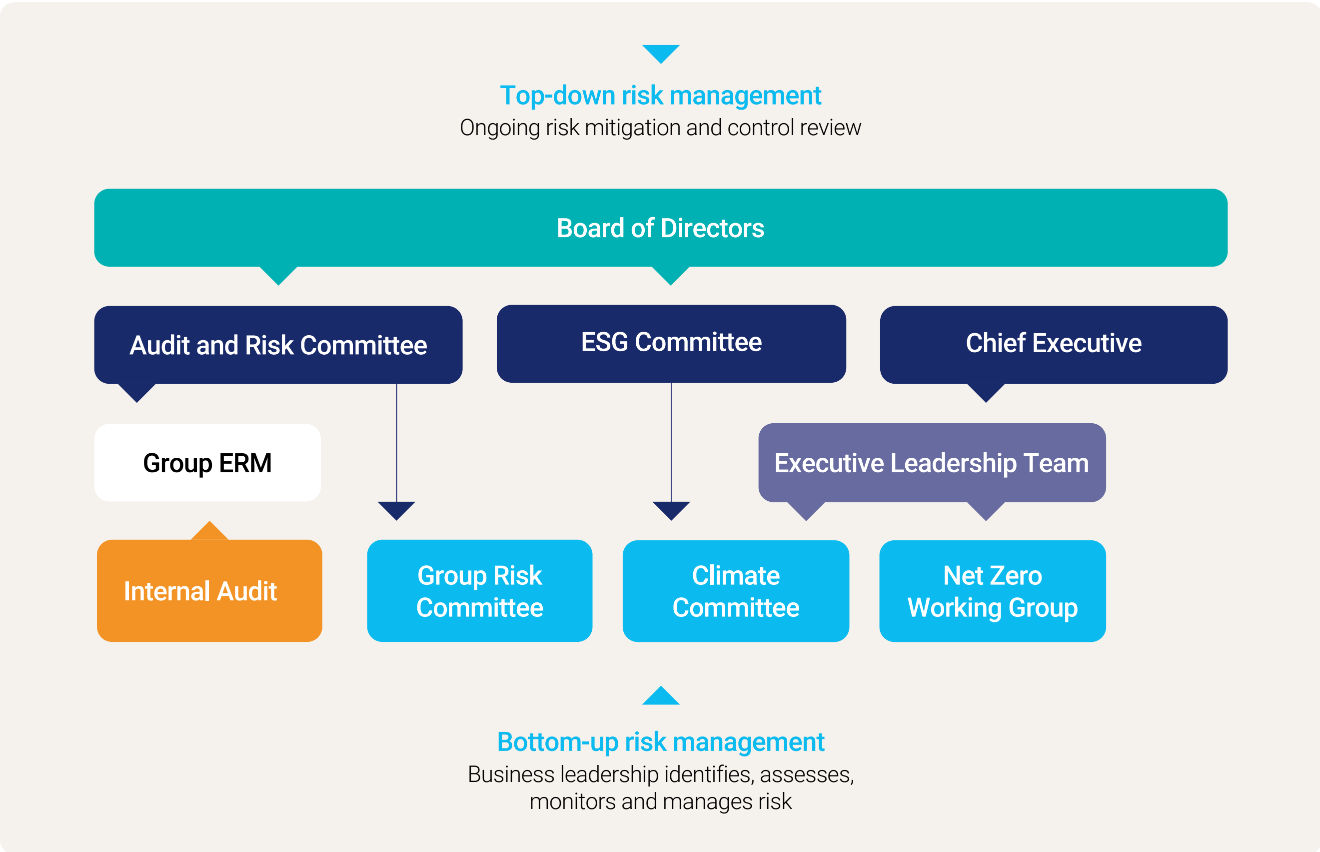
Pillar 1: Governance

Recommendation 1: Oversight

The plc Board is responsible for our overall risk management strategy, which includes climate-related risks and opportunities, and responsibility is delegated to the Executive Leadership Team (ELT). The Board-level ESG Committee has further oversight in relation to climate-related strategy. All receive climate-focused updates with primary responsibility for addressing climate-related matters being a matter for the ELT. The CEO, who sits on the plc Board and runs the ELT, has overall accountability for climate-related matters and risk appetite.

The Audit and Risk Committee assists in risk oversight (as described within the Risk Management section of the Annual Report and Accounts). The Executive Risk Committee reviews the effectiveness of the risk management systems and process, including internal assurance of key controls to mitigate identified climate-related risks.

The Group Risk Committee is responsible for assisting the ELT in providing strategic leadership, direction, reporting and oversight of the Group's risk framework. The remit and responsibility of the Committee covers the whole of the Group's business.



TCFD continued

Recommendation 2: Assessment and management

The Climate Committee is responsible for identifying, reviewing, and assessing climate-related matters and acting as a conduit into risk management, business planning, the ELT and ESG Committee. The Climate Committee meets bi-annually and comprises members of the ELT, the Chief Risk Officer, the Group Head of Sustainability, the Group Financial Controller and the Deputy Company Secretary. Initially responsible for coordinating with third-party support to deliver climate-related scenario analysis and for ensuring integration of climate-related risks and opportunities into strategic and financial planning, this Group has evolved and matured to not only review risk and opportunities connected with the future climate scenarios but to also considers the present manifestation of climate-related impacts in relation to the risks and opportunities they present.

Internal Audit ensures that processes and controls to mitigate climate-related risks are monitored and any weaknesses addressed.

The Net Zero Working Group, comprising global senior managers and department heads, meets at least bi-annually with the remit of supporting and driving our GHG reporting and, importantly, the projects and activities to progress our climate ambitions and GHG emission reductions as well as to address localised climate-related risk and pursue climate-related opportunities.

'Green Labs' is our global network of senior operators that are focused on client and recruitment opportunities in relation to ESG and Green Economy roles – specifically those which arise from climate change and a transition to a low-carbon economy.

Pillar 2: Strategy

Recommendation 3: Risks and opportunities

The key climate-related risks and opportunities (R&Os) identified were those considered to be significant to the development, financial performance, and financial position and/or prospects of Hays.

For short-term risks (0-5 years) we focused on energy supply costs, as this would have the most immediate impact on operations. Future carbon pricing and investment in renewable energy sources could lead to higher utility bills, travel costs and rental prices.

Medium-term risks (5-10 years) include those arising from a transition to a low-carbon economy. Specifically, we looked at risk of unrealised fees from missed opportunities in new and emerging markets, loss of potential candidates and clients (who prefer to work with recruiters focused on the Green Economy and which have strong sustainability credentials), and reductions in market supply for sectors and geographies with high levels of transition risk, including the fossil fuel sector (<1% of Group fees, see scenario comparison).

In the medium term, we also considered physical risks to our key assets. Specifically, those resulting from an increase in frequency and intensity of extreme weather events such as cyclones and floods. We focused on risks to our data centres, as they are a vital asset with significant impact to business continuity.

No long-term risks (10+ years) were considered to be material to our current business strategy and operations. There is significant uncertainty in assessing the risk impacts in this timeframe, though management will continue to monitor country or regional economic disruption brought on by climate events and respond accordingly.

In addition to risks, we identified several key business opportunities. In the short-term, we can develop and scale our service offerings in low-carbon markets, including jobs in construction retrofit and infrastructure. Also, we can recruit talent to meet job growth in ESG and sustainability professions. We also identified short-term opportunities to reduce energy-related operating costs by focusing on strategies to reduce office energy use and business travel.

In the short-and-medium term, we identified an opportunity to attract and retain talent (and to mitigate future carbon pricing) by committing to SBTi GHG reduction targets, and setting an ultimate ambition to achieve Net Zero.

We stress-tested the resilience of our R&Os strategy under two different climate scenarios, including a '1.5°C scenario with a disorderly transition' and a '3+°C scenario and with a failure to transition'. Our scenario analysis was based on the Network for Greening the Financial System's (NGFS) climate framework.

We used the NGFS Climate Scenarios to stress-test key climate-related risks and opportunities. These are developed to show a range of higher and low risk outcomes, using integrated assessment modelling, given the interrelationships between physical and transition risks.

We chose a 1.5°C climate scenario (Divergent Net Zero) to stress-test our transition R&Os. Indications are that key drivers such as high carbon pricing and strong policy reaction (towards a low-carbon economy) will most likely result in strong job growth in low-carbon and ESG and sustainability professions.

For physical risks, we selected a 3+°C climate scenario (Current Policies). The projected financial impact from increased cyclonic weather events is low (4.5% average for all locations). In addition, the impact on Hays' infrastructure of an increased risk from inland flooding is low.

Recommendation 4: Impact of climate-related risks on our business and strategy

Our governance structure as detailed in Pillar 1 ensures that climate-related risks are implicit in our business planning, forecasts and risk reviews, along with the associated financial implications.

In preparing the Consolidated Financial Statements, the Directors have considered the impact of climate change on the Group and have concluded that there is no material impact on financial reporting judgements and estimates (as discussed in note 3 to the Financial Statements). This follows assessment by the Climate Committee of climate impacts evident during the year, the climate-related risks and their mitigation, and the oversight provided by the ESG committee. With the current assessments, climate-related risks are not expected to have a material impact on the long-term viability of the Group. The Directors do not consider there to be a material impact on the carrying value of goodwill or other intangibles or on property, plant and equipment.

Materiality is defined in relation to the realised or anticipated financial impact, in both percentage terms and actual threshold values, as per our risk management practices.

Within our risk management process, climate risk has been considered and monitored. It features in our Group risk register but has not been deemed material and is therefore not considered to be a principal risk.

The major strategic implications for our business can be summarised by reference to the major scenarios described as follows:

Current Policies (3+°C)

Highest physical risks, low transition risks

This scenario, Current Policies, assumes only currently implemented policies are preserved, leading to the highest physical risks of all NGFS scenarios. Emissions grow until 2080, leading to about 3°C of warming and severe physical impacts from climate and weather-related events. This includes irreversible changes like sea level rise.

- The need to plan for extreme weather events (cyclones and flooding) that disrupt data centres, impacting business operations, including fee generation.
- Global or regional economic disruption arising from the impact on sectors with supply chains that are heavily concentrated in locations of high risk.

Both scenarios

General risks and opportunities

Risks and opportunities that are independent of climate scenarios. This includes those resulting from energy supply costs, technology innovations and environmental policies. In addition, voluntary business-led climate action (despite weak policies) and ongoing global warming (despite strong policies) can result in both transition and physical climate-related risks.

- Increased extraction and production costs for non-renewable energy sources continue to increase, resulting in exposure to increased utility and rental costs.
- Increased extraction and production costs for non-renewable energy sources results in less job growth in the fossil fuel sector, resulting in portfolio revenue exposures in these industries.
- The need to adapt core services to grow market share in emerging low-carbon and sustainability markets in response to non-climate-related drivers such as technology innovation, environmental regulations, resource scarcity and behavioural changes.
- The development and scaling of new and emerging services to support clients.
- Ability to attract and retain talent.

Divergent Net Zero (1.5°C)

Highest transition risks, lowest physical risks

Divergent Net Zero reaches Net Zero by 2050, but with high transition risks due to divergent policies introduced across sectors and a quicker phase out of fossil fuels. Emissions are in line with a climate goal giving at least a 50% chance of limiting global warming to below 1.5°C by the end of the century.

- Disruption in sectors and geographies with high levels of transition risk (e.g. fossil fuels), leading to higher portfolio revenue exposure and job losses.
- Increased competition for market share of new, emerging low-carbon and sustainability markets with implications for client numbers and/or increased costs associated with bidding.
- Increased costs associated with carbon pricing for GHG inventory, e.g. costs for purchasing of certified carbon offsets.

TCFD continued

R&O scenario summary

Risk (Timeframe)	Current Policies (3+°C)	Divergent Net Zero (1.5°C)
R1. Energy supply costs (0-5 years)		
Increase in utility costs and rental prices as a result of higher energy prices.	**MINIMAL IMPACT** Carbon pricing remains low and investment costs in renewable sources is minimised, resulting in lower rises in energy costs. Energy costs may increase due to non-climate-related drivers like increased energy production costs.	**LOW IMPACT** (£1.0 million annual profit) Energy prices increase due to carbon pricing and rapid renewable energy investment but are mitigated to some degree by energy and GHG reduction targets and strategies.
R2. Changes in market supply (5-10 years)		
Portfolio revenue exposure and job losses to sectors and geographies with high levels of transition risk (e.g. fossil fuel sector).	**MINIMAL IMPACT** Policy reaction remains low, resulting in minimal negative impact to jobs associated with fossil fuels or other high-carbon industries. Non-climate-related drivers (resource scarcity, technology advancements, etc.) may still drive change in market supply.	**LOW IMPACT** (<1% of annual net fees) High policy reaction results in a shift in market supply away from jobs supporting carbon intensive industries such as those related to fossil fuel extraction and production, or other high-carbon industries.
R3. Changes in market demand (5-10 years)		
Loss of market share of new, emerging low-carbon and sustainability markets results in a reduction in client numbers and/or increased costs associated with bidding.	**MINIMAL IMPACT** Policy reaction remains low, resulting in minimal shift in market towards a low-carbon economy. Non-climate-related drivers (resource scarcity, technology advancements, etc.) may still drive change in market demand.	**MEDIUM IMPACT** (1% of annual net fees) High policy reaction (carbon pricing and related regulations) results in a shift in market demand towards jobs supporting a transition to a low-carbon economy.
R4. Changes in behaviour (5-10 years)		
Loss of market share/earnings and ability to attract and retain employees (talent).	**MINIMAL IMPACT** Policy ambition remains low, resulting in less influence on customer and workforce preferences for companies with greener credentials.	**LOW IMPACT** (0.5% of annual net fees) Some shift in employee and customer preferences to companies with greener credentials.
R5. Corporate GHG emissions (5-10 years)		
Carbon fee for GHG inventory, including costs for additional purchasing of certified carbon offsets.	**MINIMAL IMPACT** Policy reaction remains low, resulting in no carbon pricing or additional regulations with respect to regulating GHG emissions. Some cost savings are still achieved through GHG reduction measures.	**LOW IMPACT** (<£2.5 million annual profit) High policy reaction results in rapid increases in carbon pricing and related policy regulations on GHG emissions.
R6. Extreme weather events (5-10 years)		
Extreme weather events (cyclones and flooding) disrupt data centres, impacting business operations, including fee generation.	**LOW IMPACT** Increased damage (represented by decrease in national GDP) from cyclonic events and flooding is marginal, 4.5% (average for all locations) for cyclonic events and 26% for flooding (Germany) within the 5-10-year timeframe.	**MINIMAL IMPACT** Increased damage from cyclonic events and flooding is minimal, 2.7% (average for all locations) for cyclonic events and 16% for flooding (Germany) within the 5-10-year timeframe.

Key
Agreed impact ranges
Minimal: no significant financial impact
Low: <1% annual net fees (<£10 million) | <£2.5 Million annual profit
Med: 1%-4% annual net fees (£10-20 million) | £2.5-10 Million annual profit
High: +4% annual net fees (+£40 million) | >£10 million annual profit

Opportunity (Timeframe)	Current Policies (3+°C)	Divergent Net Zero (1.5°C)
O1. Develop and scale services into low-carbon markets (0-5 years)		
Secure talent to deliver projects via the growth of sustainability-related roles and focus, e.g. sustainability, expansion into new and emerging sectors, clean-tech, green finance, etc.	**MINIMAL IMPACT** Policy ambition remains low. Growth in the clean-tech market is slow, resulting in less growth in low-carbon markets. However, non-climate-related drivers may still drive growth in clean-tech.	**HIGH IMPACT** (>4% of annual net fees) High policy reaction and fast clean-tech growth drive new low-carbon markets. Significant potential for expansion in low-carbon markets.
O2. Commitment to GHG reduction targets and a Net Zero ambition (5-10 years)		
1. Improve competitive position to attract and retain a motivated workforce. 2. Reduced risk of energy and carbon pricing and future reporting mandates.	**MINIMAL IMPACT** Policy reaction remains low, resulting in no carbon pricing or additional regulations with respect to regulating GHG emissions. Some benefit from general increase in energy costs due to non-climate-related drivers (e.g. supply, demand).	**MEDIUM IMPACT** (1-2% of annual net fees) High policy reaction leads to high carbon pricing and related climate regulations, in addition to fast growth in the clean-tech sector. This in turn creates a high demand for recruiters who are committed to the transition towards a low-carbon economy.
O3. Reduce business travel (0-5 years)		
Reduce GHG emissions and operating costs associated with Hays' business travel.	**MINIMAL IMPACT** Minimal policy reaction results in no carbon tax on jet fuel. Reducing business travel still results in significant cost savings.	**LOW IMPACT** (<2.5% million profit) High policy reaction results in carbon pricing on jet fuel and higher business travel costs. A 40% reduction in Hays' business travel reduces existing travel costs and protects Hays from cost increases due to carbon pricing.
O4. Reduce energy use in office spaces (0-5 years)		
Reduce costs and emissions associated with office energy consumption.	**MINIMAL IMPACT** Minimal policy reaction results in no carbon pricing or increase in energy efficiency standards. Reducing office energy use still results in significant operational cost savings.	**LOW IMPACT** (<2.5% million profit) High policy reaction results in carbon pricing and stricter energy efficiency mandates. Reducing office footprint lowers existing energy costs and minimises any cost increases due to policy changes.

Recommendation 5: Resilience of our strategy

In response to the identified transition R&Os, the Group continues to grow recruitment practices focused on sustainability and ESG-type roles to support the talent needed for low-carbon and sustainability job growth.

In addition, we committed to SBTs and carbon reduction measures to reduce our exposure to future carbon pricing and energy costs. As part of our reduction planning, we have identified three main areas of focus: (i) engagement of landlords and suppliers, (ii) business travel and fleet, and (iii) electricity and heating.

To help mitigate physical risks to our data centres, we are transitioning to cloud-based hosting. This will increase geographical diversity of data storage and backup, reducing our reliance on any one specific data centre location (see R&O response summary).

The spread of our office footprint, whereby offices are rented, and the ability of our people to work remotely, also provides resilience within our operations.

Pillar 3: Risk management

Recommendation 6: Process for identifying risks

Specific climate R&O (existing and emerging) are updated, reviewed and assessed by the Climate Committee in an annual review process.

Recommendation 7: Process for managing risks

The composition of the Climate Committee, the deployment of the Group-wide enterprise risk management framework, and other senior operational leaders as part of the Net Zero Working Group, allow for a holistic, top-down and bottom-up view on key R&Os facing Hays.

The materiality of the R&O is based on the likelihood (of the R/O occurring) and impact (should the R/O occur) on business strategy and operations. Priority is then given to R&Os with the highest potential financial impact.

TCFD continued

Recommendation 8: Integrating climate-related risks

Top climate-related risks are integrated into relevant risk registers, which are reviewed by senior management and consolidated annually to inform the risk management process.

Outputs from the risk assessment are shared with the Audit and Risk Committee on an annual basis. The Executive Board, which is responsible for managing overall Group risks, then determines how the specific risks identified should be managed.

This process allows the Group to determine the relative significance of climate-related risks within the overall risk management process. Hays' risk governance and management processes are detailed within the Principal Risks section of the Annual Report and Accounts.

The Climate Committee provides a further forum and mechanism to help integrate climate-related risks, and to ensure time is dedicated to appraising them.

Pillar 4: Metrics and targets.

Recommendation 9: Metrics to assess risks and opportunities

Our internal metrics and targets help us measure and manage financial risk associated with potential future carbon-related risks and opportunities (R&Os). We publish scope 1, 2 and 3 emissions in the Sustainability section of our Annual Report and Accounts, giving comparative years (more information on page 68).

Risk (Timeframe)	Response strategy and FY24 actions	Link to risks/ opportunities
R1. Energy supply costs (0-5 years)		
Increase in utility costs and rental prices as a result of higher energy prices.	Having set our public commitments and science-based targets, we continue to target emission reductions as driven by our Net Zero Working Group, and working with our external consultants, ClimatePartner. We have a Carbon Reduction Plan which we update and publish annually on our corporate PLC website. We have continued to address energy costs and GHG emissions through targeted efficiency programmes, including replacing conventional PCs with more energy-efficient laptops, engaging landlords and favouring energy-efficient buildings and equipment. Energy cost savings are also part of our focus on reducing office space with new ways of working. We are also transitioning to renewable energy sources which helps to protect us from fossil fuel price volatilities and increases in relation to both climate and security issues.	O2. Commitment to GHG reduction targets and a Net Zero ambition O4. Reduce energy use in office spaces
R2. Changes in market supply (5-10 years)		
Portfolio revenue exposure and job losses to sectors and geographies with high levels of transition risk (e.g. fossil fuel sector).	We are working to support the transition to a low-carbon economy and grow the related opportunities in new areas as demand for fossil fuel declines. Our specific focus on sustainability and ESG roles is primarily through our 'Green Labs' network, which continues to grow after being established in FY22. After an initial focus on sectors such as engineering and construction and property, we are seeing it expand in sectors such as finance and banking.	O1. Develop and scale services into low-carbon markets
R3. Changes in market demand (5-10 years)		
Loss of market share of new, emerging low-carbon and sustainability markets results in a reduction in client numbers and/or increased costs associated with bidding.	Our recruitment focus on Sustainability-related roles and ESG-related roles launched in FY22. Demand for these roles has grown, with clients seeing increasing opportunities as well as having to respond to legislative requirements. We have also experienced more and more clients taking greater interest in our own climate strategy and performance, and were therefore pleased to have become ClimatePartner accredited this year for our good practice approach to climate.	O1. Develop and scale services into low-carbon markets O2. Commitment to GHG reduction targets and a Net Zero ambition

Recommendation 10: Targets used to manage risks and opportunities

We have committed to:

- 50% reduction in absolute scope 1 and 2 emissions by 2026 against a 2020 baseline, as approved by the SBTi in line with a 1.5°C trajectory
- 50% reduction in absolute scope 3 emissions from purchased goods and services and capital goods by 2030 against a 2020 baseline, as approved by the SBTi in line with a 1.5°C trajectory
- 40% reduction in absolute scope 3 emissions from business travel by 2026 against a 2020 baseline, as approved by the SBTi in line with a 1.5°C trajectory
- transition to 100% renewable energy in all offices where there is a feasible market solution for electricity supply.

As our governance structure integrates climate into our business planning, forecasting, strategy and risk reviews, other internal objectives and targets exist, such as growing net fees in relation to our role in growing the Green Economy, and the reduction of our overall office footprint.

Recommendation 11: Disclosure of GHG emissions

We are committed to GHG reporting, and disclose our footprint across scope 1, 2 and relevant scope 3 emissions. We continue to pursue good practice and have undertaken a readiness review ahead of our plan to move to subject our reporting to Limited Assurance.

Our GHG reporting enables us to understand the impact of our reduction initiatives and informs us where we should focus most to have the biggest impact.

We keep pace with climate-related impacts, developments and external metrics which act as key drivers for climate-related R&Os. These include future possible carbon pricing mechanisms, changes in policy ambition for climate change mitigation, growth in sustainability-related jobs, and changes in the frequency and intensity of regional extreme weather events such as cyclonic storms and flooding.

Risk (Timeframe)	Response strategy and FY24 actions	Link to risks/ opportunities
R4. Changes in behaviour (5-10 years)		
Loss of market share/earnings and ability to attract and retain employees (talent).	We continue to communicate our climate strategy and progress to both external and internal stakeholders. This is with internal and external webinars which in FY24 we ran in conjunction with COP28 and, in April 2024, with Earth Day. We publish progress in our Annual Report and Accounts, our ESG Report and in our Carbon Reduction Plan which is available from the corporate PLC website. We continue to participate in CDP Climate and again achieved the 'B' Management ranking in FY24.	O1. Develop and scale services into low-carbon markets O2. Commitment to GHG reduction targets and a Net Zero ambition
R5. Corporate GHG emissions (5-10 years)		
Carbon fee for GHG inventory, including costs for additional purchasing of certified carbon offsets.	We continue to monitor our progress against our SBTs and seek to drive emission reductions as our primary focus. In 2021, we invested in a Beyond Value Chain Carbon Mitigation project. We have invested in relation to our scope 1, scope 2, scope 3 Business Travel and scope 3 T&D losses.	O2. Commitment to GHG reduction targets and a Net Zero ambition
R6. Extreme weather events (5-10 years)		
Extreme weather events (cyclones and flooding) disrupt data centres, impacting business operations, including fee generation.	The risk to our operations is mitigated by the spread and rented nature of our office footprint and with the continuation of our people being able to work remotely. In relation to our data centres, we continue our transition to cloud-based hosting, with the increased geographical diversity of data storage and backup. Our IS transformation, now underway, is driving greater unity of our operating systems and will help further mitigate localised risks.	R4. Change in behaviour

TCFD continued

Opportunity (Timeframe)	Response strategy and FY24 actions	Link to risks/ opportunities
O1. Develop and scale services into low-carbon markets (0-5 years)		
Secure talent to deliver projects via the growth of sustainability-related roles and focus, e.g. in sustainability, expansion into new and emerging sectors, clean-tech, green finance, etc.	Our specific focus on sustainability-related roles and ESG-related roles is primarily through our 'Green Labs' network, which continues to grow after being established in FY22. After an initial focus on sectors such as engineering and construction and property, we are seeing it expand in sectors such as finance and banking.	R2. Change in market supply R3. Change in market demand R4. Change in behaviour
O2. Commitment to GHG reduction targets and a Net Zero ambition (5-10 years)		
1. Improve competitive position to attract and retain a motivated workforce. 2. Reduced risk of energy and carbon pricing and future reporting mandates.	Having set our public commitments and science-based targets, we continue to target emission reductions as driven by our Net Zero Working Group and working with our external consultants ClimatePartner. We have a Carbon Reduction Plan which we update and publish annually on our corporate PLC website. We communicate progress to our people as part of our employee engagement activities. This year we ran an internal Group-wide webinar in conjunction with COP28 and an external webinar in conjunction with Earth Day in April 2024.	R1. Energy supply costs R5. Corporate GHG emissions
O3. Reduce business travel (0-5 years)		
Reduce GHG emissions and operating costs associated with Hays' business travel.	This year, we have continued to focus on reducing business travel with new sustainable travel principles as part of revisions prepared for our Group Environment Policy. We also continued to enable remote and virtual working.	R5. Corporate GHG emissions R4. Change in behaviour
O4. Reduce energy use in office spaces (0-5 years)		
Reduce costs and emissions associated with office energy consumption.	We have continued to address energy costs and GHG emissions through targeted efficiency programmes, including replacing conventional PCs with more energy-efficient laptops (with up to 65% energy savings), engaging landlords and favouring energy-efficient buildings and energy-efficient equipment for our offices. Energy cost savings are also part of our focus on reducing office space with new ways of working.	R1. Energy supply costs R5. Corporate GHG emissions R4. Change in behaviour

PRINCIPAL RISKS

The Board has overall responsibility for the Group's internal control systems and for reviewing their effectiveness.

Managing risks to achieve our strategic priorities

We focus on key risks which could impact the achievement of our strategic priorities and objectives and, therefore, on the performance of our business.

Risk governance – identifying, evaluating and managing risk

The Board has overall responsibility for the Group's internal risk and control systems and for reviewing their effectiveness. This has been designed to assist the Board in making better, more risk-informed, strategic decisions with a view to creating and protecting shareholder value. In practice, the Board delegates the task of implementing its policies on risk and control to management and needs to assure itself on an ongoing basis that management is responding appropriately to these risks and controls.

Ownership and responsibility for operating risk management and controls is vested in management by the Board, and management needs to provide leadership and direction to ensure the Group's overall risk-taking activity is appropriate and cascaded to, and managed appropriately with, employees in order that the business is operated within the agreed level of risk appetite. To manage the effectiveness of this, both the Board and management need to rely on adequate line functions, including monitoring and assurance functions, both within the Group and with external advisers.

As such, the organisation operates the 'Three Lines of Defence' model as a way of explaining the relationship between these functions and demonstrating how responsibilities are allocated:

- the first line of defence: responsibility to own and manage risk
- the second line of defence: responsibility to monitor and oversee risk
- the third line of defence: functions that provide independent assurance.

The Group Executive Risk Committee (GERC), chaired by the Chief Risk Officer and having been reset during FY24, has reformed to be centred around a smaller membership group in order to be more agile and responsive surrounding key and material risks within the Group. The GERC continues to assist the Executive Leadership Team and the Board in providing strategic leadership, direction, reporting and oversight of the Group's risk framework, together with identifying any emerging risks that may become apparent during the course of the year. The GERC also offers the opportunity to review and discuss changes in risk profile, from either an internal or external perspective, including emerging risks. The Board and management continue to consider emerging risks, to ensure appropriate internal processes are defined in order to confirm that emerging risks are reviewed and monitored across the Group.

Principal Risks continued

Risk identification and impact – enterprise risk management

The Board oversees the Group-wide enterprise risk management framework, which allows for both a holistic, top-down and bottom-up view of key risks facing the business, with Hays' risks being analysed on a gross (pre-mitigation) and net (post-mitigation) basis. Risk registers are maintained at a regional, country and function level, which are reviewed and approved by their respective Boards and by senior management. These risks are reviewed and consolidated in conjunction with the Group risk register, which is reviewed at least annually by the GERC and submitted to the Board thereafter, in order to enable it to carry out its risk oversight responsibilities. This exercise involves a current and forward look at various risks affecting the business and prioritises them according to risk impact and likelihood, which enables the Board to assess both the risks and the effectiveness of the mitigations in managing those risks. Risks covered include strategic, operational, financial and reputational risks, as well as compliance and people-related risks. Each risk on the risk register is assigned an appropriate owner, with current and future risk mitigation procedures detailed, with the continuing monitoring of these risks undertaken on an ongoing basis to ensure that these are being reviewed and maintained appropriately. The enterprise risk management framework and emerging risk process is updated and presented to the Audit and Risk Committee at least annually to allow the Board to assess the effectiveness of the risk management processes and systems.

Risk attributes

When considering risk appetite the Board considers this in terms of the following attributes:

- experience of the management team globally
- strong balance sheet, including the level of operational gearing
- clear and open communication channels.

Our risk appetite

Responsibility for the level of risk that the Group is willing to accept is vested in the Board, and the principal risks have been mapped through our risk appetite process in order to identify the tolerance levels and to assess both the current and future mitigating actions required.

From this exercise, the Board is able to determine what an acceptable level of risk is for the Group, cognisant that Hays has an established and proactive approach to measuring performance and considers risk an integral part of the decision-making process.

Due to the nature of the recruitment market, being a cyclical business and sensitive to macroeconomic conditions, Hays operates to a measured risk appetite position, due to the lack of forward visibility of fees and, as a consequence, increases the overall risk environment.

Emerging risks

Following the requirements of the UK Corporate Governance Code 2018, the Board again undertook a formal exercise using horizon scanning to identify, assess and monitor emerging risks that may impact the business. Risk discussions on both a top-down and bottom-up basis seek to identify any changes across Hays' risk environment. The assessment considered potential risks across a number of areas, being: Strategic/Economic, Reputation/Regulatory, Technology, and Environmental. Each identified emerging risk was then plotted by impact and time horizon onto an emerging risk radar.

Emerging risks and the horizon scanning process continues to be embedded into the risk programme going forward, to further ensure that emerging risks are being considered, captured and monitored. The Board formally reviewed the emerging risks, however the assessment did not require any changes to the existing identified principal risks.

Description	Category and trend	Alignment to strategy	Mitigation

A. Macroeconomic/cyclical business exposure/inflation

Description	Category and trend	Alignment to strategy	Mitigation
Following a strong economic recovery after the COVID-19 pandemic, the global economic outlook has further deteriorated over the last 12-18 months, with significant concerns about the impact of levels of inflation and level of interest rates on the trajectory of economic activity. Over the next 1-2 years, this will lead to increased concerns about a global recession/economic slowdown, which has been exacerbated by the continuing invasion of Ukraine by Russia, together with the Israel – Palestine conflict. As a result, the levels of business confidence could be negatively impacted, as businesses consider Permanent and Temporary hiring decisions. Candidate confidence may also reduce, and their propensity to change jobs may also be reduced. After c.20 years of low levels of inflation, the material increase in inflation over the last 12-24 months led to significant cost pressures on our business. Our ability to increase prices has been more limited in FY24 due to greater market pressure, but we continue to focus on defending and improving pricing going forward through greater operational rigour and more dynamic pricing where possible. If we cannot drive consultant productivity forward, in line with inflation (both our external pricing and internal cost inflation) our conversion rate and therefore underlying level of productivity will be diminished. In addition, the ongoing conflict between Ukraine and Russia and the resulting impact on supply chains across Europe, the current geopolitical environment, with tensions between the west and Russia and the US and Greater China, could all individually and collectively further damage business confidence and the wider global economy.	**Financial** Increasing	Profitable Growth Focus	Hays has continued to diversify its operations to include a balance of both Temporary and Permanent recruitment services to Private and Public sector clients and operates across 33 countries and 21 sector specialisms. Progress is being made to further diversify the business to reduce the Group's reliance on Germany, UK and ANZ, which currently represent 65% of the Group's net fees. Hays' cost base is highly variable and carefully managed to align with business activity, and can be flexed and scaled accordingly to react to the individual markets. Temporary recruitment tends to be more resilient in times of economic uncertainty or downturn. Continued review of standard Terms of Business pricing for Perm and Temp business across the Group, and at either annual review or renewal, a review of contracted pricing/margins for Enterprise Solutions business continues to be undertaken. Ongoing focus on cost management initiatives and efficiency projects to increase automation and reduce costs. Hays is highly cash-generative, requiring low levels of asset investment, with cash collection being a priority, resulting in maintaining the elimination of Group net debt and a continued year-end net cash positive position for the ninth consecutive year. The focused strategy is designed to capitalise on structural growth opportunities, increasing business resilience and being less prone to economic cycle.

- Profitable Growth
- Focus
- Develop networks
- Enhance
- Enable

Risk trend

- Increasing
- Decreasing
- No change

Principal Risks continued

Description	Category and trend	Alignment to strategy	Mitigation
B. Business model			
The Group faces increasingly growing competition, especially in mature markets where recruitment methodologies and systems are more evolved and competitive. There is also an increasing use of digital technologies for recruitment services and an increasing trend towards insourced, outsourced and offshore recruitment models, especially in the Perm market. In addition, generalist recruiters are entering specialist markets, resulting in associated margin pressures, which together may materially impact the business should Hays not continue to take appropriate actions and respond and evolve effectively. Social media (LinkedIn), internet-enabled digital dynamics and recruitment value chain disintermediation, together with the rate of development in the use of AI and machine learning, have continued to increase the risk to the Hays business model. Over the course of recent years, coupled with a number of external factors such as regulation (statement of works) increases, the potential exists for job losses in sectors and geographies with both high levels of climate transition risk and a greater move to automation.	**Operational** **Financial** **Strategic**		Hays continues to monitor, assess and evaluate the current service offering in order to test the resilience and adaptability of the business model to evolving risks, industry trends and opportunities, including social media, AI and insourcing, and continues to invest in our online presence to provide a high-quality customer experience. Our key relationships, such as with LinkedIn, increase our exposure to online professional networking and recruitment portals, enhance our value proposition for both clients and candidates and improve consultant productivity. Our expert and specialist consultants are trained in utilising and taking advantage of social media and other digital technologies to enhance their day-to-day activities in providing the best-quality candidates for our clients. We continue to leverage our broad geographical and sectoral footprint to win and maintain a significant number of multi-specialism contracts with large corporate organisations, which will strengthen our relationships with those clients and increase our share of their recruitment spend. Significant investment made in recent years has enhanced Hays' data science capabilities and has significantly improved our approach to engaging with candidates. We continue increasing emphasis and focus in supporting candidates into bridging the green skills gap and transitioning to sustainability-related roles.
C. Talent			
The Group is reliant on its ability to attract, train, develop, engage and retain sufficient, high-quality and diverse talent to protect the business it has today and fulfil the long-term strategic growth plans of tomorrow. Over the past 24 months, we have increasingly seen a war for talent and have seen our business directors, managers and fee earners under unprecedented headhunting attacks from in-house recruiters and competitors. In recent years, there has been increased competition for talent in the market and Hays' strategy continues to be, wherever possible, to grow and nurture talent internally into senior roles, supported by appointments of external experienced professionals where appropriate.	**People** **Financial**		Hays provides a defined and sustainable career development path for new hires, starting with a structured induction programme and ongoing training as they advance their careers, supported by formalised performance and career tracking. Development Centres focus on the progress of high-potential individuals, providing further development opportunities and helping to identify any talent gaps and training needs. Hays continues to roll out the International Leadership & Management Programme, which focuses on senior leadership and development and is aligned with the Group's business strategy. 'Our Hays Story' has a clearly articulated Purpose and Values, with a demonstrable commitment to DE&I, green credentials, employee wellbeing, flexibility and corporate social responsibility, and has set clear global and regional DE&I objectives and action plans. Overall, our remuneration packages are competitive, including an employee benefit programme, together with a long-term incentive scheme that is offered to broadly 350 senior managers, which encourages a performance-led culture and aids retention. Succession plans identify future potential leaders of the business and produce individual development plans in which to harness and cultivate talent, aligned to the Hays Leadership and Management DNA framework. The Group's standard employment contracts include notice periods and non-solicitation provisions in the the event of an employee leaving.

Description	Category and trend	Alignment to strategy	Mitigation
D. Regulatory/compliance			
The Group operates in 33 countries, with each operating its own legislative and regulative, environments, compliance requirements and tax rules, especially for temporary workers, with any non-compliance increasing the Group's exposure to potential legal, financial and reputational risk.	**Legal** **Financial** **Reputational**		Compliance and monitoring processes are tailored to specific specialisms, ensuring additional focus is given to higher-risk specialisms such as Education in the UK, Construction & Property in Australia, and specialised corporate contracts for Enterprise Solutions clients. Employees receive the respective training in regard to the operating standards applicable to their role, with additional support provided by compliance functions, regional legal teams and, where necessary, external advisers. All staff receive regular training to ensure that legal and compliance updates are understood and applied. In territories where legislation sets out additional compliance requirements, specialists are also employed. Dedicated compliance auditors conduct sample checks to ensure that the appropriate candidate vetting checks and due diligence obligations are carried out in line with legal and contractual requirements. The Group holds all standard business insurance cover, including employers' liability, public liability and professional indemnity insurance.
E. Reliance on technology/cyber security			
Our dependence on technology in our day-to-day business, which includes delivery of IT efficiency and infrastructure change programmes, means that any systems failures due to technical issues or malicious cyber attacks may have a significant impact on our operations and the ability to deliver our services if they continued for a number of days and, as such, could negatively impact both our financial performance and reputation, due to the resulting loss of productivity. Over the course of the year, the threat of a cyber attack continues to increase in both sophistication and volume and globally we continue to see an increase in phishing attacks, social engineering and malicious code being reportedly added into software products, which could prove to be an entry point for an attack. In addition, as the reliance on third parties increases, notably as the business utilises cloud services and support providers, our exposure in this area also increases.	**Operational** **Financial** **Reputational**		The Group's technology strategy is continually reviewed to ensure that the systems across the Group support its strategic direction with the new CTO driving a new IT transformation programme. Ongoing asset life-cycle management programmes mitigate risks of hardware and software obsolescence. Technology systems are currently housed in various data centres across the Group and have the capacity to cope with a data centre's loss through the establishment of disaster recovery sites. These are physically based in separate locations to the ongoing operations and intrinsically linked to the business continuity plans. In order to support this, robust due diligence on IT partners and software products is undertaken. Across the Group we have established a dedicated ISDP officer and security teams in order to ensure that the systems are robustly protected from unauthorised access, both externally and internally, ensuring system monitoring and antivirus software are in place and up-to-date, with regular testing of these environments by external providers. In addition, we use external advisers to perform regular external and internal penetration tests, on both a physical and logical basis, on key sites, systems and operations, implementing required improvements resulting from these tests as part of a continuous improvement process.

Principal Risks continued

Description	Category and trend	Alignment to strategy	Mitigation
F. Artificial Intelligence (AI)			
The increasing use of AI in recruitment is both a risk and an opportunity for the business, with the rate of development in AI over the last 12-24 months being substantial, with the increased use of AI and machine learning technologies having the potential to significantly disrupt and challenge our business model. It is key therefore that as a business we fully understand the threat and opportunity this presents, and keep pace with the speed of change in this area, which includes the impact of increased legislation, such as the EU Artificial Intelligence Act, which specifically focuses in on recruitment as a high risk area, with the potential of significant fines if found to be in breach or non-conformance, which could negatively impact our financial performance and reputation.	**Operational** **Financial** **Reputational**		More recently, the growth in AI has become increasingly significant across different business sectors, and as a result the business's AI strategy is continually reviewed in the light of local market trends and competitors' activity. AI is not only limited to basic tools to help consultants create CVs, the rapid growth in this area has seen this extended to using complex pre-defined algorithms which are able to match candidates from an available pool collected from different sources to produce short lists of candidates. In addition, as AI solutions are becoming increasingly popular in supporting back office functions, where focus is given to lowering the cost of processing, the opportunities of utilising AI in these areas are constantly under review, with use cases considered in terms of effectiveness and cost benefit analysis.
G. Data protection/privacy			
The business works with confidential and personal data in all 33 countries on a daily basis under a variety of laws, regulations and technologies, including within the supply chain. Failure to process, store and transmit this data on a compliant basis could result in a material data breach and could expose the Group to potential legal, financial and reputational risks in the form of penalties and loss of business. Since the introduction of the General Data Protection Regulation (GDPR), other non-EU countries have continued to introduce similar legislation, which has increased the risk in this area.	**Legal** **Financial** **Reputational**		Robust policies and procedures for processing, storing and transmitting confidential and personal data are in place across the Group, both on a physical and logical basis. Comprehensive data protection and information security policies and procedures are in place across the Group and, where data protection and privacy legislation allow, protective email monitoring programmes are in place to address potential areas of concern, to best protect our confidential information and candidates' personal data. With the increased threat of cyber-attacks globally, further attention has been focused in this area including a dedicated ISDP officer, with security vulnerability assessed as part of the ongoing IT strategy across the Group. External advisers are engaged to perform regular external and internal penetration tests, on both a physical and logical basis on key sites, systems and operations, implementing the required improvements resulting from such tests as part of a continuous improvement process. Annual training programmes are also reviewed and updated to ensure the programmes reflect new regulations, where relevant.

Description	Category and trend	Alignment to strategy	Mitigation
H. Contracts			
The Group enters into contractual arrangements with clients, some of which can be complex and/or with onerous terms, which can also be impacted by local regulatory requirements, especially in relation to Temp/Contracting markets, which can increase the Group's risk exposure, especially in more litigious environments.	**Operational** **Financial** **Reputational**		During client contract negotiations, management seek to minimise risk and ensure that the nature of risks and their potential impact are understood. Our global legal team has the depth of knowledge and experience to enable them to advise management on the level of risk presented in increasingly onerous contracts, with clear guidelines in operation. Between the Chief Financial Officer and the Group General Counsel, all commercial contracts with onerous non-standard terms are reviewed in accordance with the Group's risk appetite. In addition, the Group's Insurance Manager reviews onerous contracts and, where necessary, engages with insurance providers to ensure, where possible, that risks are suitably covered and that policies will respond appropriately. Operational reviews are performed by regional compliance teams on a risk basis across key contracts to confirm compliance and adherence to agreed terms and agree improvements to the way in which services are delivered to clients. Assurance work is undertaken in key markets by Internal Audit to ensure contractual obligations are appropriately managed.

VIABILITY STATEMENT

In accordance with the UK Corporate Governance Code, the Directors have assessed the viability of the Group, taking into consideration a number of key factors, including our business model, our strategy and our principal risks (as set out on pages 1 to 85).

Assessment period

The Directors believe that a three-year period ending 30 June 2027 is the most relevant period over which to provide the viability statement, being supported by the appraisal of the principal risks and mitigating internal controls. A three-year period also reflects our strategic planning cycle, which covers the same period, and considers the fast-moving and cyclical nature of the recruitment industry. Collectively, these factors allow the Directors to form a reasonable expectation, on the basis that there are no unforeseen events outside of the Group's control that would inhibit the Group's ability to continue trading, that using a three-year period it is possible to form a reasonable expectation as to the Group's longer-term viability.

Process to assess the Group's long-term prospects

As in prior years, the Board undertook a strategic business review in the current year which took into account the Group's current financial position and the potential impact of the principal risks set out on pages 79 to 85.

In addition, and in making this statement, the Board carried out a robust assessment of the principal risks facing the Group, including those that would threaten the Group's business model, future performance and liquidity. While the review has considered all the principal risks identified by the Group, the resilience of the Group to the occurrence of these risks in severe yet plausible scenarios has been evaluated.

Financial position

At 30 June 2024, the Group had net cash of £56.8 million compared to cash of £135.6 million at 30 June 2023. The Group had a good working capital performance, with significant management focus on cash collection, average trade debtor days remained below pre-pandemic levels at 36 days (2023: 33 days), with the increase versus prior year being caused by the relative resilience of our Enterprise clients who typically have longer payment terms. The Group has a history of strong cash generation, tight cost control and flexible workforce management.

The Group has an unsecured revolving credit facility of £210 million that reduces in November 2024 to £170 million and expires in November 2025. The Directors anticipate no problems in renewing the facility, based on good early engagement with lenders, and fully intend to do so. This provides considerable headroom against current and future Group funding requirements. At 30 June 2024, £145 million of the facility was undrawn.

Assessment of viability

The Board approves the annual budget, which is based on submissions from the Group's divisions, following a thorough review process. The Board also reviews monthly management reports and quarterly forecasts. The output of the planning and budgeting processes has been used to perform base case projections for viability purposes, under prudent assumptions:

- FY25 net fees and operating profit in line with the approved budget
- Modest, single digit net fee growth in FY26 and FY27
- Working capital movements expected to be broadly neutral
- That the Group's revolving credit facility is extended beyond the viability period
- Future dividends are in line with current policy

Where appropriate the climate related risks and opportunities, as described in the TCFD report on pages 71 to 78, have been incorporated into the base case projections.

A sensitivity analysis of the Group's cash flow was performed to model the potential effects should the principal risks occur either individually or in unison. The sensitivity analysis modelled a range of severe, but plausible, downside scenarios against the base case projections, including a worsening of the macroeconomic environment and intensified competition, increasing inflation and the potential impact of climate change, with a range of recovery scenarios considered. The 'Stress Case' scenario assumes that the Group experiences a severe further deterioration in market conditions in H2 FY25, followed by a period of only gradual recovery through the viability period.

In all scenarios, the Group remains viable throughout the three-year viability period and is forecast to maintain a strong balance sheet, with significant headroom against both its revolving credit facility and banking covenants. Management assumes no material change to banking covenants upon renewal.

The Directors are satisfied that the Group would be able to respond to such scenarios with a range of measures including, but not limited to:

- Quickly decreasing headcount through natural attrition
- Reductions in discretionary spend
- Deferral of capital expenditure
- Further rationalisation or restructuring of business operations
- Reduction in cash distributions to shareholders

Given the nature of the Temporary and Contract recruitment business, significant working capital inflows typically arise in periods of severe downturn, thus protecting liquidity, as was the case during the Global Financial Crisis of 2008/09 and which we again experienced during the COVID-19 pandemic.

Set against these downside trading scenarios, the Board also considered key mitigating factors, including the geographic and sectoral diversity of the Group, its balanced business model across Temporary, Permanent and Contract recruitment services, and the focus on building a more resilient business, underpinned by the Group's clear strategy and focus on operational rigour. Furthermore, whilst our key markets have become increasingly challenging throughout FY24, skill and talent shortages are widespread across our major markets and are expected to remain so for the foreseeable future; the Directors are therefore satisfied that the demand for recruitment services will continue, supporting the resilience of our business model.

The Directors also considered a reverse stress test scenario to understand the reduction required to cause a breach of financial covenants or loss of solvency. The conclusion from the reverse stress test is that the likelihood of the scenarios occurring is remote and therefore does not represent a realistic threat to the viability of the Group.

Conclusion on viability

Based on the above assessment, the Directors have concluded that they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the three-year period to 30 June 2027.

Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position, are set out in the Strategic Report. The financial position of the Group, its cash flows and liquidity position are described in the Finance Director's Review, with details of the Group's treasury activities, long-term funding arrangements and exposure to financial risk included in notes 19 to 21 to the Consolidated Financial Statements.

The Group's unsecured revolving credit facility of £210 million, reducing to £170 million in November 2024, expires in November 2025. Whilst the expiry of the facility is outside of the 12 month going concern period, the Directors anticipate no problems in renewing the facility, based on good early engagement with lenders, and fully intend to do so.

The Group has sufficient financial resources which, together with internally generated cash flows, will continue to provide sufficient sources of liquidity to fund its current operations, including its contractual and commercial commitments and any proposed dividends. The Group is therefore well placed to manage its business risks. After making enquiries, the Directors have formed the judgement at the time of approving the financial statements, that there is a reasonable expectation that the Group has adequate resources to continue in operational existence throughout the going concern period, being at least 12 months from the date of approval of the Consolidated Financial Statements. For this reason, they continue to adopt the going concern basis of accounting in preparing the Consolidated Financial Statements.

NF & SIS

NON-FINANCIAL AND SUSTAINABILITY INFORMATION STATEMENT

The table below sets out where stakeholders can find relevant non-financial and sustainability information within this Annual Report in line with the reporting requirements contained in sections 414CA and 414CB of the Companies Act 2006.

Reporting requirements	Policies or standards with which we govern our approach(1)	Additional information
Environmental matters, including climate-related disclosures	Group Environmental and Sustainability Policy	Environment on pages 66 to 70
	Carbon Reduction plan	GHG reporting on page 68
	Task Force on Climate-related Financial Disclosures	Climate-related financial disclosures as defined in section 414CA(2a) Companies Act 2006: Governance – (a) on page 71 Strategy – (d), (e) and (f) on page 72 Risk management – (b) and (c) on page 76 Metrics and Targets – (g) and (h) on page 77
Employees	Internal HR policies	Talent Development on page 57
		Our DE&I approach on page 23
		Driving employee engagement on page 25
	Directors' Remuneration Policy	Remuneration Report on pages 126 to 143
Human rights	Modern Slavery Statement	Business ethics on page 64
	Supplier Code of Conduct	
	Human Rights Statement	
Social matters	'Helping for your tomorrow', our volunteering initiative	Helping for your tomorrow on page 60
		Our customers on page 32
Anti-bribery and anti-corruption	Code of Conduct	Business ethics on page 64
	Anti-bribery and Corruption Policy Whistleblowing Policy	
	Group Tax Strategy	Our approach to tax on page 65

Additional information
Description of business model on page 2
Non-financial key performance indicators on page 15
Description and management of principal risks and impact of business activity on pages 79 to 85

(1) Certain policies, standards and guidelines are published on haysplc.com.

The Strategic Report was approved by the Board and signed on its behalf by:

Doug Evans
Company Secretary

21 August 2024

GOVERNANCE

How the Hays Board sets strategic direction and provides oversight and control

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Chair's Introduction to Governance

CHAIR'S INTRODUCTION TO GOVERNANCE

Dear Shareholder

I am pleased to introduce our Governance Report for the year ended 30 June 2024. This report sets out the important work that the Board and its Committees have undertaken during the year and how we have ensured effective corporate governance procedures are in place that balance the interests of our stakeholders. The Board recognises that strong corporate governance underpins the delivery of our strategy and evolves to meet the changing needs of the Group. During the year, the remit of the Audit Committee was broadened to include more oversight of risk management, and we were pleased to establish an ESG Committee.

Organisational change

As I reference in my introduction on page 1, this has been a year of significant operational and strategic transition at Hays. As announced in last year's report, Dirk Hahn joined the Board as Chief Executive Officer on 1 September. As someone with a deep understanding of our business, Dirk has been able to have an immediate impact as shown in the updated strategy and actions he has taken so far. The Board believes the updated strategy sets Hays up well to emerge strongly from the challenging backdrop for our industry. We continually monitor progress against our strategy and during our Strategy Day offsite in May we also took the opportunity to step back and review key areas of the business and market developments.

The Board recognises the importance of a strong, diverse and skilled Executive Leadership Team and, as detailed in the Nomination Committee Report, the Board played a key role with the succession planning for the new Chief People Officer and Chief Technology Officer. You can read more about Deborah and Tim's roles in leading our transformation on pages 20-31.

Board evolution

The Board continued its focus on Board composition and succession this year. Board diversity remains a key priority at Hays, with a variety of viewpoints contributing to robust discussions and better decision-making. On the recommendation of the Nomination Committee, the Board approved the appointment of two new Non-Executive Directors and the succession of the Senior Independent Director this year.

We were delighted to welcome Helen Cunningham and Anthony Kirby to the Board with effect from March and April respectively. They both bring a wealth of experience to the Board and we are already benefiting from their contributions.

You can read more about Helen and Anthony's first few months on the Board and their induction programme on page 111.

During the year, Peter Williams announced his intention to step down from the Board, having completed a nine-year tenure. On behalf of the Board, I would like to thank Peter for his commitment and extensive and valued contribution to the Board and its Committees over the past nine years. The Nomination Committee considered the key requirements and skill set required for the new Senior Independent Director, and after careful consideration, at the February Nomination Committee and Board meetings it was agreed that Cheryl Millington should succeed Peter as the Senior Independent Director (SID), given her experience and knowledge of the Group. The Board further approved, on the recommendation of the Nomination Committee, the appointment of Zarin Patel as the Chair of the Audit and Risk Committee. Zarin, who is a Chartered Accountant, has a wealth of accounting and financial experience and is an experienced Audit Chair.

Focus on ESG

Our ESG initiatives continue to be an important area of focus, and the Board was pleased to establish an ESG Committee this year to enable more detailed discussion and time to focus on delivering our sustainability strategy.

You can read more about our sustainability strategy and the work of the ESG Committee on pages 118- 119.

Stakeholder engagement

The Board is responsible for ensuring our business is sustainable in the long term by respecting and taking account of the needs and views of all our stakeholders in our decision-making process. We continue to recognise the vital importance of effective stakeholder engagement and, on behalf of the Board, I conducted a number of meetings in late FY23 and early FY24 with major investors to hear their views on our Chief Executive Officer succession process.

This year, the Board visited a number of our regional businesses and took the opportunity to engage with employees to better understand local issues and gain an insight into their operations. You can read more about our Workforce Engagement sessions on page 103.

This year's AGM will take place at the offices of UBS, London on 20 November, and we are looking forward to the opportunity to once again meet shareholders in person.

Looking forward

The Board is confident that despite the challenging market conditions, Hays is well positioned under Dirk's leadership and the updated strategy to emerge even stronger, and deliver growth and value for all our stakeholders.

I would like to thank all my colleagues for their hard work and continued dedication this year, and my fellow Board members and Executive Leadership Team for continuing to provide strong leadership. As we look to the year ahead, I am confident Hays is well positioned for long-term success and sustainable growth for all our stakeholders.

Andrew Martin
Chair

21 August 2024

GOVERNANCE AT A GLANCE

Code compliance

During the year ended 30 June 2024, Hays complied with all of the provisions of the Corporate Governance Code 2018 (2018 Code). Hays plc is subject to the Code issued by the Financial Reporting Council (available at frc.org uk). The Board notes the release by the FRC of the revised Corporate Governance Code 2024 (2024 Code) in January 2024, and, as directed by the 2024 Code, we will work to ensure full compliance with all elements of the new Code over the next couple of years. As a listed company, Hays is required to report on how it has applied the principles of the 2018 Code and this is set out in the following pages. The table below shows where shareholders can find further information on how the Company has applied the principles of the 2018 Code.

Board leadership and Company purpose	Page
A – An effective Board	92-95
B – Purpose, values and culture	20-27
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D – Stakeholder engagement	102
E – Workforce policies and practices	103
Division of responsibilities	**Page**
F – Board roles	97
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I – Key activities of the Board in 2024	98-99
Composition, succession and evaluation	**Page**
J –Appointments to the Board	107-108
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L – Annual Board Evaluation	104
Audit, risk and internal controls	**Page**
M – Financial reporting, External Auditor and Internal Audit	112-117
N – Review of 2024 Annual Report and Accounts	114
O – Risk management and internal controls	116
Remuneration	**Page**
P – Linking remuneration with purpose and strategy	124-125
Q – Remuneration Policy	125
R – Performance outcomes in 2024	129

2024 Governance highlights

2
new NEDs joined the Board

70%
Board Independence

50%
women on the Board

Female Senior Independent Director appointed

New Board level ESG Committee

New Chief Executive appointed

New Chief People Officer appointed

New Chief Technology Officer appointed

Exceeded Parker Review Diversity Target

BOARD OF DIRECTORS

Andrew Martin
Chair

N

Appointed
12 July 2017

Skills, competencies and experience
Andrew is an experienced Chair and has extensive experience in business, finance and corporate governance across several sectors. He brings valuable knowledge in developing strategy and has a strong focus on delivering value for all stakeholders. He is an Associate of the Institute of Chartered Accountants and the Chartered Institute of Taxation.

From 2012 to 2015, Andrew was Chief Operating Officer for Compass Group plc, having previously been their Group Finance Director from 2004 to 2012. Before joining Compass Group, he was Group Finance Director at First Choice Holidays plc (now TUI Group plc) and prior to that held a number of Senior Finance roles at Granada Group plc and was a partner at Arthur Andersen. Andrew also previously served as a Non-Executive Director of easyJet plc and as a Non-Executive Director of the John Lewis Partnership Board.

External appointments
Non-Executive Chair of Intertek Group plc and Chair of Nomination Committee.

Dirk Hahn
Chief Executive Officer

Appointed
1 September 2023

Skills, competencies and experience
Dirk has been with Hays for over 25 years and, prior to his appointment as CEO, was a member of the Hays Executive Board and Managing Director of Hays Germany and Continental Europe, Middle East and Africa. During his tenure at Hays, Dirk has held roles including CEO of Hays' German speaking countries and Nordics, and Group Head of Strategy, as well as other senior positions internationally. In his early career at Hays, Dirk ran the Information Technology and Engineering sectors within Hays in Germany. Dirk has an MBA from the University Tübingen, Germany.

James Hilton
Chief Financial Officer

Appointed
1 October 2022

Skills, competencies and experience
James has extensive experience in finance, audit and risk management and, having worked at Hays for more than 15 years, understands the Group's operations at all levels. James is an Economics graduate from Cambridge University, and qualified as a Chartered Accountant with KPMG. James joined Hays in 2008 from the Investment Banking division of Dresdner Kleinwort, where he specialised in Corporate Broking and M&A Advisory. Prior to his appointment to the Hays Board, James held a number of senior finance roles at Hays, including Head of Investor Relations, UK Financial Controller, European Finance Director and Group Financial Controller.

Board Committees
- A Audit and Risk Committee
- R Remuneration Committee
- N Nomination Committee
- E ESG Committee
- W Designated NED for Workforce Engagement
- Committee Chair

Helen Cunningham

Independent Non-Executive Director

A N R

Appointed

1 March 2024

Skills, competencies and experience

Helen brings extensive HR functional expertise and has specialist knowledge in remuneration, ESG and Board and Executive succession planning. She also has global experience in leading cultural transformation and talent management, as well as M&A and Divestments programmes.

Helen is currently the Chief People Officer at Inchcape plc, where she has responsibility for People and Culture strategy, as well as Corporate Communications and Employee Engagement. Prior to joining Inchcape, Helen held numerous senior People leadership and strategy roles at Mitie Group PLC, Bureau Veritas Group and Nationwide Building Society.

External appointments

Chief People Officer at Inchcape plc.

Joe Hurd

Independent Non-Executive Director

A N R E

Appointed

1 December 2021

Skills, competencies and experience

Joe has significant global experience in consumer-facing technology businesses. He also brings expertise as an independent public board director, advising on strategic growth, ESG, workforce engagement, innovation, governance, compensation, board recruitment and diversity.

Joe began his career in corporate and securities law with Linklaters, before establishing himself as an entrepreneur with successful start-ups Friendster and VideoEgg. Previously he served as a Non-Executive Director of GoCo Group plc (now Future plc) and as an Independent Director of SilverBox Engaged Merger Corp I. From 2009 until 2012, Joe served in the Obama Administration as a political appointee at the Department of Commerce, serving on the White House Business Council.

External appointments

Chief Executive Officer and Managing Partner of Katama Group LLC. A Non-Executive Director of Trustpilot Group plc. A nominated member of Lloyd's Council.

Anthony Kirby

Independent Non-Executive Director

A N R

Appointed

1 April 2024

Skills, competencies and experience

Anthony brings extensive experience in senior operational and human resources roles across a number of sectors.

Anthony is currently Chief Executive Officer, Serco UK and Europe. In this role, he is responsible for a business that operates across Citizen Services, Defence, Health & Facilities Management and Transport & Community Services, employing more than 30,000 people across 12 countries. Prior to this role, Anthony served as Group Chief Operating Officer at Serco. He joined Serco as Group HR Director in 2017. Anthony also has a wealth of experience from more than 17 years at Compass Group Plc.

External appointments

Chief Executive Officer, Serco UK and Europe.

Board of Directors continued

Cheryl Millington

Senior Independent Non-Executive Director

A N R

Appointed

17 June 2019

Skills, competencies and experience

A strategic technology leader, Cheryl also brings extensive general management, data and people experience to the Board.

Cheryl was Chief Digital Officer of Travis Perkins plc from 2016 to 2018, Executive Director, IT, for Waitrose from 2012 to 2016 and Chief Information and Data Officer for Asda Stores Ltd from 2009 to 2012. Prior to those positions, Cheryl held senior management roles at HBOS plc, Innogy plc and National Power plc, and began her career as a management consultant with Price Waterhouse. Cheryl has also previously served as a Non-Executive Director of National Savings and Investments, Intu Properties plc and Equiniti Group plc.

External appointments

Non-Executive Director of Atom Bank plc and Chair of Remuneration Committee. Non-Executive Director of AXA Insurance UK plc. Non-Executive Director of Orbit Private Holdings Ltd, where she is a member of the Human Capital Committee.

Susan Murray

Independent Non-Executive Director

A N R

Appointed

12 July 2017

Skills, competencies and experience

Susan brings extensive experience in international consumer goods and services businesses. She has specialist knowledge and experience in strategy, marketing, remuneration and general management.

Susan is a former Chair of Farrow & Ball, and a former Non-Executive Director of Mitchells & Butlers plc, Compass Group plc, Pernod Ricard S.A., Imperial Tobacco plc, Enterprise Inns plc, Aberdeen Asset Management plc, SSL International plc, 2 Sisters Food Group and Wm Morrison Supermarkets plc. She is also a former Chief Executive of Littlewoods Stores Limited and former Worldwide President and Chief Executive of The Pierre Smirnoff Company, part of Diageo plc.

External appointments

Senior Independent Director and Chair of Remuneration Committee at Grafton Group plc. Senior Independent Director of William Grant & Sons Limited.

Zarin Patel

Independent Non-Executive Director

A N R

Appointed

1 January 2023

Skills, competencies and experience

Zarin brings expertise in managing transformation within complex digital-centric businesses. She also has wide-ranging experience across finance, investment and customer in both executive and non-executive roles.

Zarin spent 15 years at each of KPMG and the BBC, where she was Chief Financial Officer for nine years. From 2014 to 2016, she was the Chief Operating Officer of The Grass Roots Group plc. Previously, Zarin was a Non-Executive Director of Post Office Limited and an independent member of the Audit and Risk Committee of John Lewis Partnership plc. Zarin is a member of the Institute of Chartered Accountants in England and Wales and has recent and relevant financial experience.

External appointments

Non-Executive Director, Senior Independent Director and Chair of the Audit and Risk Committee of Anglian Water Services Limited. Senior Independent Director and Chair of the Audit and Risk Committee of Pets at Home Group plc. A Non-Executive Director at HM Treasury and Chair of the Audit and Risk Committee. A trustee of National Trust and Chair of its Audit Committee.

MT Rainey

Independent Non-Executive Director

A N R E W

Appointed

14 December 2015

Skills, competencies and experience

An experienced media and advertising professional, MT has worked extensively in the UK and US. She brings a wealth of corporate, commercial and enterprise experience to the Board, as well as a passion for diversity, sustainability and corporate ethics.

MT founded the advertising agency Rainey Kelly Campbell Roalfe, which she grew to a top 20 agency before it was sold to Y&R, a subsidiary of WPP plc, and where MT was CEO then Chair until 2005. In addition, she was Chair of the leading digital strategy agency Th_nk Ltd from 2008-2015. Previous non-executive directorships held by MT include WH Smith plc, STV Group plc and Pinewood Group plc. MT has a Masters degree from Glasgow University.

External appointments

Non-Executive Director of Clear Channel Outdoor Holdings Inc., Chair of Lighthouse Centre for the Arts, Chair of Charlotte Street Partners.

Doug Evans

General Counsel & Company Secretary*

Appointed

4 February 2013

Skills, competencies and experience

A law graduate from Rhodes University who began his career with Webber Wentzel in South Africa, specialising in corporate and commercial law before moving in-house. Doug has previously held the posts of Company Secretary & Corporate Legal Director at Exel plc, and Group General Counsel at Royal Mail Limited. Prior to joining Hays, Doug was an Executive Director, Company Secretary & General Counsel at Mitchells & Butlers plc.

* Rachel Ford was appointed as General Counsel on 12 August 2024 and will be appointed as Company Secretary on 26 August 2024, in succession to Doug Evans, who is retiring after 11 years at Hays.

Directors who served throughout the year

Peter Williams

Non-Executive Director

Peter Williams stepped down from his position as Senior Independent Director and Chair of Audit Committee on 20 February 2024.

Alistair Cox

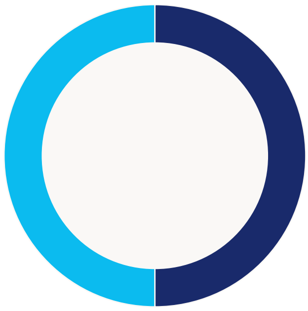
Chief Executive Officer

Alistair Cox stepped down as Chief Executive Officer on 31 August 2023.

Director tenure

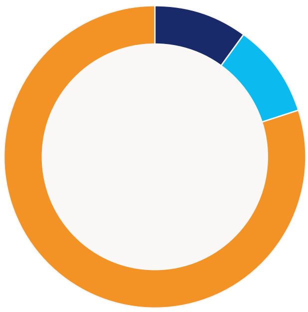
- 0 – 3 years: **60%**
- 3 – 6 years: **10%**
- 6+ years: **30%**

Board gender diversity



- Male: **50%**
- Female: **50%**

Board ethnic diversity



- Asian/Asian British: **10%**
- Black/African/Caribbean/Black British: **10%**
- White British or other White: **80%**

OUR GOVERNANCE FRAMEWORK

The Board is committed to ensuring there is a strong and effective system of governance in place to support the execution of the Company's strategy.

The Board

The Board is the principal decision-making body in the Company. It is collectively responsible for promoting the long-term success of the Company, for the benefit of all its stakeholders. It sets the Group's strategy and provides support and constructive challenge to senior management within a framework of effective controls.

Board Committees

The Board delegates certain matters to Committees which report to the Board at every meeting. The Committees' Terms of Reference are reviewed and approved annually by the Board.

Audit and Risk Committee

Oversees the Group's financial reporting and reviews the integrity of the Group's Financial Statements, the adequacy and effectiveness of the Group's system of internal control and risk management and relationship with the External Auditor.

ESG Committee

Monitors and oversees the Group's Environmental, Social and Governance responsibilities and activities.

Nomination Committee

Assists the Board by keeping the Board composition under review and makes recommendations in relation to appointments.

Remuneration Committee

Determines the Directors' Remuneration Policy. Approves performance-linked pay and share incentive plans. The Committee also reviews workforce policies and practices.

Executive Level Committees

Chief Executive Officer

Responsible for the day-to-day running of the Group's business and performance, and for the development and implementation of business strategy.

Group Executive Risk Committee

An executive committee responsible for strategic direction and oversight of the Group's risk framework.

Executive Leadership Team (ELT)

Responsible for helping the CEO implement strategy, meet commercial objectives and improve operating performance and financial performance.

Disclosure Committee

An executive committee which ensures compliance with the obligations of the UK Market Abuse Regulation and supports the Board in assessing when Hays may have inside information, and ensures accurate and timely disclosure.

The Matters Reserved for the Board and the Terms of Reference of all Board Committees are available on our website.

DIVISION OF **RESPONSIBILITIES**

Whilst our Directors take collective responsibility for the activities of the Board, some of our roles are described in greater detail below.

Non-Executive Directors

Chair

Andrew Martin

- Leadership and effective operation of the Board
- Chairs the Board and the Nomination Committee and sets Board agendas
- Encourages constructive challenge and facilitates effective communication between Board members
- Ensures effective two-way communication with shareholders and stakeholders
- Ensures that all Directors receive clear and accurate information on a timely basis
- Ensures the views of all stakeholders are understood and considered appropriately in Board discussions and decision-making
- Ensures the effectiveness of the Board and enables the annual review of effectiveness
- Responsible for the composition and evolution of the Board, together with the Nomination Committee and SID

Senior Independent Non-Executive Director

Cheryl Millington

- Acts as a sounding board for the Chair
- Serves as an alternative contact and intermediary for other Directors and shareholders
- Leads the Chair's annual performance appraisal and succession in due course

Independent Non-Executive Directors

Anthony Kirby
Helen Cunningham
Joe Hurd
MT Rainey
Susan Murray
Zarin Patel

- Provide strong, independent and external perspectives to Board discussions and enhance robust and constructive debate and optimal decision-making
- Bring independent judgement and oversight on issues of strategy, performance and, through the Board's Committees, on matters such as remuneration, risk management systems, financial controls, financial reporting and the appointment of new Directors
- Scrutinise the executive management in meeting agreed objectives and monitoring the reporting of performance

Executive Directors

Chief Executive Officer

Dirk Hahn

- Day-to-day management of the Group's business
- Formulates strategic business objectives for Board approval and implements approved strategic objectives and policies
- Manages and optimises the operational and financial performance of the business in conjunction with the Chief Financial Officer
- Fosters a good working relationship with the Chair
- Chairs the Executive Leadership Team and develops senior talent within the business for succession planning

Chief Financial Officer

James Hilton

- Manages the Group's financial affairs
- Supports the Chief Executive Officer in the implementation and achievement of the Group's strategic objectives
- Oversees Hays' relationships with the investment community
- Represents Hays externally to all stakeholders, including the government and regulators, customers, Pension Trustees for the Company's defined benefit pension schemes, lenders, suppliers and the communities we serve

Company Secretary

General Counsel & Company Secretary

Doug Evans

- Secretary to the Board, its Committees and the Executive Leadership Team
- All Directors have access to the advice of the General Counsel & Company Secretary
- Responsible for advising the Board on all governance matters and ensuring that Board procedures are followed
- Supports the Chair in ensuring that the Directors receive accurate, timely and clear information
- Advises and keeps the Board updated on any changes to the Listing and Transparency Rules requirements and best practice corporate governance developments

KEY ACTIVITIES OF THE BOARD

The Board met during the year for seven scheduled Board meetings and one Strategy Day. The Chair, in conjunction with the Chief Executive Officer and General Counsel & Company Secretary, plans a detailed programme of activities prior to the start of the year, taking into account outputs from the annual Board Evaluation. The Board also recognises the importance of maintaining some flexibility in the schedule to enable the Board to consider evolving areas of strategy. On the evening before most scheduled Board meetings, the Board and the General Counsel & Company Secretary typically meet by themselves or with the local management teams to build relationships and hear about issues impacting the business and opportunities available.

A typical Board meeting will comprise the following elements:

- Performance reports from the Chief Executive Officer and Chief Financial Officer
- Deep-dive reports into areas of strategic importance, such as regional operating performance, marketing, technology and people
- Updates from the Chairs of our Board Committees
- Update from the Designated Workforce Engagement Director;
- Investor relations reports
- Legal and governance updates, including whistleblowing updates, and approval of the Modern Slavery Statement
- Time for the Chair to discuss matters with the Non- Executive Directors without Executives present.

The table below provides further insight into the key activities of the Board during the year.

Stakeholders

1	Employees
2	Candidates
3	Clients
4	Shareholders
5	Communities
6	Suppliers
7	Host countries and governments

Principal risks

A	Macroeconomic/cyclical business exposure/inflation
B	Business model
C	Talent
D	Regulatory/compliance
E	Reliance on technology/cyber security
F	Artificial Intelligence (AI)
G	Data protection/privacy
H	Contracts

Strategic priorities

- Profitable Growth
- Focus
- Develop networks
- Enhance
- Enable

Focus area	Stakeholders	Principal risks	Strategic priorities
Strategy and operations	1 2 3 4	A B C D E F G H	● ● ● ● ●

Key activities

- Regular strategy sessions, including a dedicated Strategy Day with members of the Executive Leadership Team and senior management, to consider key strategic priorities and challenges in the short, medium and long term. Presentations to the Board were provided at the Strategy Day on areas including a market overview from the corporate brokers, technology strategy, AI, marketing strategy, product development, data strategy and a deep dive of the US business
- Deep-dive sessions in Singapore, Australia and Switzerland on regional businesses, receiving presentations from senior management on business performance, the state of the market, strategy, succession planning and opportunities
- CEO report presented at each Board meeting, with key updates on strategy, people and operations
- Regular presentations from the newly appointed Chief Technology Officer on a new Technology Operating Model, cyber security and emerging technology
- Monitored progress against culture, behaviours, DE&I strategy which supports the long-term planning and future direction of the Group
- Presentations from the Chief Financial Officer on transformation of the Finance function

Decisions and outcomes

- Approved update to the Group strategy
- Approved new contract with LinkedIn
- Approved a new Technology Operating Model
- Approved Master Services Agreement with Cognizant

Focus area	Stakeholders	Principal risks	Strategic priorities
Finance	1 2 4	A B C D H	● ● ● ●

Key activities

- Presentations from the Chief Financial Officer on Group trading performance for each period, including market data, budgets, outlook and cash flow
- Interim and full year results and trading updates
- Received regular updates on the UK Defined Benefit Pension Scheme
- Investor relations reports detailing market movements and trends

Decisions and outcomes

- Approval of the interim and full year results for publication
- Recommended a final dividend of 2.05p per share
- Approval of the annual budget and operating plans

Focus area	Stakeholders	Principal risks	Strategic priorities
Technology	1 2 3 4 5 6 7	A B C D E F G H	

Key activities

- Several presentations from the new Chief Technology Officer on Technology Strategy and the development of a new Technology Operating Model to better align with business needs to enable growth and adoption of emerging technologies, including AI
- Audit and Risk Committee considered the Information Security and Data Protection Plan and IT Disaster Recovery

Decisions and outcomes

- Approved Master Services Agreement with new third party service provider, Cognizant

Focus area	Stakeholders	Principal risks	Strategic priorities
People and culture	1	A B C D E	

Key activities

- Review of the Group's Executive and Board succession plans
- Received feedback from Designated Workforce Engagement Director
- Discussed progress on the Group's Global DE&I strategy
- Reviewed results of employee engagement survey
- Visits to local sites and employee engagement activities
- Considered and approved invitations under the Group's all-employee share plans

Decisions and outcomes

- Appointment of new Chief Executive Officer, Chief Technology Officer, Chief People Officer, General Counsel & Company Secretary
- Appointment of two new Non-Executive Directors, a new Senior Independent Director and new Chair of the Audit and Risk Committee

Focus area	Stakeholders	Principal risks	Strategic priorities
Internal controls and risk management	1 2 3 4 5 6 7	A B C D E F G H	

Key activities

- Presentations from Chief Risk Officer to consider changes to the Group's principal and emerging risks and the effectiveness of internal controls and risk management
- Reviewed Audit and Risk Committee discussions on internal controls, stress testing and risk mitigation across the business

Decisions and outcomes

- Approval of risk appetite statement and changes to principal and emerging risks
- Review of the annual insurance programme
- Approved widening the remit of the Audit Committee to include more risk matters

Focus area	Stakeholders	Principal risks	Strategic priorities
ESG	1 2 3 4 5 6 7	A B C D E F G H	

Key activities

- Considered recommendation from partnership with Slave Free Alliance to progress Hays Modern Slavery policies
- Received updates on customer experience
- Reviewed TCFD disclosures
- Regular updates on governance, legal and regulatory matters
- Reviewed regular reports on the legal and compliance matters from the Company Secretary, including from the Company's whistleblowing arrangements
- Approval of updated Board Diversity Policy
- Reviewed the Company's compliance with the 2018 Code
- Discussed the results of the Board effectiveness review and progress against actions

Decisions and outcomes

- Approved Group Human Rights Statement
- Approved the establishment of a Board level ESG Committee
- Review and approval of Modern Slavery Statement and partnership with Slave Free Alliance
- Approved the Company becoming signatories to UN Global Compact

HOW THE BOARD WORKS

Board composition

As at the date of this report, our Board comprised seven independent Non-Executive Directors, the Chair of the Board and two Executive Directors. The composition of the Board is subject to regular review by the Nomination Committee to ensure that it has the right balance of skills, tenure and experience, taking into account the Board Diversity Policy. All new appointments follow a formal and rigorous search process, which is led by the Nomination Committee. This year, the Board and Nomination Committee continued their focus on reviewing Board composition and executive succession planning to ensure the right mix of skills and experience to support the updated strategy. This activity resulted in several new appointments this year. More information on the appointment process for these roles is outlined in the Nomination Committee Report on page 106-111.

Each Board member brings a wide range of skills and experience from different business backgrounds. The skills matrix on page 107 details some of the skills and experience considered to be particularly important to the execution of our strategy. The skills matrix is reviewed at least annually.

Independence of Directors and time commitment

During the year, the Board considered the independence of each of the Non-Executive Directors by reviewing their external commitments and tenure. The Board concluded that each of the Non-Executive Directors is independent in character and judgement in line with the definition set out in the 2018 Code and there are no business or other circumstances that are likely to affect the independence of any Non-Executive Director.

Prior to making new appointments, each prospective Non-Executive Director is asked to confirm they will have sufficient time to discharge their responsibilities effectively and that they had no conflicts of interest.

Annual election and re-election of Directors

In accordance with the 2018 Code, all Directors are subject to annual re-election by shareholders. Each of the Non-Executive Directors seeking appointment or reappointment at this year's AGM are considered to be independent in judgement and character. Having received advice from the Nomination Committee, the Board is satisfied that each Director standing for election or re-election is qualified for election/re-election by virtue of their skills, experience and commitment to the Board.

Non-Executive Director appointments are initially for a period of three years, and may be renewed for two further terms of three years subject to recommendation from the Nomination Committee, taking into account individual contribution, length of service of the Board overall and its future needs.

Details of the Executive Directors' service contracts and the Chair's and the Non-Executive Directors' letters of appointment are set out in the Directors' Remuneration Report on page 142. These documents are available for inspection at the registered office of the Company during normal business hours and at the Annual General Meeting.

Conflicts of interest

Directors have a duty to avoid a situation where they have, or could have, a direct or indirect interest that conflicts, or may conflict, with the interests of the Company. Any conflicts or potential conflicts identified are considered and, as appropriate, authorised by the Board in accordance with the Company's Articles of Association. The conflicts of interest register is reviewed annually to ensure it is up to date and that there are no new conflicts to consider. No new conflicts were recorded this year that would impact the independence of any of the Directors.

The Board has established a policy permitting its Executive Directors to hold only one external non-executive directorship, subject to any possible conflict of interest. This ensures that Executive Directors retain sufficient time for and focus on the Company's business, whilst allowing them to gain external Board exposure as part of their leadership development. Executive Directors are permitted to retain any fees paid for such services.

While the Company does not have a similar policy for Non-Executive Directors, their key external commitments are reviewed each year to ensure that additional commitments do not adversely impact their time commitment to Hays and that they remain compliant with investor guidance on 'overboarding'. Before committing to an additional appointment, Directors confirm the existence of any potential or actual conflicts; and provide the necessary assurance that the appointment will not adversely impact their ability to continue to fulfil their role at Hays. Directors are required to obtain formal approval from the Board ahead of undertaking any new external appointments.

Training and development

During the year, the Directors received regular presentations from management teams and external advisers to develop their understanding of the business and its operating environment.

- At the Board strategy offsite meeting, the Board had the opportunity to meet with members of the management team to review the Group's strategy and discuss the potential opportunities and risks of AI. They also met with external advisers to discuss the impact of the current macroeconomic environment and political landscape.
- The Audit and Risk Committee received regular updates on the internal controls programme and the associated proposed UK Corporate Governance and Audit Reforms.
- At each meeting, the Remuneration Committee receives a market update on remuneration developments and changing regulatory requirements.
- The ESG Committee received a briefing from external consultants, Verisk Maplecroft, on the external ESG landscape.

Directors' indemnities

The Company maintains Directors' and Officers' liability insurance which provides appropriate cover for legal actions brought against its Directors. Each Director has been granted indemnities in respect of potential liabilities that may be incurred as a result of their position as an officer of the Company. A Director will not be covered by the insurance in the event that they have been proven to have acted dishonestly or fraudulently.

Board and Committee attendance

During the year, the Board met a total of seven times in person, providing video conference facilities if required by any Directors. In addition, the Board held a Strategy Day in May. In the event that a Director was unable to attend a meeting, they received all the papers and had the opportunity to raise any matters in advance of the meeting.

	Board	Audit and Risk Committee	Nomination Committee	ESG Committee†	Remuneration Committee
Alistair Cox(1)	2 of 2	–	–	–	–
Dirk Hahn(2)	5 of 5	–	–	–	–
James Hilton	7 of 7	–	–	–	–
Andrew Martin	7 of 7	–	6 of 6	–	–
Helen Cunningham(3)	1 of 1	1 of 1	1 of 1	–	1 of 1
Anthony Kirby(4)	1 of 1	1 of 1	1 of 1	–	1 of 1
Joe Hurd	7 of 7	4 of 4	6 of 6	2 of 2	4 of 4
Cheryl Millington	7 of 7	4 of 4	6 of 6	–	4 of 4
Susan Murray	7 of 7	4 of 4	6 of 6	–	4 of 4
Zarin Patel	7 of 7	4 of 4	6 of 6	2 of 2	4 of 4
M T Rainey	7 of 7	4 of 4	6 of 6	2 of 2	4 of 4
Peter Williams(5)	5 of 6	2 of 3	5 of 5	–	3 of 3

(1) Stepped down from the Board on 31 August 2023. Attendance shown is of those meetings which took place during tenure.
(2) Joined the Board on 1 September 2023. Attendance shown is of those meetings which took place during tenure.
(3) Joined the Board on 1 March 2024. Attendance shown is of those meetings which took place during tenure.
(4) Joined the Board on 1 April 2024. Attendance shown is of those meetings which took place during tenure.
(5) Stepped down from the Board on 20 February 2024. Attendance shown is of those meetings which took place during tenure.

† ESG Committee met 2 times in FY24, but in FY25 will meet 4 times

HOW THE BOARD CONSIDERED **STAKEHOLDERS IN THE YEAR**

Engagement with shareholders

The Board maintains strong lines of communication with shareholders and proactively engaged with them during the year to understand their views on strategy, performance and other matters, such as CEO succession.

- The Board received reports and updates from the Investor Relations team summarising, key feedback from our principal shareholders
- The Chief Financial Officer hosted quarterly results presentations and took questions from investors and analysts
- The Executive Directors and Investor Relations team participated in roadshows and events across the world with the investor community
- The Chair of the Remuneration Committee corresponded with major institutional shareholders in relation to the Directors' Remuneration Policy renewal at the November 2023 AGM, and Executive pay

Annual General Meeting

At the 2023 Annual General Meeting, all resolutions were passed with voting in support ranging from 70.90% to 88.46%.

Resolutions 18 (Authority to allot shares) and 19 (Disapplication of pre-emption rights) received a vote of just over 20% against the Board's recommendations. The Board engaged with our major institutional shareholders to explain the Board's rationale in proposing these resolutions and to ensure that its views were understood. As explained in the Notice of 2023 AGM, the Directors have no present intention to exercise the share capital authorities reflected in these resolutions, which provide appropriate flexibility in line with investor body guidelines.

The Company's 2024 AGM will be held at 12 noon on 20 November 2024 at the offices of UBS, 5 Broadgate, London EC2M 2QS.

Section 172(1) statement

During the year the Board has acted in accordance with Section 172(1) of the Companies Act 2006. Each Director has acted in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole. We believe that in order to progress our strategy and achieve long-term sustainable success, the Board must consider all stakeholders relevant to a decision and satisfy itself that any decision upholds our value of 'doing the right thing'.

Further information on how section 172(1) has been applied by the Directors can be found throughout the Annual Report:

Section 172 duties	Relevant disclosure and page number
Likely consequences of Board decisions in the long term	Chief Executive Officer's review on page 4-13 Our strategic priorities on page 13 Key performance indicators on page 14-15 Stakeholder engagement on page 16-19 Financial Review on page 38-47 Principal Risks and Uncertainties on page 79-85 Statement of Viability on page 86-87 Materiality Assessment on page 51
Interests of the Company's employees	People and Culture on page 21 Key performance indicators on page 14-15 Stakeholder engagement on page 16-19 How the Board Monitors Culture 103
Need to foster the Company's business relationships with suppliers, customers and others	Our strategic priorities on page 13 Creating value for our stakeholders on page 16 Customers on page 32 Stakeholder engagement on page 18-19 Materiality Assessment on page 51 ESG Committee Report on page 118
Impact of the Company's operations on the community and environment	Our strategy priorities on page 13 Stakeholder engagement on page 18-19 TCFD disclosure on page 71 Environment on page 66 ESG Committee Report on page 118

Section 172 duties	Relevant disclosure and page number
Desirability of the Company maintaining a reputation for high standards of business conduct	Stakeholder engagement on page 16-19 Key performance indicators on page 14-15 People and Culture on page 21 Sustainability and the world of work on page 48 Principal Risks and Uncertainties on page 79-85 Board evaluation on page 104 Division of responsibilities on page 97 Annual Report on Remuneration on page 120
Need to act fairly between members of the Company	Stakeholder engagement on page 18-19 S. 172(1) statement on page 102

HOW THE BOARD **MONITORS CULTURE**

The Board uses several tools to monitor and assess culture, listen to colleagues and act on what they say.

Workforce Engagement Director

As our Designated Workforce Engagement Director, MT Rainey is responsible for championing the 'employee voice' in the Boardroom and strengthening the link between the Board and employees. MT's activities this year have enabled her to feed back on what she hears first-hand, which has continued to provide valuable insights that have helped inform a range of strategic Board discussions.

Site visits and employee focus groups

Board members frequently undertake site visits to gain further insight into our culture by meeting colleagues whilst observing the Group's operations in action. Informal interactions allow the Board to speak to colleagues directly and understand what matters to them. Through written summaries included in the papers for Board meetings, MT is able to provide feedback on what she hears first-hand.

During the Board site visits this year to Asia, Australia and Europe, MT Rainey, together with Helen Cunningham, Joe Hurd and Cheryl Millington, met with small groups of local employees to gather feedback.

Key themes raised during these focus group meetings included:

- culture and working practices
- technology tools
- brand and marketing
- YourVoice Surveys

YourVoice surveys

YourVoice is one of the principal tools the Board uses to gauge employee sentiment and gather candid feedback from all areas of the Group. MT Rainey and the ESG Committee spent a significant amount of time reviewing the results of the annual employee engagement survey, which included data on how engaged our workforce is compared to our peers and how Hays' values link to our purpose and affect colleague behaviours. The ESG Committee will continue to monitor actions being taken in response to the survey over the course of the next year.

More information on how we monitor and assess employee engagement can be found on page 21.

Workforce policies and procedures

The Board receives regular reports of escalated incidents and instances of whistleblowing and fraud, together with the status of investigations and, where appropriate, management actions to remediate the issues identified.

During the year, the Remuneration Committee considered policies for workforce pay. The ESG Committee heard from the Group Head of Diversity, equity and inclusion about the process being made on the Group DE&I initiatives. More information on our DE&I approach is on page 23.

Town halls

Throughout the year, the Chief Executive Officer, Chief Financial Officer and the executive management team held town hall meetings, which Hays employees were invited to attend. These discussions took place at significant points in the year, such as following key financial results announcements.

BOARD EVALUATION

The Board operates a three-year cycle of evaluations. Year one of the cycle comprises an externally facilitated evaluation. Years two and three are internally facilitated reviews using a questionnaire format. In all years, the evaluation assesses the effectiveness of the Board and its Committees.

Year 1 – FY22

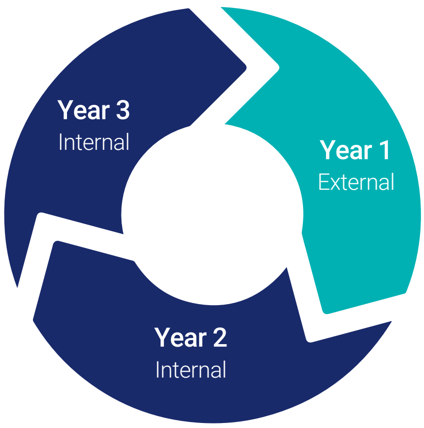
Externally led evaluation: A detailed, independent assessment of the Board, Committees and individual Directors.

Year 2 – FY23

Internally led evaluation: A self-assessment evaluation, with a focus on Board dynamics, Board composition and succession.

Year 3 – FY24

Internally led evaluation: A self-assessment evaluation, with a focus on Board dynamics, Board composition and succession.



FY23 internal evaluation

In FY23 the Board carried out an internal evaluation process using an online evaluation tool provided by Independent Audit Limited. The progress made to address the findings of the FY23 evaluation is set out below.

Key themes	Progress made in FY24
Board administration, agendas, meetings – to facilitate greater debate	The Chair and General Counsel & Company Secretary developed an updated forward planner to enable more focus on around the strategic opportunities, challenges and drivers
Non-Executive Director engagement outside of meetings with Executives and the business	Greater time was scheduled for Board engagement activities while on site trips to allow the Board to engage more with each other and with senior leaders in the business
Succession planning at Board level	The Board's mix of skills, experience and knowledge was enhanced by with the addition of two new Non-Executive Directors and a female Senior Independent Director
Succession planning at Executive level	Succession reviews were held for key Executive Leadership Team roles resulting in the appointment of a new CEO, CTO and CPO
Building wider stakeholder understanding	Establishment of ESG Committee to give additional time to consider employee engagement matters and the development of the Hays sustainability strategy The impact on stakeholders was factored into key decision-making during the year, including the Executive appointments, Technology Operating Model and the review of the Modern Slavery Statement

FY24 internal evaluation

The Board decided to use the online self-evaluation tool provided by Independent Audit Limited again in FY24 because it would allow direct comparison with the prior year and enable the direct input of each Board member to be kept confidential. As in FY23, the objective was to provide an assessment of the Board's effectiveness and governance, including the effectiveness of the Chair, Committees and individual Directors.

In May 2024, all the Directors completed the online evaluation questionnaire provided by Independent Audit. As in FY23, the questionnaire covered a broad range of topics, ranging from strategy, risk, finance, people and culture to board dynamics, composition and succession. The respondents rated questions on a sliding scale and were encouraged to provide additional open feedback in comment boxes.

The findings were analysed and compiled into a detailed report with key themes identified, and then presented for discussion at the July Board meeting. The output of the evaluation was that the Board is operating effectively, with strong Board dynamics and contribution, and a good culture of open and inclusive discussions – driven by values and simplification with improving governance under a new Senior Independent Director and Audit and Risk Committee Chair. The Board's support on the strategic priorities and transformation programme also remains strong. There was recognition that the focus on Board succession planning in FY23 and continuing into FY24 had resulted in a good mix of skills and experience on the Board.

Areas that were highlighted to progress in FY25 included technology and people strategies. Both of these have been key areas of focus in FY24 and the appointment of the new CTO and CPO are expected to have an impact in FY25.

There was also feedback on enhancing how the Board discusses and oversees risk management; this again has been addressed in part by widening the remit of the Audit Committee to allow more time for risk deep-dives.

A summary of the FY24 evaluation themes and proposed actions for FY25 are set out in the table below. Progress against the key areas of focus will be presented in the FY25 Annual Report.

Chair and Director evaluation

This year the Senior Independent Director (SID), Cheryl Millington offered 1:1 meetings with the Board to gather feedback on the Chair of the Board, Andrew Martin, and also used a questionnaire from Independent Audit to facilitate the evaluation. The Board completed a questionnaire which assessed areas such as relationships with Non-Executive Directors/key stakeholders/shareholders, leadership of the Board and support/guidance/constructive challenge of the Executive Directors. The SID used the output from the 1:1 meetings and the questionnaire to inform discussion at the July Board meeting, following which the SID met with the Chair to provide feedback. The Board considered the Chair's leadership, performance and overall contribution to be of a high standard during the year.

Andrew Martin, the Chair, met with each Director to discuss their individual contributions and performance, together with any training and development needs. Following these reviews, the Board remains satisfied that, in line with the 2018 Code, all Directors are able to allocate sufficient time to the Company to enable them to discharge their responsibilities as Directors effectively and that any current external appointments do not detract from the extent or quality of time which any Director is able to devote to the Company.

FY24 internal evaluation

Key themes	FY25 proposed actions
Technology as part of strategy	Continued focus on execution of the new Technology Operating Model, use of AI and cyber preparedness Engage with the newly appointed service provider, Cognizant
People strategy and culture	Continued focus on executive succession planning and development, employee engagement and the Company's purpose and values
Board reports	There is an opportunity to improve the quality of Board reporting through, consistent executive summaries and articulating the key issues to better facilitate focused Board discussions
Succession planning at Executive level	Notwithstanding the progress made in FY24, more focus in FY25 on talent management and giving potential successors exposure to the Board
Risk	Continue to allow time for risk deep-dives to enhance understanding of the extent to which the risk management approach impacts the business operations, in particular relating to data, AI, cyber and contract risk

NOMINATION COMMITTEE REPORT

"Succession planning has remained a key priority for the Nomination Committee this year. We were pleased to announce the appointment of two new directors, Helen Cunningham and Anthony Kirby. They both have the skills and experience to support the next stage of Hays' transformation journey."

Dear Shareholder

I am pleased to present the Nomination Committee's 2024 report, which sets out the role of the Committee and its work during the year.

The development and execution of our long-term strategic objectives and promotion of the interests of all our stakeholders is dependent on having effective leadership at both Board and Executive level. The Committee has played a vital role in the past year in supporting the Board with succession planning, ensuring the Board and the Executive Leadership Team have the right balance of skills, experience and diversity of thought and perspective necessary to deliver on our strategy.

To support the Board succession planning process, a skills matrix is regularly reviewed to ensure the Board and its Committees have and maintain the skills required to deliver the strategy and objectives in the longer term.

As we announced last year, the primary focus for the Nomination Committee in FY23 and into the beginning of FY24 was the succession planning and appointment process for our new Chief Executive Officer, Dirk Hahn. More information on this process is on page 108.

Following a robust process, which you can read more about in the report that follows, the Committee was pleased to recommend the appointment of two new Non-Executive Directors, Helen Cunningham and Anthony Kirby, the appointment of Cheryl Millington as our Senior Independent Director and Zarin Patel as Chair of the Audit and Risk Committee.

The Committee also played a key role supporting the Chief Executive Officer with the succession planning for the new Chief People Officer and Chief Technology Officer.

The Committee reviewed its Board Diversity Policy and reiterated its commitment to the Parker Review and FTSE Women Leaders Review targets on ethnic and gender diversity. We are pleased to report that the Board is exceeding the targets it set for itself on gender and ethnic diversity, as detailed on page 95.

The Committee will continue to assist the Board to monitor changes to the wider organisational structure, including re-shaping our people and culture agenda and monitoring the level of diversity in the executive pipeline.

Following an internally facilitated effectiveness review this year, I am pleased to report that the process demonstrated that the Committee continues to operate effectively.

Andrew Martin
Chair of the Nomination Committee

21 August 2024

Role of the Committee

The role of the Committee is summarised below and detailed in full in its Terms of Reference, a copy of which is available on the Company's website.

The main responsibilities of the Committee are to:

- review the structure, size and composition (including skills, knowledge, experience, diversity and balance of Executive and Non-Executive Directors) of the Board and its Committees and make recommendations to the Board with regard to any changes
- consider succession planning for Directors and other senior executives
- identify and nominate for the approval of the Board candidates to fill Board vacancies
- keep under review the time commitment expected from the Chair and the Non-Executive Directors.

Membership and meetings

The Committee is appointed by the Board. It is chaired by the Chair of the Board and comprises the Non-Executive Directors, all of whom are independent, save for the Chair who was independent on appointment. The names and qualifications of the Committee's current members are set out in the Directors' biographies on pages 92 to 95.

The Committee meets as required and did so on six occasions during the year, and attendance by members can be seen on page 101. The Chief Executive Officer attends by invitation.

Key activities this year

The key areas of focus at the Committee's meetings during the year are set out below:

- Reviewed Board composition with reference to the existing mix of skills, knowledge, experience and diversity on the Board and the skills needed to support the next phase of Hays' strategy. The skills matrix set out below details the key skills and experience that our Board has determined is important to the execution of our strategy. The skills matrix is reviewed at least annually to support succession planning
- Continued its focus on succession planning for Executive leadership roles
- Reviewed the composition of the Board and its Committees
- Board Diversity Policy reviewed to ensure it remained aligned with the requirements of the Listing Rules, best practice and the Company's DE&I strategy
- Recommended to the Board the appointment of a new Chief Executive Officer, Chief Technology Officer and Chief People Officer, two new Non-Executive Directors and a new Senior Independent Director
- Reviewed the Committee's Terms of Reference, concluding the Terms of Reference remained appropriate prior to making a recommendation to the Board for approval

Directors' key skills and experience

	Dirk Hahn	James Hilton	Andrew Martin	Helen Cunningham	Joe Hurd	Anthony Kirby	Zarin Patel	Cheryl Millington	Susan Murray	MT Rainey
Executive and strategic leadership	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Finance	✓	✓	✓			✓	✓	✓	✓	
Audit and risk	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Market transformation	✓		✓	✓	✓	✓		✓	✓	✓
Technology and innovation	✓	✓			✓	✓	✓	✓		✓
AI	✓			✓	✓	✓		✓		
International experience	✓	✓	✓	✓	✓	✓		✓	✓	✓
ESG	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Remuneration and strategic people development	✓	✓		✓		✓		✓	✓	✓
Recruitment industry, sales	✓	✓	✓			✓		✓		
Customer	✓		✓			✓	✓	✓	✓	✓

Nomination Committee Report continued

Board succession planning

The Committee has a rigorous and transparent procedure for the appointment of new directors to the Board. When the need to appoint a director is identified, such as when a Director is approaching the end of their tenure on the Board, the Committee reviews the experience, skills and knowledge required, taking into account the Board's skills matrix and existing composition. We engage executive search firms to develop a diverse list of possible candidates who meet the role specification. Suitable candidates are then interviewed by Committee members. The process is led by the Chair of the Board who, receives support from the General Counsel & Company Secretary and the Directors. Further detail on the work led by the Committee this year is set out in the table below:

Board succession planning activity	Process and Outcome
Tenure of Non-Executive Directors and review of Director independence	Appointments to the Board are made for initial terms not exceeding three years and are ordinarily limited to three such terms in office subject to recommendation from the Nomination Committee, taking into account individual contribution, length of service of the Board overall and its future needs. In its succession planning, the Committee takes into consideration that the 2018 Code indicates that non-executive directors should not serve more than nine years on a Board.
Preparation for recruitment	As Peter Williams was approaching his nine years on the Board, the Committee was tasked with reviewing the succession planning for his role as Senior Independent Director and Chair of the Audit and Risk Committee. During FY24, the Committee appointed executive search firm Buchannan Harvey, who are independent of the Company and all the Directors, to support with the search for a new non-executive director. The Committee considered the skills and experience required against the skills and experiences of our Board using the skills matrix on page 107. Based on this, the tailored recruitment criteria and role specifications were developed to outline the appropriate skills and experience required to ensure the Board continued to comprise members who were qualified to carry out these vital roles. The Committee identified the need for two Non-Executive Directors with recent experience in people and culture.
Shortlist and election	The Committee ensured that the recruitment process was conducted in line with the Board Diversity Policy, in particular that diverse candidates from a wide variety of backgrounds were included in the shortlist. Interviews were conducted by the Committee members, with support from the Chief Executive Officer and the General Counsel & Company Secretary.
Appointments	During the year the Committee recommended, in succession to Peter Williams: • the appointment of Zarin Patel, as Chair of the Audit and Risk Committee with effect from 21 February 2024 • the appointment of Cheryl Millington as Senior Independent Director with effect from 21 February 2024. The Committee further recommended the appointment of: • Helen Cunningham – as an Independent Non-Executive Director and member of the Audit and Risk, Remuneration and Nomination Committees, with effect from 1 March 2024 • Anthony Kirby – as an Independent Non-Executive Director and member of the Audit and Risk, Remuneration and Nomination Committees, with effect from 1 April 2024.
Succession and induction	On appointment, Helen Cunningham and Anthony Kirby took part in a tailored and comprehensive induction programme designed to give them a thorough understanding of the Group's business, governance and stakeholders. You can read more about this on page 111.

Executive Leadership Team succession planning

Succession planning for the Executive Leadership Team

Succession planning at executive level continued to be a priority for the Committee and during the year it led the process to appoint the new Chief Executive Officer, Chief Technology Officer and Chief People Officer. Please see the table below for more detail.

Chief Executive Officer	On 23 February 2023, it was announced that Alistair Cox would be stepping down as Chief Executive Officer, after 16 years of service in the role. The Nomination Committee led the search on behalf of the Board to identify and recruit a new Chief Executive Officer. A small working group was formed at the outset consisting of the Chair, Susan Murray, Cheryl Millington and Zarin Patel. The working group was responsible for the day-to-day oversight of the recruitment process to ensure progress was being made against the agreed plan. The Committee, with the assistance of Egon Zehnder, who is independent of the Company, and all the Directors, led the search for a new Chief Executive Officer, with support from the General Counsel & Company Secretary. With reference to the Board Diversity Policy, the Committee agreed a role profile setting out the preferred attributes, relevant skills, experience and expertise necessary for the next CEO. Egon Zehnder conducted an internal and external market scanning exercise to produce a diverse longlist of candidates.

Executive Leadership Team succession planning continued

Chief Executive Officer continued	The Chair and other members of the Committee considered the candidates and produced a list of shortlisted internal and external candidates. This was followed by an extensive interview process, which included interviews with the Chair and members of the working group, and presentations to the whole Board. Following interviews, the Nomination Committee met to discuss feedback and a final meeting was held on 22 August 2023 to agree a recommendation to the Board. Following approval by the Board, Dirk Hahn was appointed as the Company's new Chief Executive Officer on 1 September 2023.
Chief Technology Officer	The Company announced in September 2024 that Steve Weston intended to retire from Hays as Chief Customer and Information Officer, having served the Company for nearly 15 years. Following a rigorous external search and selection process led by Spencer Stuart, the Committee appointed Tim Fulton as Chief Technology Officer, initially on an interim basis in September 2024 and then on a permanent basis, with effect from January 2024.
Chief People Officer	Sandra Henke stepped down as Global Head of People & Culture, having served the Company for nearly 26 years. Following a rigorous external search and selection process led by Egon Zehnder, the Committee recommended to the Board the appointment of Deborah Dorman as Chief People Officer, with effect from 10 June 2024.

Board diversity

The Board believes that a diverse Board, with Board members contributing a range of views, insights, perspectives and opinions, will improve the Board's decision-making and effectiveness. The Board is also committed to increasing diversity across all operations of the Group.

During the year, the Board approved an updated Board Diversity, Equity and Inclusion Policy (the Policy). The Policy is available on the Company's website. The Board outlined its ongoing commitment to the Parker Review and FTSE Women Leaders Review and is pleased to report it is exceeding the targets it set itself for gender and ethnic minority representation on the Board.

Board Diversity Policy target	Target met?	Board diversity as at 30 June 2024
At least 40% of the individuals on the Board of Directors are women.	✓	• 50% of the individuals on the Board of Directors are women.
A least one of the senior positions (Chair, Chief Executive, Senior Independent Director, Chief Financial Officer) on the Board of Directors is held by a woman.	✓	• The Senior Independent Director is a woman.
At least 10% of Directors are from a minority ethnic background.	✓	• Two members of the Board of Directors (20%) are from minority ethnic backgrounds.

Board and Executive diversity disclosure

Information on the gender and ethnicity representation of the Board and Executive Leadership Team as at 30 June 2024 is set out below in accordance with Listing Rule 9.8.6(9).

The data was collected as part of an annual declaration process and obtained on a voluntary self-reported basis. Individuals were asked to disclose their gender and ethnicity using the options shown in the left-hand columns of the below tables, and therefore included the option not to specify an answer. This data was collated by the group secretariat team and held securely and in accordance with the Group's data protection processing guidelines.

Gender identity

	Number of Board members	% of the Board	Number of senior positions on the Board (Chair, CEO, CFO, SID)	Number in Executive Management	% of Executive Management
Men	5	50%	3	12	85.71%
Women	5	50%	1	2	14.29%
Other categories	0	0	0	0	0
Not specified/prefer not to say	0	0	0	0	0

Ethnic background

	Number of Board members	% of the Board	Number of senior positions on the Board (Chair, CEO, CFO, SID)	Number in Executive Management	% of Executive Management
White British or other White (including minority-white groups)	8	80%	4	13	92.86%
Mixed/Multiple Ethnic groups	0	0	0	0	0
Asian/Asian British	1	10%	0	0	0
Black/African/Caribbean/Black British	1	10%	0	1	7.14%
Other ethnic group, including Arab	0	0	0	0	0

Rachel Ford replaced Doug Evans as General Counsel on 12 August 2024, and will be appointed as Company Secretary on 26 August 2024.

Nomination Committee Report continued

Director performance

Having reviewed the independence and contribution of Directors, the Committee confirms that the performance of each of the Directors standing for election or re-election at the 2024 AGM continues to be effective and demonstrates commitment to their roles, including independence of judgement, commitment of time for the Board and Committee meetings, and any other duties.

Board induction and development

We have a comprehensive and tailored induction programme in place for directors when they join the Board to ensure their smooth transition and enable them to gain an understanding of all major aspects of the business. This includes an introduction to our strategy, culture and values, alongside our governance framework, and sustainability strategy. When joining the board, a new non-executive director typically meets individually with each Board and ELT member, and with senior leadership from key areas of the business to gain an insight into their respective areas of responsibility as well as with key advisers. The General Counsel & Company Secretary briefs new directors on Company policies, Board and Committee procedures, and core governance practice, which includes Directors' duties and Market Abuse Regulations. They also receive induction materials, including recent board and committee papers and minutes, strategy papers, investor presentations, Matters Reserved for the Board and the board committees' Terms of Reference. A Q&A with our new Non-Executive Directors, Helen Cunningham and Anthony Kirby, is on page 111

The General Counsel & Company Secretary ensures that directors are provided with updates on changes in the legal and regulatory environment in which the Group operates. These are incorporated into the annual agenda of the board's activities along with wider business and industry updates; the Chair also keeps under review the individual training needs of board members. In addition the Group's principal external advisers provide updates to the board, at least annually, on the latest developments in their respective fields, and relevant update sessions are included in the board's strategy meetings.

Board Evaluation

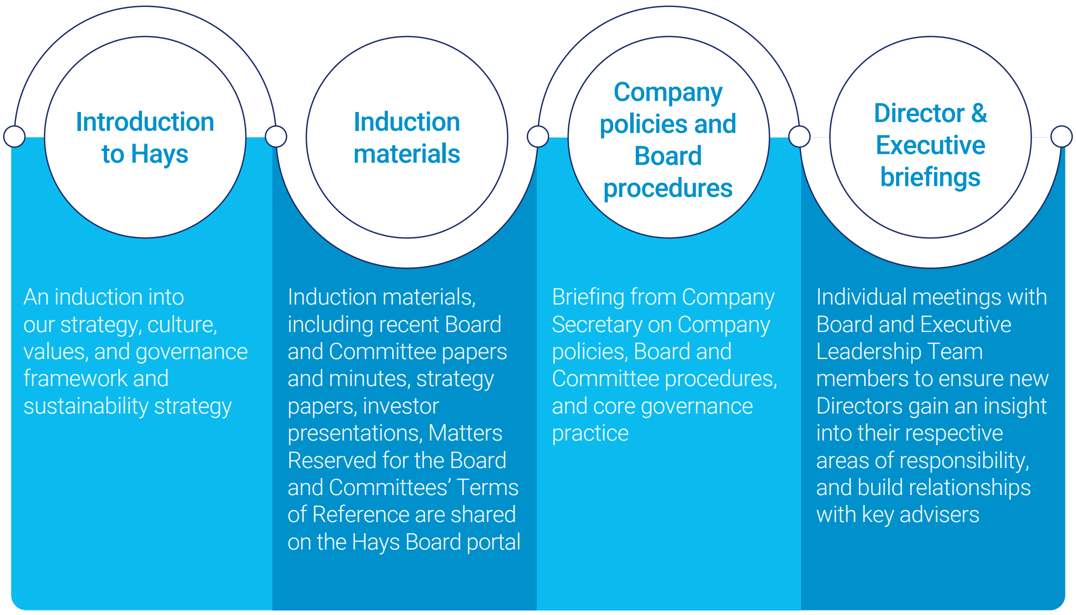
During FY24, in accordance with Code Provision 21, the effectiveness of the Board and its Committees was assessed through a Board Evaluation process, conducted internally. The detailed process and outcomes are set out on pages 104 to 105.

Priorities for FY25

Key areas of focus in FY25 include:

- Continuing to monitor Board composition and tenure
- Continuing to oversee the development of a strong and diverse pipeline for executive and senior leadership succession

Board induction programme



Q&A
with Helen Cunningham

Independent Non-Executive Director

What are your first impressions as a Non-Executive Director of Hays plc?

I am honoured to have joined Hays' Board this year and my first impressions of the business surpass my already high expectations! It is a business which puts the customer at the heart of what it does day in and day out, and truly lives to its purpose and values. Hays recognises that the world of work is in constant flux; different expectations of the international workforce, the impact of regulatory requirements and technological disruptions all playing a part in the extent of change. Yet all I have observed is positivity and a determination of colleagues at all levels to be a market leader. I am enthused to be part of the Hay's growth story!

How effective have you found your induction programme in preparing you as a Non-Executive Director and for Board discussions?

Hays' induction for Non-Executive Directors is extremely thorough and started before I formally attended any Board meetings. For shareholders, clients and candidates, it's important to work towards the highest standards of governance and certainly the Board members are super role models in this regard. From my own induction, I particularly valued spending one to one time with the Chair, NEDs, the Executive Leadership Team members and visiting various operations. These meetings gave me an excellent insight into the opportunities and challenges the business is dealing with which has helped immensely in my preparation for Board discussions.

What are your thoughts on the NEDs' responsibility towards other stakeholders, for example towards employees, and society?

Beyond our legal duties as Directors, I feel responsible for helping ensure everyone who encounters Hays has the best possible impression of the business. As a Board member, we are particularly responsible for being role models for Hays' values and culture. Culture can make a business or break it, so I think our strong workforce engagement as Board members helps to develop a culture we can all be proud of.

Of equal importance is our role and contribution to the communities in which we operate, and as a responsible business Hays certainly plays a substantial role in supporting this through a number of community partnerships.

Q&A
with Anthony Kirby

Independent Non-Executive Director

After few months at Hays, how would you describe Hays culture?

I would describe the culture as open, transparent and engaging. Everyone I have met from different regions around the Group have shown all these three cultural markers in abundance. I can see, hear and feel that as I go around the organisation.

How effective have you found your induction programme in preparing you as a Non-Executive Director and for Board discussions?

The induction was very comprehensive, with nothing off limits, which is always great to see for NEDs. The business is at an exciting stage with a relatively new CEO who has the ambition to make Hays a solid, dependable and deliverable business. It will be great to be able to contribute to, and support, that ambition over the coming years.

Do you have any other thoughts or ideas you would like to share with colleagues based on your first few months on the Board?

This is an exciting business, with great potential and opportunities for growth, for customers, colleagues and shareholders. The market dynamics of this sector means we have to be agile and nimble to respond to those dynamics, but never forgetting that focus and consistency of delivery is critical. The colleagues who I have met are determined, ambitious and above all good people, who want to do good things for all our stakeholders – that, for any business, is key.

AUDIT AND RISK COMMITTEE

> I am pleased to present the Committee's report for 2024. This report is intended to provide shareholders with insights into key areas considered by the Committee, together with how the Committee discharged its responsibilities during the year in providing robust assessments of controls and risk and ensuring the integrity of financial reporting.

Dear Shareholder

I am delighted to introduce my first report as Chair of the Audit and Risk Committee and would like to convey my thanks to Peter Williams for his leadership of the Committee over the previous five years. This report is intended to provide shareholders with an insight into the key areas considered by the Committee, together with how the Committee has discharged its responsibilities during the year.

The Committee plays an important role in ensuring the integrity of the financial reporting, the internal control environment and risk management processes. This has included ensuring that the financial reporting is aligned with the latest requirements and guidance from regulators, that it is fair, balanced and understandable, and that all matters disclosed and reported upon meet the needs of our stakeholders. During the year, the Committee updated its Terms of Reference to increase its focus on risk matters, including the evolution of the Group's systems of internal control, ESG reporting and its assurance, as well as on a variety of matters aligned with the Group's principal risks.

Cyber security risk continues to be one of the Group's principal risks and an area where we remain vigilant given the increasingly complex nature of cyber attacks. The Committee has had a number of updates from our new Chief Technology Officer, Tim Fulton, on Information Security and Data Protection, including cyber security policies, controls and cyber maturity plans, and this will continue to be a focus in FY25. IT recovery and business continuity plans were also reviewed and a plan to increase their maturity was agreed.

In April 2024, we received a letter from the Financial Reporting Council's (FRC) Corporate Reporting Review Team regarding the FRC's review of the Group's interim report for the period ended 31 December 2023. The FRC stated that there were no 'questions or queries' relating to the report. The FRC did highlight certain matters which Hays was asked to consider in relation to the 2024 Annual Report and Accounts. Further information on our response can be found on page 114. The Committee and management welcome the FRC's drive for continuous improvement in the quality of reporting, and responded by providing the FRC with clarifications and indicating enhancements to disclosures, which have been reflected in this Annual Report, where appropriate.

The Committee met four times during the year. Throughout the year, the Committee also ensured that separate meetings with the Chief Financial Officer, Head of Internal Audit/Chief Risk Officer and the External Auditor took place (without management present) in order to provide an open forum for issues to be raised, and I also held separate meetings, on behalf of the Committee, with senior management within Hays and with PwC on a regular basis. After each meeting, I reported back to the Board on the Committee's activities, and matters of particular importance. In February 2024, the Committee commissioned an independent External Quality Assessment of the Internal Audit function against the new International Internal Audit Standard due to be in force in 2025.

The Committee has continued to monitor the Internal Controls project which has continued to progress well, being focused initially on improving controls around financial reporting whilst monitoring and adapting to changes to the UK Corporate Governance Code by the FRC. We have agreed our strategy and approach around scope and attestation, implemented a new controls and policies governance system and continued to develop the first and second lines of defence. In 2025, the Committee will focus on defining material non-financial operating controls and our approach on attestation, as well as an Audit and Assurance Policy.

The report in the coming pages provides an oversight of the Committee's deliberations and activities over the year as well as a summary of the key activities for FY25. I would like to thank all those involved for their dedication and hard work in achieving the improvements that they have delivered over FY24.

Zarin Patel
Chair of the Audit and Risk Committee

21 August 2024

Role of the Committee

The key responsibilities of the Committee are to:

- monitor the integrity of the Group Financial Statements, including annual and half-year reports, interim management statements, and other formal announcements relating to its financial performance, and review and report to the Board on significant financial reporting issues and judgements, going concern, statement of viability and distributable reserves
- review the content of the Annual Report and advise the Board whether, taken as a whole, it is fair, balanced and understandable and provides the information necessary for shareholders and stakeholders to assess the Group's performance, business model and strategy
- recommend to the Board, for approval by shareholders, the appointment, reappointment or removal of the External Auditor
- review the effectiveness and audit quality of the external audit and the Auditor's independence
- monitor the relationship with the Company's External Auditor, including consideration of fees, audit scope and terms of engagement
- on engagement of the External Auditor, review the policy for the provision of non-audit services and monitor compliance
- monitor and review the Company's internal control and risk management systems
- monitor and review the effectiveness of the Company's Internal Audit function
- review external reporting sustainability-related disclosures and sustainability KPIs including any definitions, data sources and levels of assurance overall.

The Committee's Terms of Reference are available on the Company's website.

Membership and meetings

The Committee is appointed by the Board from its Independent Non-Executive Directors. Biographies of the Committee's current members are set out on pages 92 to 95.

Peter Williams, Senior Independent Director and Chair of the Audit and Risk Committee, stepped down from the Board with effect from 20 February 2024. Zarin Patel succeeded Peter Williams as Chair of the Audit and Risk Committee with effect from 21 February 2024. Zarin Patel is a Chartered Accountant and has recent and relevant financial experience. All Committee members have experience and competence relevant to the sector.

The Committee discharges its responsibilities through a series of scheduled meetings during the year, the agenda of which is linked to events in the financial calendar of the Company. The Committee met four times during the financial year and attendance by members at Committee meetings can be seen on page 101.

The Committee has a periodic and structured forward-looking planner. This is designed to ensure that responsibilities are discharged in full during the year and that regulatory developments continue to be brought to the Committee's attention. Meeting content is regularly reviewed with management and the External Auditors, evolving to support appropriate discussion. An update is provided to the Board following each meeting.

The Committee commissions reports from external advisers, the Head of Internal Audit/Chief Risk Officer or Group management, as required, to enable it to discharge its duties. The Chief Financial Officer attends its meetings, as do the External Auditor and the Head of Internal Audit/Chief Risk Officer, both of whom have the opportunity to meet privately with the Committee Chair, in the absence of Group management. The Chair of the Board and the Chief Executive Officer are also invited to, and regularly attend, Committee meetings. The Deputy Company Secretary acted as Committee Secretary.

Key activities during the year

During the year, the Committee reviewed and, where appropriate, challenged:

- The Group's half-year results and Annual Report and Accounts, ahead of their review by the Board
- Finance updates on business reporting and significant reporting and accounting matters, including going concern, statements of viability and distributable reserves, prior to any declaration of dividends
- Risk updates, including a deep-dive of cyber security and the IT control environment, as well as IT recovery and business continuity planning
- The external audit plan and subsequent updates on delivery of the external audit and reporting from the External Auditor on the Group's financial reporting and observations on the internal financial control environment
- Reviewed the Committee's Terms of Reference and recommended updates to the Board to increase the Committee's focus on risk matters
- The internal audit plan, results of internal audit activities and monitoring the implementation of actions from audits
- The finance transformation programme, commenced in March 2024, which aims to implement globally consistent and efficient finance processes and controls
- The risk management and internal controls framework and its effectiveness, together with the Group's principal risks.
- Progress reports on the Group's response and ongoing activities related to the UK government's proposals on audit and corporate governance reforms due to be reported from 2026
- Management's assessment of material litigation
- Reporting on our TCFD disclosures in the Group's ESG Report
- Assessment of fraud risk and effectiveness of controls to minimise the risk of loss or misstatement
- Group tax strategy, tax compliance and the effectiveness of tax related controls and tax governance.

Financial reporting

The Committee is responsible for reviewing the half year and annual financial results, including the Annual Report, with management, focusing on the integrity of the financial reporting process, compliance with relevant legal and financial reporting standards and application of accounting policies and judgements. During the year, the Committee considered management's application of key accounting policies, compliance with disclosure requirements and relevant information presented on significant matters of judgement to ensure the adequacy, clarity and completeness of half year and annual financial results announcements. The Committee undertook a detailed review before recommending to the Board that the Group continues to adopt the going concern basis in preparing the annual financial statements. The Committee also reviewed various materials to support the statements in the Annual Report on risk management and internal control and the assessment of the Group's long-term viability – see page 86 for more details. The FRC carried out a review of Hays' interim report for the six months ended 31 December 2023. No significant questions or queries were raised, and the Group took into consideration their recommendations when preparing this Annual Report.

Viability and going concern

The Committee considered the Group's Viability and Going Concern Statements (as set out on page 86), their underlying assumptions and the longer term prospects of the Group based on reports prepared by management. The Committee challenged the viability modelling by considering the base case liquidity headroom and the net impact of the agreed downside and stress-test scenarios applied, the mitigation actions available and a range of recovery scenarios considered: a worsening of the macroeconomic environment and intensified competition; increasing inflation; and the potential impact of climate change. The Committee has also reviewed the Group's reverse stress test.

The Committee gave careful consideration to the period of assessment and took into account a wide range of factors, including the Group's cash flows, solvency and liquidity positions, and concluded that the time period of three years remained appropriate.

The Committee evaluated going concern over an 12-month period based on budgets, business plans and cash flow forecasts and the stress testing performed based on the Group's principal risks and the current macroeconomic environment, and satisfied itself that the going concern basis of preparation is appropriate.

Fair, balanced and understandable

To support the Board's confirmation that the Annual Report and Accounts, taken as a whole, is considered to be fair, balanced and understandable, and provides the information necessary for shareholders to assess the Company's position, performance, business model and strategy, the Committee oversaw the process by which the Annual Report and Accounts was prepared, which runs in parallel with the process followed by the External Auditor.

The review of the Company's Annual Report and Accounts took the form of a detailed assessment of the collaborative process of drafting them, which involves the Company's Investor Relations, Company Secretariat; and Finance functions, with guidance and input from other relevant functions and external advisers. It ensured that there is a clear and unified link between this Annual Report and Accounts and the Company's other external reporting, and between the three main sections of the Annual Report and Accounts.

The Committee therefore recommended to the Board (which the Board subsequently approved) that, taken as a whole, the 2024 Annual Report and Accounts is fair, balanced and understandable and provides the necessary information for shareholders to assess the Company's position and performance, business model and strategy.

Effectiveness and audit quality of the External Auditor

The appointment, review and relationship with the external audit firm and the annual review of the effectiveness of the external audit is a responsibility that is delegated to the Committee.

The Committee monitors the effectiveness and audit quality of the External Auditor continuously through the year. PwC presents their audit plan, risk assessment and audit findings to the Committee, identifying their consideration of the key audit risks for the year and the scope of their work. These reports are discussed throughout the audit cycle. These risks were: recoverability of trade receivables; valuation of pension scheme liabilities; provisions; valuation of intangible assets; carrying value of goodwill; and classification of exceptional items. In their reports to the Committee at both the half year and full year, the External Auditors considered these risks to be appropriately addressed and raised no significant area of concern in these or any other areas of their review and audit. The Committee has the opportunity after each meeting to meet with the lead audit partner without management present. This provides opportunity for open conversations and allows the Committee to assess whether the External Auditors have appropriately challenged management's analyses.

As well as this regular monitoring, the annual effectiveness review in respect of FY24 was conducted during the year under the guidance of the Committee Chair, on behalf of the Committee, and covered amongst other things a review of the audit partners, audit resource, planning and execution, Committee support and communications, and PwC's independence and objectivity. Overall feedback was positive with an improved overall rating versus prior year; noting minor improvement areas were suggested in relation to feedback from specific countries, which were discussed and implemented, with actions having been taken into account for the FY24 PwC audit. Based on these reviews, the Committee was satisfied with the performance of PwC in the fulfilment of its obligations as External Auditor and of the effectiveness of the audit process in FY24. Consequently, the Committee recommended to the Board that PwC be reappointed as External Auditor at the AGM.

Significant issues considered during the year

In reviewing both the half- and full-year Financial Statements, the following issues of significance were considered by the Committee and addressed as described. These matters are described in more detail in notes 1 to 3 to the Consolidated Financial Statements.

Issue	Nature of the risk	How the risk was addressed by the Committee
Debtor recoverability	The recoverability of trade debtors and the level of provisions for bad debts are considered to be areas of significant judgement due to the pervasive nature of these balances to the Financial Statements and the importance of cash collection in the working capital management of the business.	The Committee considered the level and ageing of debtors, together with the appropriateness of the provisioning matrix and the consistency of judgements used to measure the expected credit losses. Having discussed the level of provisions both with management and with the External Auditor, the Committee satisfied itself that the provision levels are appropriate.
Provisions	While there are no individually material balances within provisions, and management does not consider it to be reasonably possible that any of the provisions will materially change in the next 12 months, the calculation of each provision requires the use of assumptions and, in certain cases, advice from third-party experts.	The Committee considered the level of provisions, the assumptions used in the calculations and, where relevant, the advice received from third-party experts. Having discussed the value of the provisions with management and the External Auditor, the Committee is satisfied that the value of provisions is appropriate.
Exceptional items	During the year, the Group incurred an exceptional charge of £80.0 million. Of this, £42.2 million relates to a restructuring charge and the remaining £37.8 million is non-cash, comprising a £22.5 million charge relating to impairment of intangible assets and a £15.3 million charge relating to the partial impairment of goodwill in the US business. The classification of items as exceptional requires judgement, including considering the nature, circumstances, scale and impact of transactions upon the Group's results.	The Committee considered the nature and circumstances of the restructuring costs deemed by management to be exceptional, as well as the judgements and estimates made by management in calculating exceptional costs, including provisions for restructuring and legal settlements. The Committee considered the intangible assets that were deemed by management to be impaired, with reference to the Group's IT transformation programme and the impact caused by the cancellation of certain in-flight projects and a change to the Group's technology strategy. The Committee challenged management's judgements and assumptions used in calculating the impairment of intangible assets. The Committee assessed the carrying value of goodwill by reviewing a report by management which set out the values attributable across the cash-generating units (CGU), compiled using projected cash flows based on assumptions related to discount rates and future growth rates. The Committee also considered the work undertaken by PwC and management's sensitivity analysis on key assumptions. In particular the Committee considered the US business, and challenged management around on assumptions made in respect of future growth rates and the discount rate to be applied to the future cash flows. Having discussed the exceptional items with both management and the External Auditor, the Committee concluded that the items disclosed as exceptional are appropriate.

Audit and Risk Committee continued

Auditor independence and non-audit services policy

The Committee believes that the issue of non-audit services to Hays is closely related to External Auditor independence and objectivity. The Committee recognises that the independence of the External Auditor may reasonably be expected to be compromised if they also act as the Company's consultants and advisers. Having said that, the Committee accepts that certain work of a non-audit nature is best undertaken by the External Auditor. To keep a check on this, the Committee has adopted a policy to ensure that the provision of any non-audit services by its External Auditor does not impair its independence or objectivity.

The key features of the non-audit services policy are as follows:

- the provision of non-audit services provided by the Company's External Auditor be limited to a value of 70% of the average audit fees over a three-year period
- any non-audit project work which could impair the objectivity or independence of the External Auditor may not be awarded to the External Auditor
- delegated authority by the Committee for the approval of non-audit services by the External Auditor is as follows:

Authoriser	Value of services per non-audit project
Group Financial Controller	Up to £25,000
Chief Financial Officer	Up to £100,000
Audit Committee	Above £100,000

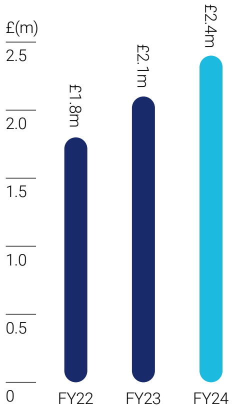
Having reviewed Hays' non-audit services policy this year, including the Authority level of the CFO, the Committee is satisfied that adequate procedures are in place to safeguard the External Auditor's objectivity and independence.

External Audit fees

The three-year average audit fee was £2.1 million. Accordingly, the maximum value of non-audit services that PwC could have been engaged by Hays to provide during the financial year 2024 was £1.5 million. The total fee for non-audit services provided by PwC during the 2024 financial year was £0.3 million (2023: £0.2 million), largely reflecting the FY24 half-year review fee of £0.1 million (2023: £0.1 million). A small number of other assurance services were provided as permitted under the 2019 FRC Ethical Standard for which total costs were £122k (2023: £102k). The Company did not pay any non-audit fees to PwC on a contingent basis. A summary of the fees paid to the External Auditor is set out in note 7 to the Consolidated Financial Statements.

Audit fee

(exc. non-audit fees for assurance services)



Non-audit fee

Audit tender

PwC was appointed as the Group auditor in 2016 and, in accordance with The Competition Market Authority's Statutory Audit Services Order 2014 (CMA Order), the Company will initiate an audit tender process next year. The tender process will be overseen by the Committee.

In respect of FY24, the Company has complied with the CMA Order, with Jon Sturges holding the role of lead audit partner since FY22.

Risk management and internal control

The Board is responsible for the adequacy and effectiveness of the Group's internal control system and risk management framework. In order to fulfil its responsibilities the Board has delegated authority to the Committee.

To establish an assessment from both a financial and operational control perspective, the Committee looks to the work of the Internal Audit function, specifically whether to consider whether significant process and control weaknesses have been identified, then subsequently improved and monitored, and that risks have been identified, evaluated and managed. The Committee reviews the Group's internal control systems and receives updates on the findings of Internal Audit's investigations at every meeting, prior to reporting any significant matters to the Board.

The Committee considered the Group's risk assessment process, which included coverage across the regions, countries and functions within the Group, reviewing the effectiveness of the risk methodology employed, the risk mitigation measures implemented and future risk management and monitoring. The assessment considers each risk on a gross basis (pre-mitigations), the effectiveness of the mitigations in place and the resulting net risk (post-mitigations) to the business. Each net risk is then reviewed against the Group's risk appetite position and, where necessary, if the net risk is greater than the risk appetite, additional mitigation plans will be put in place.

Due to the increasing focus on risk governance, the Committee has started to develop a program to increase the maturity of the Group's current risk management framework, with a focus in FY25 on the risk appetite framework, introducing a series of deep dives on material areas of risk and reviewing the model for assessing emerging risks to the Group. The framework will enhance the Group's risk culture and will further enable risk-informed decision making for all business operations within the acceptable risk appetite position.

Further to the reports received by the Committee, which set out the Group's processes, systems and assurance processes, the Committee has concluded that it has complied with its obligations under the 2018 Code in relation to the assessment of risk together with the monitoring and review of the effectiveness of internal controls and risk management. The Board, through the Audit and Risk Committee, is satisfied that the internal control framework is effective but acknowledges that the Internal Controls project is progressing to enhance internal financial controls, which both the Board and Committee will continue to monitor in FY25.

In Focus: Cyber security and technology infrastructure focus

Cyber security and IT disaster recovery is one of Group's principal risks (see page 83). Hays' systems are fundamental to the day-to-day running of the business and over the course of the year the threat of a cyber attacks continued to increase. The Committee received deep-dives into cyber security-related risks this year, including progress updates on the mitigation, remediation and contingency plans for these risks.

The Hays IT team commissioned an external scan of Hays' technology assets utilising a specialist cyber security SaaS platform. The findings were discussed with the Committee along with a structured plan to improve cyber security maturity. The Committee will continue to receive regular updates on cyber and information security in FY25.

Internal Audit

The Committee oversees and monitors the work of the Internal Audit and Risk function. Its remit is to provide independent and objective assurance over the Group's principal risks and controls. Its purpose, authority and responsibilities are defined in the Group Audit Charter, which is reviewed and approved by the Committee. The Internal Audit function consists of the Head of Internal Audit and a team of Internal Auditors, supported by KPMG as the co-source provider, specifically supporting IT audits and language support across the Group.

The Group Head of Internal Audit has direct access to the Committee and meets regularly with both the Committee and its Chair, without the presence of management, to consider the work of Internal Audit. The Committee approved the programme of work for the Internal Audit function in respect of FY24, as it continues to focus on addressing both financial and overall risk management objectives across the Group. The Internal Audit plan remains under review during the year, allowing the Committee to address any changes in risk profile, business objectives and the external environment.

During the year, 29 Internal Audit reviews were undertaken with the FY24 plan focused around rotational country audits, sourcing and delivery teams, reflecting increased use across the business, IT and cyber, compliance projects, and client contract management. The findings were reported to both the Board and the Committee, with recommendations tracked and progress reported back to the Committee.

No material weaknesses were identified as a result of risk management and internal control reviews undertaken by Internal Audit during the reporting period.

Internal Audit effectiveness

During the year, Internal Audit was subject to both an internal effectiveness review and an external quality assessment (EQA).

The EQA concluded that the Internal Audit function was effective, with a sound methodology in place, and processes were effective and robust. No areas reviewed were considered to be of concern, although a small number of best practice improvement recommendations were made, including that the Internal Audit function will perform its work in line with all the mandatory elements of the Chartered Institute of Internal Auditors International Professional Practices Framework. Following the EQA, an action plan was put in place to implement the findings and track progress

The internal effectiveness assessment considered a questionnaire which assessed performance in a number of areas, including audit work, risk management support, advisory work and value. The questionnaire was completed by the senior management team, which included the Chief Executive Officer, Chief Financial Officer and General Counsel & Company Secretary. The results were reported and discussed by the Committee at the May 2024 meeting.

Following the discussion, the Committee concluded that Internal Audit was an effective provider of assurance over risks and controls and it was agreed that the Committee Chair would address any key actions with the Head of Internal Audit to take forward into FY25.

Minimum Standard

The FRC's 'Audit Committees and the External Audit: Minimum Standard', (the "Minimum Standard"), was published in May 2023. In September 2023, the Committee noted the introduction of the Minimum Standard and approved changes to the Terms of Reference to align with the new requirements. This Committee Report describes how the Committee has met the requirements throughout the year.

Audit Committee effectiveness

The Committee's effectiveness in discharging its duties during the year was assessed as part of the Board internal evaluation in accordance with the Code. The performance of the Committee and its work during the year were considered to be effective when measured against its term of reference and general audit committee best practice.

Priorities for FY25

The Committee is mindful of the evolving regulatory environment and will continue to monitor guidance as it is published.

Key areas of focus in FY25 include:

- Continuing to develop our Internal Controls Framework and monitor the progress of the Internal Controls project, the definition of material operating controls and a strategy for their attestation
- Development of an Audit and Assurance Policy
- Plans to meet CSRD reporting requirements and for increased assurance over ESG data
- Risk deep-dives into Data Privacy, AI Ethical Use Frameworks, Cyber security, IT transformation and IT recovery and business continuity planning, amongst other areas of risk
- Preparation for an external audit tender

ESG COMMITTEE

“Establishing the new ESG Committee reflects the focus the Board is placing on this increasingly important topic. I hope this inaugural report gives a sense of how we are approaching this complex and critical business activity.”

Dear Shareholder

I am delighted to introduce the first report of the ESG Committee.

The Committee was established this year in recognition of the increased focus on sustainability for the Board and Hays, and to allow more time to engage more deeply on ESG matters to ensure we are managing our ESG- related risks and taking advantage of the opportunities.

The Committee met twice this year and received updates on a wide range of topics, ranging from the YourVoice employee engagement survey and the, Company's ambitious green-house gas emission reduction targets to the Group's DE&I strategy.

During the year, the Committee, along with the Audit and Risk Committee, paid careful attention to developing ESG regulation, including the implementation of ESG reporting frameworks. At the first meeting, the Committee heard an external perspective from expert consultants, Verisk Maplecroft, on ESG trends, opportunities, and Hays benchmarking relative to its peers. We also received an update on preparation for the European Corporate Sustainability Reporting Directive and the commencement of a provisional double materiality assessment, which you can read more about on pages 51.

Reviewing reports on themes and issues that matter to our employees is a key responsibility for the Committee. The YourVoice survey is one of the principal tools the Board uses to gauge employee sentiment and engagement. As the Workforce Engagement Director, I was given open access to the platform, allowing me to review the data and free text responses. I spent a considerable amount of time exploring answers, helping me to get a strong understanding of the issues being expressed. This was followed-up by a deep-dive review of the results at the ESG Committee.

In my role as Workforce Engagement Director, I serve as a direct conduit between the Board and employees. My activities this year have continued to provide valuable insights, and these employee perspectives have been factored into Board discussions and decision-making. Through the employee engagement forums we held this year Helen Cunningham, Joe Hurd, Cheryl Millington and I had the opportunity to listen directly to what employees had to say. The groups operated on a confidential basis, and while discussion was intended to be informal, a series of questions were used to open-up topics for discussion. You can read more about this on page 103.

Looking ahead to next year, the Committee will continue its focus on people matters, including employee engagement and DE&I. The Committee will continue to monitor sustainability KPIs to ensure that the Company is making progress against its external commitments and effectively managing sustainability risks and opportunities.

I would like to thank the members of the Committee and the management team for their commitment to ESG matters, and look forward to continuing our work next year.

MT Rainey
Chair of the ESG Committee and Designated Workforce Engagement Director

21 August 2024

Role of the Committee

The role of the Committee is summarised below and detailed in full in its Terms of Reference, a copy of which is available on the Company's website.

The Committee is responsible for:

- Assisting the Board in its oversight of sustainability strategy, ensuring it is aligned with the Company's purpose, strategy, culture, vision and values
- Ensuring that the sustainability strategy is fully integrated into every aspect of our business, and overseeing updates and progress against our targets and commitments
- Monitoring the Company's progress and performance against the Group's sustainability strategy, including its related targets
- Providing support and guidance to management on sustainability matters, as appropriate
- Monitoring the business's engagement with stakeholders, including customers, colleagues, suppliers, the community, shareholders and the government, on sustainability and corporate responsibility matters
- Monitoring external developments on sustainability
- Approving the Committee report on its activities and reviewing sustainability content in the Company's Annual Report and the standalone Sustainability Report
- Reviewing the Company's Modern Slavery Statement prior to approval by the Board

Membership and meetings

The Committee consists of three Non-Executive Directors. The Committee is chaired by MT Rainey, and the other Committee members are Zarin Patel and Joe Hurd. All other Directors are invited to attend if they wish. The Deputy Company Secretary acts as the Secretary of the Committee.

Other attendees include: General Counsel & Company Secretary, Chief Financial Officer, Group Head of Investor Relations and the Head of Sustainability.

The Committee held two scheduled meetings in the year. Attendance at the meetings can be found on page 101.

Further information on the Group's ESG and sustainability agenda can be found on page 48.

ESG strategy

At its first meeting the Committee received a presentation from the Group Head of Sustainability on ESG strategy and our Sustainability Framework, which you can read more about on page 48.

The Committee considered a number of topics central to the delivery of the ESG strategy:

Provisional double materiality assessment

During the year, a provisional double materiality assessment was commenced, with support from expert consultants Verisk Maplecroft. This is intended to align to the requirements of EU CSRD and help inform ESG strategy. Key activities included peer benchmarking, internal and external stakeholder interviews, and a risk and opportunity analysis. You can read more about our provisional double materiality assessment on pages 51-53.

Climate

The Committee received an update on Hays' ambitious greenhouse gas emission reduction targets and the steps taken during the year to increase visibility of the Group-wide climate action. You can read more about this on pages 66-68.

Modern slavery risk mitigation

The second meeting received an update on human rights strategy and in particular on the review of Hays policies and procedures that address modern slavery. During the year, Hays partnered with Slave Free Alliance who conducted an independent review of modern slavery and labour exploitation risks across our operations and supply chain. The review included a review of Company policies, procedures and documented working practices and a series of interviews across various functions and operational geographies. The Committee is supportive of the efforts to strengthen our practices in this area and the recommendations from our collaborative partnership with Slave Free Alliance. More information can be found on page 64.

Employee engagement

Employee engagement and wellbeing is an important area of focus for the Committee.

During the year, the Committee received deep-dive presentations on the results and insights from the 2024 YourVoice employee engagement survey. MT Rainey was given open access to the platform, allowing her to review the data and free text responses, and then the Committee reviewed an analysis of the results broken down by demographic variables, such as business unit, gender and job level. You can read more about YourVoice on page 25.

DE&I is fundamental to Hays attracting diverse talent and maximising our people's potential. At the second meeting this year, the Group Head of DE&I updated the Committee on the Group's DE&I strategic vision and the three-year plan, which you can read more about on page 23.

REMUNERATION COMMITTEE REPORT

"The Committee takes great care in assessing remuneration to ensure it is reflective of underlying Company performance."

Dear Shareholder

FY24 was the first year under the operation of the Remuneration Policy ('the Policy') which was approved by shareholders at the 2023 AGM with a favourable vote of 93.20%.

Last year's FY23 Remuneration Report received a favourable advisory vote of 98.86%.

Backdrop to FY24 targets and FY24 business review

The targets for FY24 were set against an increasingly challenging market backdrop that had already impacted the Group's trading performance in the second half of FY23. Whilst a key aspect of the new focused strategy is to improve the Group's trading resilience and to build greater diversity within its profit generation, the inherent cyclicality of the business means that the setting of the incentive target ranges needs very careful consideration to be appropriately robust and stretching in a rapidly changing external market.

The Committee carefully thought about the targets it should apply to the Annual Bonus and Performance Share Plan ('PSP') award for FY24. As in FY23, the Committee decided to widen the range around profit targets for the FY24 Annual Bonus to reflect the greater than normal level of uncertainty on FY24 earnings and to ensure that any maximum bonus target would require a level of profit achievement well above external consensus forecasts from the time when the targets were originally set.

The Group's pre-exceptional Operating Profit and EPS result in FY24 was significantly impacted by the increasingly challenging market environment, with reduced client and candidate confidence, leading to longer time-to-hire and a reduction to our Perm and Temp placement productivity. We undertook significant action during the year to align our consultant capacity to market demand, restructure our business and back-office operations, reducing our cost base by c£60m on an annualized basis. This ultimately delivered a pre-exceptional operating profit result of £105.1m and pre-exceptional EPS of 4.03p. While this was a robust result in the current market, the outcomes were both well below the target range set for FY24.

We maintained a strong balance sheet through the year and our cash performance was strong with 107% conversion of Operating Profit to Operating Cash Flow, and although our Group DSOs increased modestly these remained below pre-pandemic levels and we again saw very low levels of bad debts. Our strong balance sheet position together with the Board's confidence in our strategy and long-term prospects led to our decision to maintain our full-year dividend at 3.00p in line with FY23.

FY24 Annual Bonus

The FY24 Annual Bonus was based on EPS, Cash Conversion and individual strategic objectives.

As noted above, a wider than normal range was put around the on-target EPS levels to ensure that there was additional stretch to achieve the maximum target, which was appropriate given the increased level of macroeconomic uncertainty.

The FY24 targets for EPS were set against an increasingly challenging market backdrop. The Group's trading environment proved more difficult than expected in FY24, most notably in our Perm recruitment business which became more challenging across the majority of our markets. Despite the decisive management action taken through the year to right-size the business, restructure operations and closely manage costs, ultimately the Group's profit performance was well below the ambitions set at the start of the year and therefore the EPS element of the bonus did not meet the entry threshold resulting in a zero payout.

As noted in the previous section, the Group's cash performance was strong in the year. This drove a Group Cash Conversion of 107%, which delivered a maximum pay-out result against this element of the FY24 Annual Bonus.

After careful consideration the Committee believes that the out-turn of the Annual Bonus is commensurate with the Company's performance. No discretion has been exercised.

The 2021 (FY22) Performance Share Plan (PSP) vesting

In the context of the uncertain economic backdrop in 2021, as the world continued to emerge from the Covid-19 pandemic, long-term target setting was challenging, and the Committee therefore took further time to carefully consider the financial targets for the PSP to ensure they were sufficiently robust and stretching.

The EPS targets anticipated there would be a return to growth and the Committee also strengthened the Cash Conversion range, increasing it from 71% – 101% to 80% – 110%, while maintaining a payment of 45% of this element for 85% achievement.

The Committee also felt it was appropriate to return to a maximum grant of 200% of salary for the Executive Directors, having restricted the grant to 150% of salary in the prior year due to the very challenging economy during the Covid pandemic.

While the economic out-look anticipated a positive return to growth, during the last two years the market and the geopolitical and macroeconomic backdrop have become increasingly challenging. This has affected the final EPS out-turn. The Group's Cash Conversion performance over the last three years has been strong with good control over costs and returns to shareholders have included special dividends.

The Committee undertook a careful review of the PSP outturn and is satisfied that the overall PSP outcome fairly reflects, and is aligned with, the performance achieved. No discretion has been exercised.

Following the assessment of performance, the 2021 (FY22) PSP vested at 52.59% reflecting the three-year Performance Period that ended on 30 June 2024. Alistair Cox is a participant in this PSP. Dirk Hahn and James Hilton are not participants as they were not on the Board at the time of grant.

Alistair's shares that vest under the 2021 (FY22) PSP will now be held for a further two years before release in 2026. During this Holding Period they will be subject to Clawback conditions.

Full details of the Executive Directors' remuneration for FY24 can be found in the Single Figure on page 126 and the full Annual Report on Remuneration on pages 126 to 144.

Remuneration Policy renewal

As stated above, at the AGM on 15 November 2023, the Committee sought shareholder approval for our Remuneration Policy (the 'Policy'), under the normal three-year renewal cycle. We were pleased to receive a favourable vote of 93.20% and would like to thank shareholders for their support as well as their comments and feedback during the consultation process.

The 2023 Policy comprises a FTSE conventional bonus plus performance-based LTIP. The Executive Directors' pension is aligned with that of the wider workforce (their pension contribution is currently 4% of base salary) and includes post-employment shareholding requirements, as well as malus and clawback provisions.

The Policy continues to support the Company's strategic programme. Under the incentive structure, outcomes are based on the key measures of success. There is a short-term focus on profit via the annual bonus and a long-term focus on cash generation through the Performance Share Plan ('PSP').

Cash generation is felt to be critical to fund our strategic growth initiatives to ensure the business outperforms the market, and so that the business maintains an attractive and appropriate returns policy. Appropriate ESG targets, considered on materiality, are included in personal and strategic objectives.

The Committee will continue to monitor the effectiveness of the current approach to pay and, to the extent that more material changes to our approach to pay are considered, we would suitably engage with shareholders about our proposals and seek approval for a new Policy where necessary.

Incoming CEO – Dirk Hahn

As stated in last year's Report, the Board was delighted to welcome Dirk Hahn, previously Managing Director of Hays Germany and CEMEA, as our new Chief Executive from 1 September 2023.

The Committee approved the remuneration for Dirk Hahn which is in line with the Remuneration Policy for new Executive Directors. His salary was set at £620,000 pa upon appointment,which is substantially lower than the previous CEO whose salary was £822,274. Dirk's salary will be kept under review as he builds experience in the role. His pension aligns with that of the majority of the UK workforce (currently 4%) in line with the Policy. These arrangements were disclosed in the 2023 AGM notice.

Dirk had already worked for Hays for over twenty years prior to his appointment as CEO and he retains legacy interests in incentive arrangements granted in relation to his previous role. In the interests of full transparency, the Single Figure of Remuneration includes a value relating to these legacy interests, notwithstanding that they relate to his previous role. The final award under these legacy schemes will be delivered following the end of FY25. In order to support achievement of his shareholding requirements Dirk has agreed to use a portion of his legacy cash awards to purchase Hays' shares.

Departure terms for CEO – Alistair Cox

The Committee has also agreed the terms for the departure of Alistair Cox who stood down from the Board on 31 August 2023. He is serving his twelve months' notice from 24 August 2023 to 23 August 2024 when his employment terminates. Part of his notice from 1 September 2023 to 23 August 2024 is being served on Garden Leave. During this time, he is only being paid his contractual entitlements in line with the Policy. He is entitled to an FY24 Annual Bonus pro-rated for the period he was actively serving as CEO in the business from 1 July 2023 to 31 August 2023.

After due consideration, the Committee has agreed to exercise its discretion under the plan rules and award Alistair Good Leaver status in recognition of his significant contribution over his 16 years with the business. Where relevant, all outstanding performance-based awards will be pro-rated for time and will only vest based on performance at the end of the relevant Performance Period and in line with the plan rules.

All Alistair's departure terms fully comply with the Remuneration Policy and are covered in section 2.6. For full transparency, as part of his notice period falls into FY25 (1 July 2024 to 23 August 2024), remuneration for this period is also disclosed in 2.6.

Alistair will comply with post-employment shareholding requirements as per the Policy.

Remuneration for FY25

FY25 Salary review

For FY24, the Committee was very cognisant of the rising Cost of Living issues affecting the wider workforce. Across the business it was determined that no increase would be given to some senior employees. Instead, their pay review budget was distributed to eligible employees below this level. The Committee followed this approach and no increases were given to the Executive Directors or members of the Executive Leadership Team ('ELT'). There was also no adjustment to the Chair's fee or the fees in relation to the Non-executive Directors for FY24.

For FY25, a pay review budget was established at 3% for the eligible workforce and this has been applied to the CEO, Dirk Hahn and members of the Executive Leadership Team ('ELT').

Upon appointment of James Hilton as CFO in October 2022, the Committee determined that his remuneration arrangements would be set at a significant discount to the previous incumbent. As noted in the 2022 Remuneration Report the Committee committed to keeping his salary under review as he developed in the role.

As James transitions into his third year as Board Director at Hays and following a review of performance to date and contribution in role, the Committee determined his base salary will move from £420,000 to £470,000 for FY25. This represents an 11.9% increase comprising 3% in line with the wider workforce and 8.9% to recognise his growth into role. His revised salary remains 17% below the previous incumbent's salary (£564,627). The Committee has concluded that this revised salary suitably responds to the highly competitive talent market which continues to apply for experienced CFO roles and also represents a fair reflection of his experience and contribution in the role since appointment. There are no other changes to benefits.

Pension

In line with the Policy approved at the November 2023 AGM, pensions for Executive Directors remain in line with the eligible workforce and are currently 4% of salary.

Annual Bonus for FY25

Annual Bonus potential is 150% of salary. Annual Bonus targets will be retrospectively disclosed in the FY25 report.

2024 (FY25) PSP grant

The current combination of Cash Conversion, EPS and relative TSR metrics will be maintained for this award. Given the continuing uncertain economy, the Committee is currently in the process of further considering and finalising the detailed targets for the financial metrics to ensure they are suitably robust and challenging. Once finalised, we intend to disclose these on our website in advance of the 2024 AGM. Any shares that vest under the 2024 (FY25) grant would be subject to a further two-year Holding Period. The PSP is subject to both Malus and Clawback conditions.

The intention is to grant 200% of salary to the Executive Directors.

Other Committee activities in FY24

In addition to determining the remuneration for the incoming CEO, the Committee has also reviewed and approved the remuneration for other Specified Individuals on the ELT including the new Chief People Officer and new Chief Technology Officer.

The Committee published the results for the Gender Pay Gap in April 2024 and has continued to monitor actions being taken within the Company to close the gap.

The Committee maintains an interest in the wider workforce remuneration structures and market conditions and received a briefing on each of Hays' locations prior to determining the pay review for FY25. It also received a briefing on the terms of the EU Pay Transparency Directive.

The Committee also wrote to over twenty of our largest shareholders and proxy voting agencies to provide an update on how we intended to apply the Remuneration Policy.

Clear reporting and transparency

We aim to make the Directors' Remuneration Report clear, concise and easy to follow and have included an At A Glance page to help summarise key areas of interest. The full Remuneration Report can be found on pages 126 to 144.

We trust that this report demonstrates how we balance performance, reward and underlying associated behaviours and that we place great importance on our duty not only to shareholders but to our wider workforce and other stakeholders, and that we are aware of the greater societal issues and market sentiment. We are especially vigilant as the market, economic and political situations and their impact continue to be felt in the varying economies.

Susan Murray
Chair of the Remuneration Committee

21 August 2024

See the Committee's Terms of Reference online at haysplc.com

Membership and Meetings

Four formal meetings were held during FY24 – one in each of July and August 2023 then one in each of January and May 2024. Attendance is shown on page 101. In addition, members participated in other discussions as required.

When determining the Remuneration Policy and its implementation each year, the Committee considers the factors set out in Provision 40 of the UK Corporate Governance Code, namely:

- **Clarity** – We aim to clearly and transparently disclose our remuneration structure within the Remuneration Policy and Remuneration Report, including how it aligns to our strategic goals. We engage with shareholders prior to making any significant changes.
- **Simplicity** – We operate a simple incentive structure in line with typical UK listed company practice, with performance metrics fully aligned to strategy.
- **Alignment to culture** – Our Global Principles of Remuneration demonstrate how our remuneration links to our Purpose and Values and are available to all employees. We operate a high-performance model, with a high proportion of remuneration based on variable pay.
- **Predictability** – The scenario graphs in the Remuneration Policy demonstrate the range of potential remuneration outcomes under different performance scenarios including the effect of a change in the Company's share price.
- **Proportionality** – A high proportion of remuneration is based on variable pay. Our PSP has a total five-year life-span and Executive Directors have shareholding guidelines in and post-employment, to ensure alignment with shareholders' interests.
- **Risk** – The Committee retains discretion to adjust the outcome of the formulaic results if they feel these do not adequately reflect the underlying performance of the Company. Malus and Clawback apply to both the Annual Bonus and PSP.

This report is structured as follows:

Section	What it includes
Letter from the Remuneration Committee Chair Page 120	
Remuneration At A Glance Page 124	
Annual Report on Remuneration Page 126	This report is divided into sections: 1. Single Figure of Remuneration – page 126 2. Long-term value creation – page 132 3. Remuneration in the broader context – page 137 4. Statement of implementation of the Remuneration Policy in the following financial year – page 141 5. Governance – page 143
Our full current Remuneration Policy	Our full current 2023 Remuneration Policy as applicable to FY24 can be found on our website at haysplc.com under Governance and then Remuneration

REMUNERATION AT A GLANCE

Business context
How did we perform?

- Net fees of £1,113.6 million, representing 12% LfL decline, set against increasingly challenging market conditions. Despite this, productivity was at near record levels and increased 1% versus prior year.
- Pre-exceptional operating profit of £105.1 million delivered pre-exceptional EPS of 4.03 pence per share. Whilst operating profit decreased versus prior year, management's focus on driving operational rigour and managing consultant capacity meant we reduced costs by an annualised c.£60 million.
- A good cash performance, with year-end net cash of £56.8 million and cash conversion of 107%, driven by DSOs of 36 days being maintained below pre-Pandemic levels. The increase versus prior year of 33 days is due to the relative resilience of our Enterprise clients, that typically have longer payment terms.
- Supported by a strong balance sheet and the Board's confidence in our strategy, the core dividend of 3.00 pence per share is being held in-line with prior year.

Incentive arrangements:
Supporting our key strategic priorities

Incentive arrangements continue to have a short-term focus on profit and a long-term focus on cash generation.

Bonus

- Financial metrics (80%) place emphasis on profit and maintain focus on cash returns and business efficiency.
- Personal objectives (20%) provide building blocks to longer-term strategic goals.

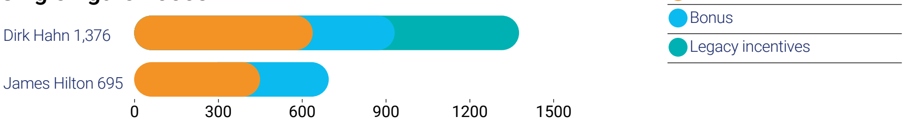
PSP

- The cash element (50%) focuses on the long-term business efficiency and return to shareholders through dividend payments.
- The EPS element (30%) is a key performance measure aligned with shareholder interests.
- The TSR element (20%) directly measures shareholder returns relative to industry peers.

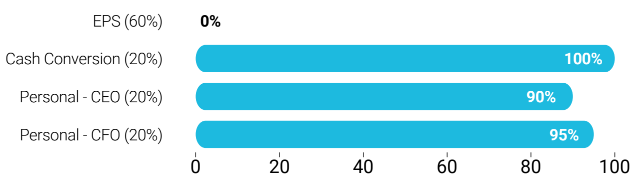
Remuneration for FY24: What did Executive Directors earn during the year?

Dirk Hahn and James Hilton did not participate in the 2021(FY22) PSP that vested in FY24.

Single figure £000s



FY24 Bonus

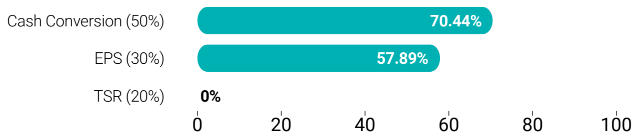


CEO
38% of maximum

CFO
39% of maximum

Alistair Cox (CEO until 31 August 2023) received a pro-rated bonus (see page 127)

2021 (FY22) PSP



Dirk Hahn and James Hilton did not participate in this PSP. Alistair Cox's award vested at 52.59% of maximum (see page 130).

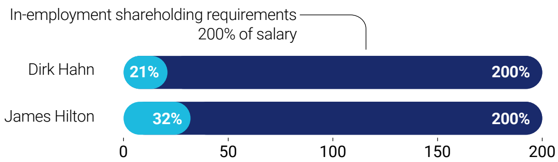
Alignment with shareholders

Both the CEO and CFO were recently appointed to the Board (in September 2023 and October 2022 respectively), and are therefore expected to build up their shareholdings over the course of their tenure.

CEO
21% beneficially owned

CFO
32% beneficially owned

In-employment shareholding requirements



Overview of Remuneration Policy: How will Executive Directors be paid in FY25?

The Remuneration Policy was approved at the 15 November 2023 AGM with a favourable vote of 93.20%

Fixed pay
Base salary, pension and benefits

- 3% salary increase for FY25 for Dirk Hahn. James Hilton received an 11.9% increase comprising 3% in line with the wider eligible workforce and 8.9% recognising his growth into role.
- Salaries for FY25 will be: CEO (Dirk Hahn) – £639k; CFO (James Hilton) – £470k.
- Benefits package remains unchanged – includes health insurance and car-related benefits.
- Pension contribution of 4% in line with the wider workforce.

Bonus
Short-term variable remuneration

50% Cash → 50% deferred into shares for three years

- To align reward to key annual objectives relating to the Group's financial and operational strength.
- Maximum opportunity unchanged at 150% of salary for all Executive Directors.
- Performance measures for FY25 will be based on financial targets (80%), weighted towards profit with the balance based on personal/strategic goals (20%).

PSP
Long-term variable remuneration

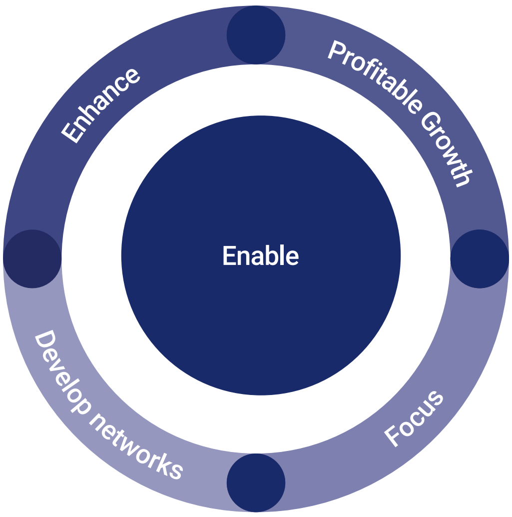
3-year performance period → 2-year holding period

- To incentivise the delivery of sustained long-term performance and align with share price and dividend growth over the long term.
- Maximum opportunity unchanged at 200% of salary for all Executive Directors.
- Performance measures for the 2024 (FY25) PSP will be Cash Conversion (50%), EPS (30%), TSR (20%).

Shareholding guidelines

- To ensure that Executive Directors' interests are aligned with those of shareholders over the longer-term.
- No change to in-employment and post-employment shareholding requirements from the 2023 Policy.

Performance measures for FY24: How does our reward framework align with our strategy?



	Measure	Focus
Bonus – short-term agility		
60%	EPS	Short-term focus on profit 1 4
20%	Cash Conversion	Cash returns and business efficiency 4
20%	Personal/Strategic	Aligned to long-term business goals 3 4 5
PSP – long-term sustainability and focus		
50%	Cash Conversion	Long-term business efficiency 4 5
30%	EPS	Strategic direction of the business 1 2 4 5
20%	Relative TSR	Directly measures shareholder returns 1

1 Profitable Growth 2 Focus 3 Develop networks 4 Enhance 5 Enable

ANNUAL REPORT
ON REMUNERATION

Section 1 – Total reward for FY24

In this section:

1.1 FY24 Single Figure for Executive Directors

1.1.1 Salary

1.1.2 Benefits

1.1.3 Pension

1.1.4 Annual bonus

1.1.5 PSP

1.2 FY24 fees for Non-Executive Directors ('NED's)

Section 1 – Total Reward for FY24

1.1 FY24 Single Figure for Executive Directors

The Single Figure of Remuneration and the subsequent details of the figures reflect the facts that:

- Alistair Cox stepped down as CEO on 31 August 2023. His remuneration therefore is from 1 July 2023 to 31 August 2023; and
- Dirk Hahn was appointed as CEO from 1 September 2023. His remuneration therefore is from 1 September 2023 to 30 June 2024.

Single Figure of Remuneration (audited)

The following table shows the total Single Figure of Remuneration for each Executive Director in respect of qualifying services for FY24. Comparative figures for FY23 have also been provided. Details of NED fees are set out in Section 1.2 on page 131.

	FY24			FY23	
£000s	Alistair Cox CEO up to 31 Aug 2023	Dirk Hahn CEO from 1Sep 2023	James Hilton CFO	Alistair Cox CEO	James Hilton CFO from 1 Oct 2022
Salary (Note 1)	139	515	420	822	315
Benefits (Note 2)	7	101	12	44	11
Pension (Note 3)	6	21	17	99	13
Total Fixed Remuneration	152	637	449	965	339
Annual Bonus (Note 4)[(a)]	75	294	246	643	251
PSP (Note 5)[(b)]	611	n/a	n/a	841	0
Legacy incentives[(c)]	n/a	445	n/a	n/a	n/a
Total Variable Remuneration	686	739	246	1,484	251
Total Remuneration	838	1,376	695	2,449	590
Total (excluding legacy incentives)	838	931	695	2,449	590

(a) The value shown for Dirk Hahn, relates to the award earned during the period following his appointment to the Board. Dirk Hahn also earned a bonus of EUR12k for the period from 1 July 2023 to 31 August 2023 in respect of his previous role. The value for Alistair Cox relates to the period 1 July 2023 to 31 August 2023 while he was still on the Board as CEO. He is not entitled to a bonus for the period 1 September 2023 to 30 June 2024 (remainder of FY24) nor for the period 1 July 2024 to 23 August 2024 when he ends employment.

(b) The value of the 2021 (FY22) PSP (vesting in October 2024) is based on a share price of £0.9878 which was calculated using an average for the final quarter of the financial year in accordance with the Regulations as the vesting will occur after the date of this Report. The share price on award was £1.533 being the closing price on the day preceding the grant date. As such, no part of the value shown above is attributable to share price growth. The award vested at 52.59% of the maximum. More information is shown on page 130. The figure shown for Alistair Cox has not been pro-rated as he has been employed for the whole performance period. The PSP figures for the award that was granted in 2020 (FY21) and vested in 2023 now reflect the actual vesting price on 20 November 2023 of £1.055. No shares were released but moved into their Holding Period. Neither Dirk Hahn nor James Hilton were participants in either of these executive director schemes.

(c) Dirk Hahn had legacy interests in long-term incentives awarded in respect of his previous role as MD Germany & CEMEA. Although these awards were granted in relation to his previous role, the amounts are being declared in the interests of full transparency. A legacy bonus of EUR150k was granted in 2021 and payable in June 2024 subject to continued employment. This is not stated in the Single Figure table as it has no performance conditions. It equates to £127k using the year-end exchange rate of £1.00 = EUR1.1798. He also had an interest in a legacy LTIP arrangement which vests in 2025, linked to profitability of the German business in the periods to the end of FY23, FY24 and FY25. An amount of €525k (equivalent to £445K using the same exchange rate) is included in the table above and relates to the element based on performance to the end of FY24. The final vesting level for this award will be determined and delivered following the end of FY25. To the extent that his CEO shareholding requirements have not been reached, it has been agreed that he will use a portion of his legacy awards to purchase Hays shares.

Components of the Single Figure and how the calculations are worked out

The following tables and commentary explain how the Single Figure has been derived.

1.1.1 Salary – note 1 (audited)

What has happened

It was determined that there would be no salary increases for FY24 for eligible employees who earned salaries equivalent to £100k or above. In line with this decision, there were no increases to salaries for the executive directors for FY24.

Executive Director	Annual Salary for FY24	Increase over FY23	Annual Salary for FY23
Alistair Cox	**£822,274**	0.0%	£822,274
Dirk Hahn – salary on appointment	**£620,000**	n/a	n/a
James Hilton	**£420,000**	0.0%	£420,000

The salary levels for Alistair Cox and Dirk Hahn shown in the Single Figure of Remuneration table in 1.1 above are the pro-rated amounts for their service in FY24.

1.1.2 Benefits – note 2 (audited)

What has happened

There were no changes to Policy in FY24.

£000s Executive Director	Private Medical Insurance (PMI)(1)	Life Assurance(1)	Income Protection(1)	Car/Car Allowance(2)	Housing Allowance(4)	Tax Assistance(5)	Total
FY24							
Alistair Cox	0	3	3	1	n/a	0	**7**
Dirk Hahn(3)	4	4	n/a	17	66	10	**101**
James Hilton	3	1	n/a	8	n/a	0	**12**
FY23							
Alistair Cox	3	18	15	8	n/a	0	**44**
James Hilton	3	1	n/a	7	n/a	0	**11**

(1) PMI, Life Assurance and Income Protection figures represent the annual premiums. Figures have been pro-rated in relation to service in FY24. Alistair Cox receives PMI but his pro-rated premium for the period 1 July to 31 August 2023 is below £1K. Dirk Hahn and James Hilton do not receive Income Protection.
(2) Alistair Cox and James Hilton could have chosen to have a car allowance of £20k pa and £18k pa respectively or take a Company car and any residual car allowance depending on car choice. They have both opted for an electric car and receive a cash allowance to cover the residual value of their benefit. The figures shown therefore are the benefit-in-kind value of the car plus the annual residual car allowance. Dirk Hahn has a car allowance of £20k pa which has been pro-rated in line with his service.
(3) Dirk Hahn's benefits have been pro-rated in line with his service for the period 1 September 2023 to 30 June 2024. The amount shown for his PMI is a mandatory figure set by the German authorities and which forms part of the mandatory Company German social security payment.
(4) The amount shown relates to Dirk Hahn's UK housing allowance as he is normally resident in Germany. This equates to £5,000 net per calendar month. However, the tax treatment is different in the UK and Germany. The gross up for tax purposes varies in each location. The figure shows the total amount taking this into consideration.
(5) Dirk Hahn is also entitled to tax assistance regarding the completion of UK and German tax returns, up to a maximum value of £10,000 pa. The actual value of this benefit for FY24 was not known at the time of finalising this report and therefore the actual amount will be disclosed in the FY25 Remuneration Report. For transparency purposes, the maximum he is allowed to claim is reported above.

1.1.3 Pension – note 3 (audited)

What has happened

There has been no change to the Policy. Executive directors receive a pension allowance of 4% of salary, in line with the majority of the relevant workforce.

£000s Executive Director	Pension
FY24	
Alistair Cox	**6**
Dirk Hahn	**21**
James Hilton	**17**
FY23	
Alistair Cox	**99**
James Hilton	**13**

1.1.4 Annual Bonus – note 4 (audited)

What has happened

The figure shown is the total bonus awarded in relation to the performance in the year, including the portion that is deferred. The maximum opportunity under the Policy is 150% of salary.

For bonus awarded in relation to FY24 performance, 50% of the figure shown is deferred into shares for three years. There are no further performance conditions but leaver terms apply.

The cash element of the bonus award is subject to Clawback for three years from award. The deferred element is subject to Malus for the three-year Holding Period.

Alistair Cox was entitled to a bonus for the period he worked in FY24 ie from 1 July 2023 to 31 August 2023.

The bonus amount shown for Dirk Hahn is pro-rated for the period 1 September 2023 to 30 June 2024.

For completeness, Dirk Hahn also received a bonus of EUR12k in relation to his previous role of MD Germany & CEMEA. This was a pro-rated amount relating to the period 1 July 2023 to 31 August 2023.

Annual Report on Remuneration continued

Calculation of actual results (audited)

Annual Bonus FY24 outcome					Alistair Cox		Dirk Hahn		James Hilton	
Performance condition	Weighting	Threshold performance required (0% of element vests)	Maximum performance required (100% of element vests)	Actual performance	Achievement % of maximum	Bonus value £000s	Achievement % of maximum	Bonus value £000s	Achievement % of maximum	Bonus value £000s
EPS*	60%	5.71p	9.02p	4.03p	0.00%	0	0.00%	0	0.00%	0
Cash Conversion	20%	63.5%	101.0%	106.95%	100.00%	42	100.00%	155	100.00%	126
Personal Alistair Cox	20%	–	100%	80%	80.00%	33	–	–	–	–
Personal Dirk Hahn	20%	–	100%	90%	–	–	90.00%	139	–	–
Personal James Hilton	20%	–	100%	95%	–	–	–	–	95.00%	120
Total FY24	**100%**			**These totals are in the FY24 Single Figure**	36.00% of max 54.00% of salary	75	38.00% of max 57.00% of salary	294	39.00% of max 58.50% of salary	246
* Both the target and actual performance were based on budget exchange rates. Therefore actual performance varies from reported performance due to movements in exchange rates during the year.					Of which cash – 50%	37.5	Of which cash – 50%	147	Of which cash – 50%	123
					Of which deferred – 50%	37.5	Of which deferred – 50%	147	Of which deferred – 50%	123

Use of discretion

The Committee has carefully reviewed the actual results and considered the underlying performance of the Company, as well as the effect of market and economic circumstances. The Committee has also considered any impact on the Company's key stakeholders and the input of the executives in achieving the final outcomes. After careful reflection, the Committee feels that the formulaic outcome of the FY24 bonus is fair and justified and has exercised no discretion.

Personal objectives (Auditable)

Personal objectives are weighted at 20% of the Executive Directors' Annual Bonus potential (a maximum of 30% of base salary). They comprise specific issues that should be achieved during the financial year to safeguard the business and contribute to, or form, the essential building blocks of our future long-term strategic priorities. As a result, some details of the executives' objectives cannot be fully disclosed due to their commercial sensitivity. However, the key major themes of the objectives and the executives' broad achievements are summarised below. Targets for the CEO were set in the context of his appointment and short-term objectives required to position the Group for long-term success.

Dirk Hahn – CEO: overall score 18/20 = 90%

Personal Objective	Outcome
Revisit the Group 5-year strategy, including:	
Clarify the strategy for UK, Australia and Germany and the strategy to grow other key countries. Consideration of how current levels of cyclicality might be reduced	The strategy has been updated. It has been communicated internally and externally and is in the process of being implemented. Clear focus across the business on delivering high drop-through of fee growth to operating profit when end markets recover.
	Score: 3.5/4
Technology transformation:	
Outline the medium/long term plans for Technology, including the needs of the organisation to support the strategy/future business, planned future structure of the Technology function, consideration of internal versus outsourced resource, and timescales to implement. Develop a clear plan to appropriately manage cyber risk. Develop succession planning within the Technology function.	Progress towards transformation of Technology in line with long-term goals. A new Chief Technology Officer ('CTO') has been appointed. Provided clear guidance to the CTO of early priorities and has given the CTO the support, guidance and confidence to build a much more effective team and lead the outsourcing discussion. This has culminated in the appointment of Cognizant as our Technology service provider. Strengthening expertise in key roles including the appointment of a Data Protection and Information Security Head.
	Score: 4/4
Review risk management process:	
Drive risk management through the business, with clear understanding of risks and mitigating actions.	The Executive Risk Management Committee has been refreshed with a clear Terms of Reference.
Develop clear reporting/monitoring of risks arising from emerging technologies, including a clearer understanding of AI risks and opportunities.	An improved risk management framework has been put in place and endorsed by the Board
	Score: 3/4

Personal Objective	Outcome
Succession Planning:	
Start to map out the approach to future Succession Planning, and then work with a new Chief People Officer on detailed plans. Start the process to embed succession planning comprehensively across the whole business.	A new Chief People Officer ('CPO') was appointed. Supported and implemented several senior management changes. Formed a new Executive Leadership Team ('ELT'). Challenged and supported senior team members to improve the "strength and depth" of their own teams (eg the Technology function). Ongoing work alongside the new CPO to strengthen succession planning across the business.
	Score: 3.5/4
Communications and inclusivity:	
Build and develop strong working relationships with the Board. Establish the new Executive Leadership Team and ensure collegiate and inclusive environment.	Ensured a positive and constructive environment at ELT and at Board level. Has created a more inclusive environment across the organisation. Worked to develop positive relationships with all stakeholders.
	Score: 4/4

James Hilton – CFO – overall score 19/20 = 95%

Personal Objective	Outcome
Trading, cost control and cash	
Strong Group-wide management of productivity, headcount and operating cost control. Manage Group cash and debt management to culminate in a strong year-end cash position and DSO performance.	Close management of the front and back office headcount, and overhead cost spend. £60m pa cost savings delivered, including £30m in structural savings. Consultant productivity increased 1% despite a challenging market backdrop. DSO maintained at 36/37 days through the year with good overall age profile and low write-offs. The year-end cash position was £56.8m with the Cash Conversion rate 107%
	4/4
Corporate Governance, Reporting and Risk	
Further detailed development of the Group Audit & Assurance policy, including Group Internal Control processes and testing regime, fraud risk and financial risk assessments. Stewardship of the new Group ESG Committee and the changes to reporting in areas such as Carbon and ED&I. Updated Cyber Security handbook and response plan. Develop a new forecasting and planning framework	Group Audit and Assurance policy is on target to meet objective for attestation for FY26. During FY24 a new ESG committee was established with two meetings completed. New SISO in place and the cyber security handbook is in the process of being updated. New business line reporting and KPI pack is now rolled out in quarterly and monthly formats for all key and focus countries.
	3/4
Global operating model for finance	
Successful onboard of new Director of Finance Transformation, and supporting team, and introduction to business. Develop high level finance operating model plan, including structure, cost savings and key deliverables. Identification of a Shared Service Centre ("SSC") strategy including leverage of existing facilities and resources.	A new Director of Finance Transformation has been recruited and he and his team onboarded and well established in the business. The Americas Region finance transformation well underway with the SSC expanded and completed for the Americas transformation. Further plans are underway to develop SSC support in other languages for phase two. A Long-term (4-5 year) plan for Finance transformation has been developed with an ambitious cost saving objective.
	4/4
Group cost saving plan	
Identification and delivery of Group cost saving plan to provide material protection to Group bottom-line performance.	A plan was developed to reduce Group cost base by c£50m pa, with c£20m structural cost savings. During FY24, delivered c£60m pa of cost savings, including c£30m pa structural savings.
	4/4
Global finance team and people development	
Develop global Finance succession planning with action plans for any significant gaps. Work towards senior female representation in Finance (down to level below Regional FD) consistent with Group target of 50% by 2030. Ensuring tracked and balanced short-list for key hires, using 100% skills-based interviewing	The global Finance succession plan has been completed together with long term development plans for key individuals. There have been tracked and balanced short-lists for key hires, using 100% skills-based interviewing.
	4/4

Annual Report on Remuneration continued

Alistair Cox

Alistair Cox stepped down from the Board with effect from 31 August 2023 and was eligible for a pro-rated bonus for the two-month period spent actively employed (with an effective opportunity of 25% of salary). His bonus had the same structure as Dirk Hahn and James Hilton i.e. 80% based on financial targets and 20% based on personal performance. The details of the financial performance assessment are described above. The personal element of his bonus was primarily assessed based on targets relating to the handover of responsibilities to his successor, given his departure in the first quarter of the financial year. The Committee determined that an outcome of 80% of maximum or 4% of his annual salary under the personal element was appropriate. The bonus will be subject to deferral in line with the Policy.

1.1.5 PSP – note 5

PSP 2021 (granted in FY22) vesting in 2024 (audited)

The FY22 PSP is only applicable to Alistair Cox. Dirk Hahn and James Hilton did not participate in this award.

The award vested at 52.59%.

The 2021 (FY22) PSP targets were set at time the world was emerging from the COVID-19 pandemic, which made long-term target setting challenging. At the time that the targets were set, despite a positive short term outlook, there was still considerable uncertainty and volatility in the market. There was also limited visibility regarding long-term prospects, or the pace and trajectory for any economic recovery.

The Remuneration Committee was keen to spend appropriate time calibrating and reviewing the targets for the FY22 PSP awards to ensure that they were sufficiently robust and stretching. The EPS targets took into account both internal and external forecasts from the time the targets were set. The Committee also determined to strengthen the Cash Conversion rage and moved it from 71% – 101% to 80% – 110%. However, an award of 45% of this element remained payable for cash conversion of 85%, with straight-line vesting for interim levels of performance.

The Committee published details of the targets for the FY22 PSP on the Company website, in advance of the November 2021 AGM.

Although the targets were set in a time of uncertainty, the general view was that markets were becoming more buoyant and there was a positive economic outlook. However, during the three-year Performance Period, the economy and geo-political situation have become more challenging and therefore EPS targets have only partially been met. However, there has been good cash performance with DSOs maintained below pre-pandemic levels.

Taking into account the above, the Committee concluded that the outcome represents a fair reflection of performance over the period. No discretion has been exercised.

Awards will be subject to a two-year holding period which will ensure that participants remain aligned with longer-term shareholder experience. The award is also subject to malus and clawback provisions.

The share price used to calculate the award was £1.533, being the closing price on the day preceding the grant date.

Performance Period	1 July 2021 to 30 June 2024
Grant date	5 October 2021
Vest date	5 October 2024 followed by a two-year Holding Period

Performance condition	Weighting	Threshold performance required (25% of element vests)	Interim point (45% of the element vests)	Maximum performance required (100% of element vests)	Actual performance	PSP value achieved as % of maximum
Relative TSR[(1)]	20%	Median of the comparator group	-	Upper quartile of the comparator group	Below Median	0.00%
EPS[(2)]	30%	18.91p	-	25.60p	21.84p	57.89%
Cash Conversion[(3)]	50%	80%	85%	110%	96.56%	70.44%
Total	100%					52.59%

(1) TSR is measured against a bespoke comparator group, with vesting subject to satisfactory financial performance as determined by the Committee. The comparator group for the FY22 award is: Adecco SA, Kelly Services Inc, Manpower Inc, Page Group, Randstad Holdings nv, Robert Half International Inc, Robert Walters plc and SThree plc.

(2) The Committee took the following into account when setting the EPS targets:
- EPS Budget (the setting of which is a robust and transparent process);
- The expectations of performance for years two and three;
- The strategic direction of the business over the period covered by the PSP award;
- Market conditions and visibility of future trading, and
- Analysts' forecasts.

While there remained a degree of uncertainty regarding the long-term market and economic environment, the Committee was satisfied that the target range was highly challenging, with full vesting requiring very significant growth when compared to results for both FY20 and FY21.

(3) The target range for Cash Conversion was increased in comparison to that applicable to prior awards (previously 71% to 101%). An award of 45% of this element is payable for Cash Conversion of 85%, with straight-line vesting for interim levels of performance.

Notes:
There will be a two-year Holding Period post-vesting for the shares that vested as a result of the performance conditions being met. The award is subject to Malus for the three-year Performance Period and Clawback during the two-year Holding Period.

Executive Director	% of FY22 salary awarded	Face value at award £000s	Share price at award £	Maximum number of shares excluding dividends	Maximum number of shares including dividend equivalent shares	Number of shares that vested including dividend equivalent shares	Vest date	Release date	Value (figure shown in Single Figure of Remuneration) £000s[1]	2020 (FY21) award that vested in 2023 as stated in the FY23 Single Figure £000s	2020 (FY21) award value restated using share price at vest date £000s[2]
Alistair Cox	200	1,566	1.533	1,021,680	1,175,363	618,087	5 October 2024	5 October 2026	611	877	841

(1) The value of the 2021 (FY22) PSP is based on a share price of £0.9878 which was calculated using an average for the final quarter of the 2024 financial year in accordance with the Regulations as the vesting will occur after the date of this report.
(2) The value of the 2020 (FY21) PSP disclosed in the 2023 Single Figure was based on a share price of £1.0991 which was calculated using an average for the final quarter of the 2023 financial year in accordance with the Regulations as the vesting occurred after the date of the Report. The share price on award was £1.345. The actual share price on the date of vesting was £1.055. The date of vesting was 20 November 2023. This price has been used to restate the value of the 2020 (FY21) PSP awards in the Single Figure for 2023 in the table above and the Single Figure table on page 126. Please note that no shares were released on this date. The shares that vested were placed into their two-year Holding Period.

Performance conditions

The Committee believes that the performance conditions for all incentives:

- Are suitably demanding;
- Have regard to business strategy;
- Incorporate an understanding of business risk;
- Consider shareholder expectations; and
- Take into account, to the extent possible, the cyclicality of the recruitment markets in which the Group operates.

To the extent that any performance condition is not met, the relevant part of the award will lapse. There is no re-testing of performance.

1.2 Non-Executive Directors' FY24 fees (audited)

The table below shows the current fee structure and actual fees paid in FY24.

£000s Non-Executive Director	Andrew Martin **Chair**	Peter Williams[1] **SID**, R, N, **A**	Susan Murray **R**, N, A	MT Rainey[2] R, N, A, **W, E**	Cheryl Millington[3] **SID**, R, N, A	Joe Hurd[4] R, N, A, E	Zarin Patel[5] **A**, R, N, E	Helen Cunningham[6] A, R, N	Anthony Kirby[7] A, R, N
Total fee FY24	240	55	75	75	66	62	67	21	16
Taxable expenses FY24	–	–	–	–	–	5	–	–	–
Total FY24	**240**	**55**	**75**	**75**	**66**	**67**	**67**	**21**	**16**
Total fee FY23	240	86	75	75	62	62	31	–	–
Taxable expenses FY23	–	–	–	–	–	2	–	–	–
Total FY23	**240**	**86**	**75**	**75**	**62**	**64**	**31**	**–**	**–**

(1) Peter Williams stood down from the Board on 20 February 2024. His fee represents the period 1 July 2023 to 20 February 2024.
(2) MT Rainey became Chair of the ESG Committee which was established in FY24. There was no change to her fee. She remains the NED for Workforce Engagement.
(3) Cheryl Millington became SID on 21 February 2024.
(4) Joe Hurd – The total amount for Joe Hurd includes expenses incurred in execution of duties which are taxable for reporting purposes.
(5) Zarin Patel became Chair of the Audit & Risk Committee on 21 February 2024.
(6) Helen Cunningham joined the Board on 1 March 2024. Her fee represents the period 1 March 2024 to 30 June 2024.
(7) Anthony Kirby joined the Board on 1 April 2024. His fee represents the period 1 April 2024 to 30 June 2024.

Key – positions held during FY24

R	Remuneration Committee member
A	Audit & Risk Committee member
N	Nomination Committee member
E	ESG Committee member
SID	Senior Independent Director
R N A E	Chair of relevant Committee
W	NED for Workforce Engagement

Annual Report on Remuneration continued

Section 2 – Long-term value creation

2.1 Outstanding Deferred Annual Bonus awards ('DAB') (audited)

The table below shows the shares held under the DAB and those that were awarded or vested during FY24. The shares that vested related to deferred Annual Bonus from previous years. The DAB is granted using conditional shares. Dividend equivalent shares which accrue under the DAB have been included in the table below.

There are no further performance conditions.

Section 2 – Long-term value creation

In this section:

2.1 Outstanding Deferred Annual Bonus

2.2 Share Options

2.3 Outstanding PSP awards

2.4 Statement of Directors' shareholding and share interests

2.5 TSR chart and table

2.6 Payments to past Directors/payment for loss of office during FY24

Executive Director	Awards outstanding at 1 July 2023[1]	Dividend equivalents accrued to date	Awards granted in FY24	Grant price (market price at date of award)	Face value of award granted in FY24 (at grant price)	Dividend equivalents accrued to date	Awards vesting in FY24	Awards outstanding as at 30 June 2024
Alistair Cox	798,090	140,898	310,702	£1.035	£321,577	15,823	417,727	847,786
Dirk Hahn	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
James Hilton[2]	0	0	121,308	£1.035	£125,554	6,177	0	127,485

(1) The opening balance shows number of shares at award and not any accrued cumulative dividend equivalents.
(2) James Hilton's DAB granted in FY24 represented 50% of his bonus for the period 1 October 2022, the date of his appointment, to 30 June 2023.

Note: As per the Policy, 50% of any bonus award is deferred into shares. The shares granted in FY24 relate to the deferred annual bonus for FY23.

2.2 Share options (audited)

The executive directors participated in the UK Sharesave Scheme (approved by HMRC) on the same terms as other eligible employees. The following table shows outstanding options over Ordinary shares held by the Executive Directors during the year ended 30 June 2024.

Executive Director	Scheme date of grant	Balance 1 July 2023	Granted during 2024	Exercised	Lapsed/ Cancelled	Balance 30 June 2024	Option price £	Exercise date	Market price on date of exercise £	Gain £000s	Date from which exercisable	Expiry date
Alistair Cox	1 April 2021	6,293	–	–	6,293	0	1.43	–	–	–	1 May 2024	31 October 2024
James Hilton	31 March 2022	7,692	–	–	–	7,692	1.17	–	–	–	1 May 2025	31 October 2025
Dirk Hahn	1 April 2021	6,300	–	–	6,300	0	1.43	–	–	–	1 May 2024	31 October 2024

(1) Alistair Cox lapsed his share options when they became available as the share price was below the option price. Dirk Hahn joined the Sharesave scheme prior to becoming CEO. He lapsed his shares when they became available as the share price was below the option price.

2.3 Outstanding PSP awards (audited)

The tables below show the outstanding PSP awards where vesting will be determined according to the achievement of performance conditions that will be tested in future reporting periods. The awards are granted using conditional shares. All awards are subject to Malus and Clawback.

2022 PSP (granted in FY23) vesting in 2025, followed by a two-year Holding Period (audited)

Performance period	1 July 2022 to 30 June 2025
Grant Date	21 September 2022
Vest date	21 September 2025 followed by a two-year Holding Period

Performance condition	Weighting	Threshold performance required (25% of the element vests)	Interim point (45% of the element vests)	Maximum performance required (100% of the element vests)
Relative TSR(1)	20%	Median of the comparator group	–	Upper quartile of the comparator group
Cumulative EPS(2)	30%	25p	–	35p
Cash Conversion(3)	50%	80%	85%	110%
Total	100%			

(1) Relative TSR – measured against a bespoke comparator group, with vesting subject to satisfactory financial performance as determined by the Committee. The comparator group for the FY23 award is: Adecco SA, Kelly Services Inc, Manpower Inc, Page Group, Randstad Holdings nv, Robert Half International Inc, Robert Walters plc and SThree.

(2) EPS – the target ranges have been set taking into account a range of internal and external reference points. The range was increased from the FY22 grant. While there remains a degree of uncertainty regarding the long-term market and economic environment, the Committee is satisfied that the target range is highly challenging, with full vesting requiring very significant growth when compared to results for FY22.

(3) Cash Conversion – the target range for Cash Conversion was increased for the FY22 grant and remains the same for the FY23 grant. An award of 45% of this element is payable for cash conversion of 85%, with straight-line vesting for interim levels of performance.

Notes:

There will be a two-year Holding Period post-vesting for any shares that vest as a result of performance conditions being met. The award is subject to Malus for the three-year Performance Period and Clawback during the two-year Holding Period.

Executive Director	% of FY23 salary awarded	Face value at award £000s	Share Price at award £	Maximum number of shares	Threshold number of shares (25%)
Alistair Cox(1)	200%	1,645	1.166	1,410,418	352,604
James Hilton(2)	200%	840	1.166	720,411	180,102

(1) To the extent that the award vests, Alistair Cox's award will be pro-rated in line with his employment service.

(2) The award was granted in relation to his appointment as CFO.

Annual Report on Remuneration continued

2023 PSP (granted in FY24) vesting in 2026, followed by a two-year Holding Period (audited)

As stated on page 143 of the Directors' Remuneration report for FY23, the Remuneration Committee wanted to spend appropriate time calibrating and reviewing the targets for the FY24 PSP to ensure they were sufficiently robust and stretching taking into account the current economic circumstances. Following the completion of this process, the Remuneration Committee published details of the targets for the FY24 PSP on the Company website, in advance of the 2023 AGM.

Performance period	1 July 2023 to 30 June 2026
Grant date	16 November 2023
Vest date	16 November 2026 followed by a two-year Holding Period

Performance condition	Weighting	Threshold (25% of the element vests)	Interim point (45% of the element vests)	Maximum (100% of the element vests)
Relative TSR(1)	20%	Median of the comparator group	–	Upper quartile of the comparator group
Cumulative EPS(2)	30%	24p	–	34p
Cash Conversion(3)	50%	80%	85%	110%
Total	100%			

(1) Relative TSR – the targets are consistent with prior years. TSR is measured against a bespoke comparator group, with vesting subject to satisfactory financial performance as determined by the Committee. The comparator group for the FY24 award is: Adecco SA, Kelly Services Inc, Manpower Inc, Page Group, Randstad Holdings nv, Robert Half International Inc, Robert Walters plc and SThree.

(2) EPS – given the inherent cyclicality of the sector, the Committee reviews the EPS targets for each performance period taking into account a range of internal and external reference points. In particular, the Committee noted external forecasts for FY24 and potential impact on overall performance given the cumulative nature of the targets. While the ranges are marginally lower that the FY23 grant, the Committee is satisfied that the target range is challenging, with full vesting requiring significant growth when compared to results for FY23. For reference, the equivalent range for the FY23 grant was 25p to 35p.

(3) Cash Conversion – the target range for cash conversion remains the same for the FY24 grant. Consistent with prior years, 45% of this element is payable for cash conversion of 85%, with straight-line vesting for interim levels of performance.

The award is subject to Malus for the three-year performance period and Clawback during the two-year Holding Period.

Executive Director	% of FY24 salary awarded	Face value at award £000s	Share Price at award £	Maximum number of shares	Threshold number of shares (25%)
Dirk Hahn(1)	200%	1,240	1.083	1,144,967	286,241
James Hilton	200%	840	1.083	775,623	193,905

(1) The award was granted in relation to his appointment as CEO.

There was no award made to Alistair Cox for FY24.

Notes:
In line with the 2018 Corporate Governance Code, the Remuneration Committee will continue to have discretion to amend the final vesting levels of the PSP awards should any formulaic assessment of performance not reflect a balanced view of the business performance during the performance period. The Committee may also adjust targets or outcomes in certain circumstances (e.g. significant unplanned M&A activity).

2.4 Statement of Directors' shareholdings and share interests (audited)

What has happened

The number of shares of the Company in which current directors had a beneficial interest and details of long-term incentive interests as at 30 June 2024 are set out in the table below.

Alistair Cox will comply with his post-employment shareholding requirements.

Executive Director	Shareholding requirement % of salary	Number of shares owned outright shares	Share price as at 28 June 2024	Base salary as at 1 July 2023	Actual share ownership as % of base salary	Guidelines met
Alistair Cox	200%	2,643,958	£0.9450	£822,274	303%	Yes
Dirk Hahn – joined Board on 1 September 2023 and building up shareholding	200%	138,871	£0.9450	£620,000	21%	No
James Hilton – joined Board on 1 October 2022 and building up shareholding	200%	141,979	£0.9450	£420,000	32%	No

Shares used for the above calculation exclude those with performance conditions, i.e. those awarded under the PSP which are still within their Performance Period, any unexercised options, those shares subject to a period of deferral and any shares held in a private Trust where the Executive Director is not a Trustee. They include vested shares where the Executive Directors have beneficial ownership, shares independently acquired in the market and those held by a spouse or civil partner or dependent child under the age of 18 years. The share price used is that of 28 June 2024 as 30 June 2024 fell on a Sunday.

The Executive Directors' total shareholdings, including shares subject to deferral and including accrued dividend equivalents to 30 June 2024, but excluding Sharesave options, are shown below. For reference, their Sharesave options are shown in the table under 2.2 on page 132.

Executive Director	Number of owned outright shares	Value of owned outright shares(2) £	Number of shares subject to deferral/ Holding Period(1)	Value of shares subject to deferral/ Holding Period(2) £	Number of total vested and unvested shares (excludes any shares with performance conditions)	Value of total vested and unvested shares (excludes any shares with performance conditions)(2) £	Share ownership as % of base salary using vested and unvested shares(3)	PSP share interests including dividends subject to performance conditions
Alistair Cox	2,643,958	£2,498,540	2,591,527	£2,448,993	5,235,485	£4,947,533	601%	2,785,238
Dirk Hahn	138,871	£131,233	0	£0	138,871	£131,233	21%	1,311,530
James Hilton	141,979	£134,170	127,485	£120,473	269,464	£254,643	60%	1,718,068

(1) Unvested shares will be subject to payroll deductions for tax and social security on vesting. Number includes dividend equivalent shares to date. Shares currently in their Holding Period relating to the 2019 (FY20) PSP are due to be released in October 2024.
(2) Share price as at 28 June 2024 and used in the above table was £0.9450.
(3) The table above shows shareholding pre-tax. Our shareholding policy includes shares which are beneficially held or subject to a holding period and includes PSP shares in their Holding Period and shares held under the DAB on an estimated post-tax basis. Shareholdings on an estimated post-tax basis for the current Executive Directors are:

Alistair Cox: 462%
Dirk Hahn: 21%
James Hilton 47%

(4) Dirk Hahn and James Hilton have PSPs shown in their Holding Period that relate to grants made prior to their appointments as CEO and CFO respectively.

There have been no changes to the above holdings as at the date of this Report.

The table below shows the NEDs' shareholdings as at 30 June 2024 – this table has been audited.

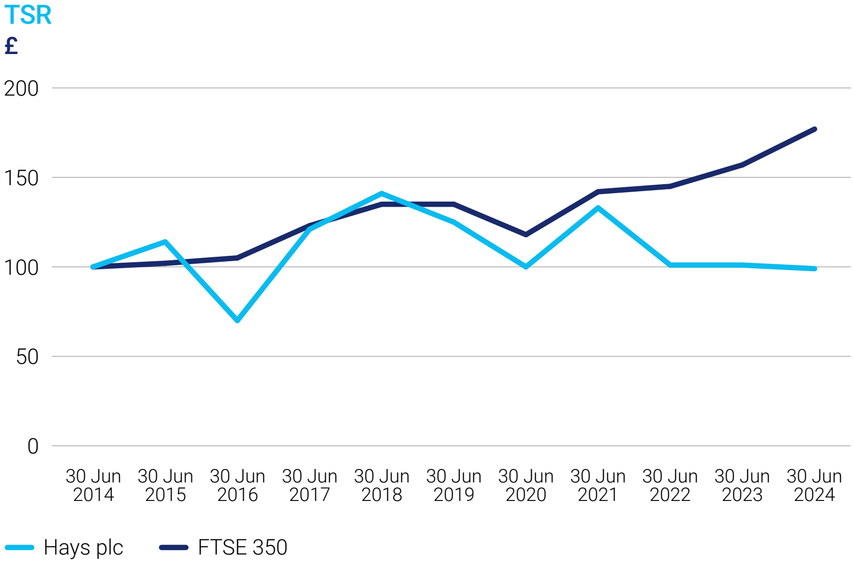
Non-Executive Director	**Shares held at 30 June 2024**	Shares held at 30 June 2023
Andrew Martin	**190,088**	190,088
Peter Williams as at 20 February 2024 when he stood down from the Board	**63,982**	63,806
Susan Murray	**4,000**	4,000
MT Rainey	**48,845**	48,845
Cheryl Millington	**–**	–
Joe Hurd	**12,925**	7,625
Zarin Patel	**11,653**	–
Helen Cunningham	**–**	n/a
Anthony Kirby	**–**	n/a

There have been no changes to the above holdings for current NEDs as at the date of this Report.

Annual Report on Remuneration continued

2.5 Total Shareholder Return (TSR)

The graph shows the value of £100 invested in the Company's shares compared to the FTSE 350 Index. The graph shows the total shareholder return generated by both the movement in share value and the reinvestment over the same period of dividend income. The Committee considers that the FTSE 350 is the appropriate index because the Company has been a member of this index throughout the period. This graph has been calculated in accordance with the Regulations.



Source: Datastream

Chief Executive historical remuneration

The table below sets out the total remuneration delivered to the Chief Executive over the last ten years, valued using the methodology applied to the total Single Figure of Remuneration.

The 2023 figure has been restated to take into consideration the actual share price on date of PSP vesting.

Chief Executive	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024 Alistair Cox	2024 Dirk Hahn
Total Single Figure (£000s)	2,826	3,996	2,796	2,993	3,009	2,666	1,468	2,590	2,548	2,449	838	1,376
Annual Bonus payment level achieved (% of maximum opportunity)	98%	98%	66%	93%	97%	49%	0%	97%	89%	52%	36%	38%
PSP vesting level achieved (% of maximum opportunity)	50%	100%	86%	60%	55%	70%	50%	50%	50%	80%	53%	n/a

2.6 Payments to past Directors/payment for loss of office during FY24 (audited)

Alistair Cox stepped down as CEO and from the Board on 31 August 2023. Consistent with his contractual terms and the Remuneration Policy, Alistair will be paid salary, pension and benefits in the normal way until the expiry of his 12-month notice period. Alistair will also receive a payment in respect of unused accrued holiday as at the termination date equating to £41k, outplacement assistance to a maximum of £50k, and a capped contribution to legal fees relating to his departure.

Alistair's notice period began on 24 August 2023 and ends on 23 August 2024. The period he was on the Board from 1 July 2023 to 31 August 2023 is reflected in the Single Figure of Remuneration. From 1 September 2023 to 23 August 2024, he is serving the remainder of his notice on Garden Leave. This period reflects the remainder of FY24 from 1 September 2023 to 30 June 2024, plus the period 1 July 2024 to 23 August 2024 which falls into FY25. He is only paid his contractual salary, pension and benefits during this time. For the remainder of FY24 this equates to £748k and for the period that falls into FY25 it represents £138k. Alistair did not receive a salary increase for FY25.

After careful consideration, the Remuneration Committee exercised its discretion under the plan rules and determined that, in light of his contribution to the business over the 16 years of his tenure, Alistair will be considered a 'Good Leaver' for incentive purposes. As a Good Leaver Alistair will earn a pro-rata FY24 bonus in relation to the period worked in the business during the year from 1 July 2023 to 31 August 2023. In line with the Remuneration Policy, 50% of this bonus will be deferred for three years. He will retain his outstanding deferred bonus awards from FY21, FY22 and FY23 which will be released at the end of the normal three-year deferral period. Fully performance-tested PSP awards granted under the 2017 Policy will be released on departure in line with the 2017 Policy. Fully performance-tested PSP awards granted under the 2020 Policy will be released following the end of the relevant Holding Period. Unvested PSP awards granted in 2022 (FY23) will vest subject to time pro-rating and performance. No PSP grant was made to Alistair Cox in 2023 (FY24). Malus and Clawback provisions are in place for both the DAB and PSP and all are subject to the relevant conditions.

Alistair will be bound by the post-cessation shareholding requirements in the 2023 Remuneration Policy, requiring him to retain Hays shares for a minimum of 24 months following his departure from the business.

Section 3 – Remuneration in the broader context

3.1 Remuneration for employees below Board

Our remuneration philosophy is cascaded throughout the organisation. Members of the Executive Leadership Team ('ELT') are deemed 'specified individuals' under the Remuneration Committee's Terms of Reference and therefore have their remuneration set by the Committee. Our ELT has an Annual Bonus scheme that is measured against Group and Regional financial targets and personal and strategic objectives. Of any award, 50% is usually deferred into shares for three years and subject to Malus provisions. The cash element is usually subject to Clawback provisions for three years. Members of the ELT also usually participate in the Performance Share Plan (PSP) with the same performance conditions as the Executive Directors.

Section 3 – Remuneration in the broader context

In this section:

3.1 Remuneration for employees below Board

3.2 Change in Board remuneration compared to other employees

3.3 CEO vs Employee Pay Ratio

3.4 External appointments

3.5 Relative importance of spend on pay

Employees below the ELT receive salary and benefits which are benchmarked to the local markets and countries in which they work. These are reviewed annually. There is a strong tie of reward to performance which is recognised through annual bonuses, commission or other non-financial recognition. Employees who hold key strategic positions or are deemed critical to the business through their performance are also offered the opportunity to participate in the PSP with performance conditions normally based on Group EPS results measured over one year. Any shares that crystallise at the end of the Performance Period have a further two-year Holding Period prior to vesting. During this time there is also a personal performance underpin. In addition, nine countries offer a Sharesave plan to employees. A Resolution was passed at the 2016 AGM to enable the introduction of a US Stock Purchase Plan for employees in the USA and this was launched in FY19.

As stated in our Remuneration Policy, each year, prior to reviewing the remuneration of the Executive Directors and the members of the ELT, the Committee considers a report prepared by the Group Head of Reward detailing remuneration practice across the Group. The report provides a regional overview of how employee pay compares to the market, any material changes during the year and includes detailed analysis of basic pay and variable pay changes within the UK where all of the Executive Directors and most of the ELT are based.

While the Company does not currently directly consult with employees as part of the process of reviewing executive pay and formulating the Remuneration Policy, the Company takes account of feedback from the broader employee population on an annual basis using the engagement survey which includes a number of questions relating to remuneration.

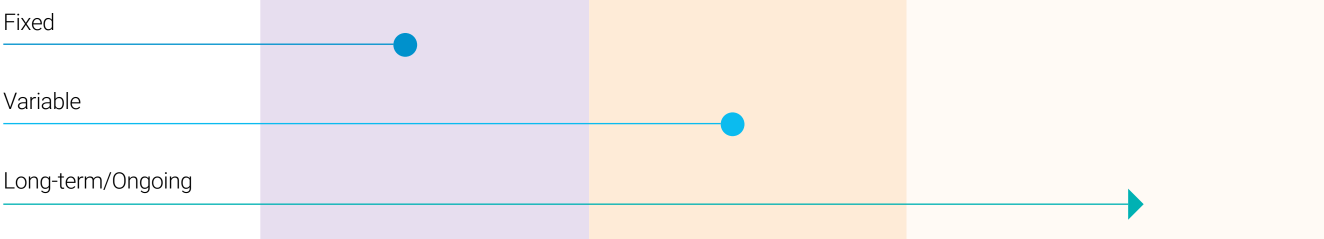
MT Rainey is the Non-Executive Director appointed for workforce engagement and she attends various employee events and projects to learn first hand about issues or concerns.

Annual Report on Remuneration continued

The table below summarises the above.

Principles	Components		
Operate a consistent reward and performance philosophy throughout the business. Provide a balanced package with a strong link between reward and individual and Group performance. Encourage a material, personal stake in the business to give a long-term focus on sustained growth.	**Base salary** Based on skill and experience and benchmarked to local market.	**Annual Bonus** Employees who hold positions that influence the business strategy and direction, or hold key roles that have a direct effect on business results, have annual bonuses based on a combination of Group, Regional and/or local business targets and personal or strategic objectives. For members of the ELT, 50% of any bonus earned is usually deferred into shares for three years and is subject to Malus.	**Performance Share Plan (PSP) and Sharesave** Members of the ELT usually participate in the same PSP Plan as Executive Directors subject to Remuneration Committee approval. The PSP is subject to Malus and Clawback provisions. ELT members are encouraged to retain shares. Below the ELT, broadly 350 – 400 key employees each year participate in a PSP which has a one-year Performance Period and two-year Holding Period. Financial targets are normally based on Group financial results. Nominations are reviewed and approved by the Remuneration Committee. Employees in nine countries can participate in a Sharesave scheme with the option to purchase shares after three years. A US Stock Purchase Plan for employees in the USA was launched in FY19.
	Benefits Benchmarked to local market and can include pension, life assurance, health cover and discounted voluntary benefits. In the UK the Executive Directors participate in the same plans as other UK employees. Every employee globally is given at least eight hours of paid volunteering per year to allow them to give back to the communities in which they live and work.	**Commission** Client-facing employees have annual bonuses based on personal objectives and/or commission directly related to personal business performance.	**YourVoice Survey** An annual global employee engagement survey is conducted across all Hays' employees in all countries to ascertain overall engagement. This includes a number of questions relating to remuneration.

Timeline



3.2 Change in Board's remuneration compared to other employees

The following table sets out the change in the remuneration paid to Board Directors from FY20 to FY24 compared with the average percentage change for Hays plc employees. Hays plc only employs the CEO and CFO and has contracts for services for the Chairman and Non-Executive Directors.

The Executive Directors' remuneration disclosed in the table below has been calculated to take into account base salary, taxable benefits (excluding allowance in lieu of pension), and Annual Bonus (including any amount deferred).

The reasons for the changes between FY23 and FY24 are due to:

a) There was no increase to base salaries or NED fees for FY24.
b) Changes in taxable benefits mainly relate to premium changes, for example, in relation to private medical insurance or life assurance.
c) For FY23, James Hilton's remuneration was pro-rated in line with his appointment to the Board on 1 October 2022. He has served a full year in FY24.
d) Alistair Cox's remuneration is pro-rated for FY24 in line with his service on the Board during the year from 1 July 2023 to 31 August 2023.
e) Dirk Hahn was appointed CEO on 1 September 2023. There is therefore no prior year comparison.
f) The Annual Bonus has a lower payout for FY24 than FY23.
g) Non-Executive Directors do not receive bonus or benefits.

	% change in salary/fee FY24 vs FY23	% change in taxable benefits FY24 vs FY23	% change in Annual Bonus FY24 vs FY23	% change in salary/fee FY23 vs FY22	% change in taxable benefits FY23 vs FY22	% change in Annual Bonus FY23 vs FY22	% change in salary/fee FY22 vs FY21	% change in taxable benefits FY22 vs FY21	% change in Annual Bonus FY22 vs FY21	% change in salary/fee FY21 vs FY20	% change in taxable benefits FY21 vs FY20	% change in Annual Bonus FY21 vs FY20	% change in salary/fee FY20 vs FY19	% change in taxable benefits FY20 vs FY19	% change in Annual Bonus FY20 vs FY19
Former CEO – Alistair Cox	-83%	-84%	-88.3%	5.0%	7.3%	-38.2%	2.0%	-2.4%	-6.8%	2.5%	-16%	n/a	-1.0%	0%	-100%
CEO – Dirk Hahn	n/a	n/a	n/a												
CFO – James Hilton	33.3%	9.0%	-1.9%	n/a	n/a	n/a	–	–	–	–	–	–	–	–	–
Chair – Andrew Martin	0.0%	n/a	n/a	5.0%	n/a	n/a	2.0%	n/a	n/a	2.3%	n/a	n/a	7.0%	n/a	n/a
SID and Chair of Audit Committee – Peter Williams	-36.0%	n/a	n/a	3.6%	n/a	n/a	1.2%	n/a	n/a	2.5%	n/a	n/a	18.0%	n/a	n/a
Chair of Remuneration Committee – Susan Murray	0.0%	n/a	n/a	4.2%	n/a	n/a	1.4%	n/a	n/a	2.9%	n/a	n/a	-1.0%	n/a	n/a
Chair of Workforce Engagement – MT Rainey	0.0%	n/a	n/a	4.2%	n/a	n/a	1.4%	n/a	n/a	2.9%	n/a	n/a	13.0%	n/a	n/a
NED and SID – Cheryl Millington	6.5%	n/a	n/a	5.0%	n/a	n/a	1.7%	n/a	n/a	1.8%	n/a	n/a	0%	n/a	n/a
NED – Joe Hurd	0.0%	150.0%	n/a	9.4%	n/a	n/a	n/a	n/a	n/a	–	–	–	–	–	–
NED and Chair of Audit and Risk Committee – Zarin Patel	116.1%	n/a	n/a	n/a	n/a	n/a	–	–	–	–	–	–	–	–	–
NED – Helen Cunningham	n/a	n/a	n/a	–	–	–	–	–	–	–	–	–	–	–	–
NED – Anthony Kirby	n/a	n/a	n/a	–	–	–	–	–	–	–	–	–	–	–	–
Employees of Hays plc	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Notes:
Helen Cunningham joined the Board on 1 March 2024
Anthony Kirby joined the Board on 1 April 2024.
Peter Williams stepped down from the Board on 20 February 2024.
Zarin Patel became Chair of Audit & Risk on 21 February 2024.
Cheryl Millington became SID on 21 February 2024.
Zarin Patel joined the Board on 1 January 2023 and therefore FY24 is her first full year.
The difference shown for Joe Hurd relates to expenses incurred in execution of duties which are taxable for reporting purposes. The amount incurred for FY24 was £5k versus £2k in FY23.
Hays plc only employs the CEO and CFO and has contracts for services for the Chairman and Non-Executive Directors. There are no other employees in Hays plc.

Annual Report on Remuneration continued

3.3 CEO vs Employee Pay Ratio

This is the fifth year that we have been required to disclose the ratio of CEO remuneration to that of our employees at the median, 25th and 75th percentiles. The table below provides further details:

Year	Method	25th percentile pay ratio	Median pay ratio	75th percentile pay ratio
FY24	**A**	**65:1**	**47:1**	**30:1**
FY23	A	83:1	56:1	33:1
FY22	A	84:1	54:1	32:1
FY21	A	92:1	65:1	40:1
FY20	A	53:1	36:1	22:1

The following table provides salary and total remuneration information in respect of the employees at each quartile.

Year	Element of pay	25th percentile	Median	75th percentile
FY24	Salary	£27,000	£27,930	£37,590
	Total remuneration	£33,963	£47,027	£74,370

We are committed to providing a total reward package for our employees that is competitive. The structure of remuneration for employees is shown on pages 137 and 138. We anticipate that the ratio may vary significantly year to year as it will be influenced by the level of variable pay earned such as commission and Annual Bonus and, in the case of PSP awards, by the level of vesting and share price fluctuation.

This variation in remuneration will apply to both employees and the CEO. During the year, Alistair Cox stepped down as CEO and was succeeded by Dirk Hahn. Their single figures have been combined to produce a total CEO pay figure (which includes the legacy incentives for Dirk Hahn shown in the single figure table). This combined figure was lower than the total single figure for Alistair Cox in FY23, influenced by Dirk Hahn's lower salary and a lower bonus payout in FY24 compared to FY23. At the same time, the salary and total remuneration for the median employee increased slightly from FY23 to FY24. This has resulted in a reduction in the pay ratio this year.

A greater portion of the package is variable at senior levels. The median pay ratio therefore reflects the pay, reward and progression policies. The difference in ratio between FY24 and FY23 is therefore felt to be caused most likely by changes in variable pay.

In calculating the ratio, we have used methodology A, the same method used for the CEO Single Figure of Remuneration, as this is felt to be the most accurate calculation and allows for a like-for-like comparison. Data is at 30 June 2024.

The UK employees included in the calculation are those who have been employed for the full FY24 and part-time employees have been pro-rated to full-time equivalents to enable a realistic comparison as required under the legislation. We have excluded leavers and joiners during the year as it is felt these would not allow an accurate reflection of the figures.

3.4 External appointments

The Company considers that certain external appointments can help to broaden the experience and contribution to the Board of the Executive Directors. Any such appointments are subject to prior agreement by the Company and must not be with competing companies. Subject to the Company's agreement, any fees may be retained by the individual.

Alistair Cox joined the Board of RELX in April 2023.

Dirk Hahn and James Hilton do not hold any external appointments.

3.5 Relative importance of spend on pay

The table below sets out the relative importance of the spend on pay in FY24 and FY23 compared with other disbursements. All figures are taken from the relevant Hays Annual Report.

	Disbursements from profit in FY24 £m	Disbursements from profit in FY23 £m	% change
Profit distributed by way of dividend	£47.5m	£83.4m	-43.0%
Overall spend on pay including Directors	£819.6m	£868.8m	-5.7%

Section 4 – Statement of implementation of Remuneration Policy in the following financial year

Below are the Remuneration Policy decisions for FY25.

Section 4 – Statement of implementation of Remuneration Policy in the following financial year

In this section:

4.1 Executive Directors
4.2 Non-Executive Directors
4.3 Voting outcome
4.4 Service Contracts

4.1 Executive directors

Summary

Position	Name	Base salary from 1 July 2024	Maximum bonus potential as % of salary	Maximum PSP award as % of salary	Benefits and pension
CEO	Dirk Hahn	£638,600	150%	200%	Pension is 4% of salary in line with the pension level of the majority of UK employees.
CFO	James Hilton	£470,000	150%	200%	Pension is 4% of salary in line with the pension level of the majority of UK employees.

Dirk Hahn's salary was increased by 3% for FY25 in line with the eligible workforce

Upon appointment of James Hilton as CFO in October 2022, the Committee determined that his remuneration arrangements would be set at a significant discount to the previous incumbent. As noted in the 2022 Remuneration Report the Committee committed to keeping his salary under review as he developed in the role.

In 2023 for FY24, no salary increases were awarded to senior roles across the group including the CFO. As James transitions into his third year as Board Director at Hays and following a review of performance to date and contribution in role, the Committee has determined his base salary will move from £420,000 to £470,000 for FY25. This represents an 11.9% increase comprising 3% in line with the wider workforce and 8.9% to recognise his growth into role. His revised salary remains 17% below the previous incumbent's salary (£564,627). The Committee has concluded that this revised salary suitably responds to the highly competitive talent market which continues to apply for experienced CFO roles and also represents a fair reflection of his experience and contribution in the role since appointment.

There are no changes to any benefits.

FY25 Annual Bonus

The weightings of the performance conditions remain as follows for FY25:

Performance condition	Weighting	
Financial (profit and cash)	80%	It should be noted that the Committee views the disclosure of the actual performance targets as commercially sensitive. The Committee will aim to provide retrospective disclosure of the performance targets in the FY25 Remuneration Report to allow shareholders to judge the bonus earned in the context of the performance delivered. In some instances, the detail of certain personal objectives may continue to be commercially sensitive for an extended period.
Personal	20%	
Total	100%	

Of any award, 50% will be deferred into shares and held for three years from the date of award and will be subject to Malus conditions for the three-year Holding Period.

Any cash award is subject to Clawback conditions for three years from the date of award.

2024 PSP (to be granted in FY25) vesting in 2027, followed by a two-year Holding Period

For the FY25 award, the metrics and weightings will remain consistent with last year. Given the current economic environment, the Committee is again taking further time to carefully consider and determine the financial targets to ensure they are sufficiently robust and stretching. Once finalised, these will be disclosed on our website in advance of the 2024 AGM.

Performance period	1 July 2024 to 30 June 2027
Vest date	Three years from grant date followed by a two-year Holding Period

Performance condition	Weighting	Threshold performance required	Maximum performance required
Relative TSR(1)	20%	Median of the comparator group	Upper quartile of the comparator group
Cumulative EPS(2)	30%	*	*
Cash Conversion	50%	*	*
Total	100%		

(1) TSR is measured against a bespoke comparator group, with vesting subject to satisfactory financial performance as determined by the Committee. The comparator group for the FY25 award is: Adecco SA, Kelly Services Inc, Manpower Inc, Page Group, Randstad Holdings nv, Robert Half International Inc, Robert Walters plc and SThree plc.

Annual Report on Remuneration continued

(1) In setting EPS targets, the Committee will take into account the following factors:

- Budget (the setting of which is a robust and transparent process);
- Company budget for FY25 and the expectations for performance;
- Strategic direction of the business over the period covered by the PSP award;
- Market conditions and visibility of future trading;
- Analysts' forecasts; and
- Threshold and maximum ongoing growth expectations for years two and three.

Notes:
There will be a two-year Holding Period post-vesting for any shares that vest as a result of performance conditions being met. The award is subject to Malus for the three-year Performance Period and Clawback during the two-year Holding Period.

4.2 Non-Executive Directors

The Committee reviewed the Group Chair's fee for FY25 and determined that it should be increased by 3% in line with the general pay review for other eligible employees in the workforce. Base fees for the other NEDs have also been increased by 3%. The SID fee and Committee Chair fees have also increased by 3% – this is the first increase to SID and Chair fees since 2018. It has also been agreed that for FY25 and going forward that there will be an additional fee of £5,000 in the event that NEDs sit on more than two committees, excluding the Nominations Committee, to recognise the additional workload. There is no fee for being the Chair of the Nomination Committee. Fees for FY25 are shown below.

Position	**Fee for FY25 £000s**	Fee for FY24 £000s
Chair	**247,542**	240,332
Base fee	**63,940**	62,078
Committee Chair (including fee for NED responsible for workforce engagement)	**13,390**	13,000
SID	**11,330**	11,000
Fee for sitting on more than two committees, excluding the Nominations Committee	**5,000**	n/a

4.3 Voting outcome for the 2023 Remuneration Policy at the 15 November 2023 AGM and FY23 Directors' Remuneration Report at the 15 November 2023 AGM

Votes	Votes 2023 Policy	%	Votes FY23 Remuneration Report	%
Votes for	1,307,126,011	93.20%	1,386,619,784	98.86%
Votes against	95,392,505	6.80%	15,993,637	1.14%
Votes withheld	291,633	–	196,728	

4.4 Service contracts

The Committee's policy for setting notice periods is that a maximum 12-month period will apply for Executive Directors. The Committee may, in exceptional circumstances arising on recruitment, allow a longer period, which would in any event reduce to 12 months following the first year of employment.

	Current contract start date	Unexpired term	Notice period from Company	Notice period from executive
Dirk Hahn	1 September 2023	Indefinite	One year	One year
James Hilton	1 October 2022	Indefinite	One year	One year

The Non-Executive Directors do not have service contracts with the Company, but are appointed to the Board under letters of appointment for an initial three-year period. They have agreed to annual retirement and reappointment by shareholders at the Company's Annual General Meeting and, with the exception of the Chairman, appointments can be terminated immediately by the Company.

Non-Executive Director	Date appointed to the Board	Date of current letter of appointment	Notice period
Andrew Martin	12 July 2017	28 August 2018	Three months
Susan Murray	12 July 2017	12 July 2017	None
MT Rainey	14 December 2015	14 December 2015	None
Cheryl Millington	17 June 2019	17 June 2019	None
Joe Hurd	1 December 2021	10 November 2021	None
Zarin Patel	1 January 2023	29 September 2022	None
Helen Cunningham	1 March 2024	6 February 2024	None
Anthony Kirby	1 April 2024	19 February 2024	None

Copies of contracts and letters of appointment are available for inspection at the Registered Office.

Section 5 – Governance

5.1 Remuneration Committee members and attendees

The table below shows the members and attendees of the Remuneration Committee during FY24.

Section 5 – Governance

In this section:

5.1 Remuneration Committee members and attendees

5.2 Terms of Reference

5.3 Meetings in FY24

5.4 Advisers to the Remuneration Committee

5.5 Engagement with shareholders

5.6 Considering risk

5.7 General governance

Remuneration Committee members	Position	Comments
Susan Murray	Member from 12 July 2017	Independent
Peter Williams	Member from 24 February 2015 to 20 February 2024	Independent
MT Rainey	Member from 14 December 2015	Independent
Cheryl Millington	Member from 17 June 2019	Independent
Joe Hurd	Member from 1 December 2021	Independent
Zarin Patel	Member from 1 January 2023	Independent
Helen Cunningham	Member from 1 March 2024	Independent
Anthony Kirby	Member from 1 April 2024	Independent

Remuneration Committee attendees	Position	Comments
Andrew Martin	Group Chairman and attended by invitation	Independent upon appointment on 23 July 2018 (member from appointment to Board on 12 July 2017 to date became Chairman).
Alistair Cox **Dirk Hahn** **James Hilton**	Chief Executive 1 July 2023 to 31 August 2023 Chief Executive from 1 September 2023 CFO	Attend by invitation but do not participate in any discussion about their own reward.
Other executives	The Group Head of Reward	Attends by invitation as the executive responsible for advising on the Remuneration Policy.
	The Company Secretary	Acts as Secretary to the Committee.
Deloitte	Committee's independent advisers during FY24	Attended by invitation.

No person is present during any discussion relating to his or her own remuneration.

5.2 Terms of Reference

The Board has delegated to the Committee, under agreed Terms of Reference, responsibility for the Remuneration Policy and for determining specific packages for the Executive Directors, the Chairman and other senior executives. The Company consults with key shareholders in respect of the Remuneration Policy and the introduction of new incentive arrangements. The Terms of Reference for the Committee are available on the Company's website, haysplc.com, and from the Company Secretary at the registered office.

Annual Report on Remuneration continued

5.3 Meetings in FY24

The Committee normally meets at least four times per year. During FY24, it formally met four times as well as having ongoing dialogue via email or telephone discussion. The meetings principally discussed the following key issues and activities:

- A review of the basic pay, bonus, PSP awards, and the personal objectives of the Executive Directors and other senior executives. In particular the Committee focused on setting incentive targets given the ongoing uncertain market and economic circumstances;
- Finalised the Remuneration Policy following shareholder consultation;
- Consideration of the relationship between executive reward and the reward structures in place for other Group employees;
- Considered the requirements of the ongoing 2018 UK Corporate Governance Code and noted the changes set out in the incoming 2024 Code, along with other market and corporate governance updates;
- A review of the Committee's Terms of Reference; and
- The review of the Gender Pay Gap reporting.
- The Committee also discussed and agreed the departure terms for the outgoing CEO, Alistair Cox and the remuneration package for the incoming CEO, Dirk Hahn.

5.4 Advisers to the Remuneration Committee

Deloitte was appointed by the Committee as the independent adviser to the Committee with effect from November 2016 following a competitive tender process. During FY24 Deloitte has advised the Committee on all aspects of the Remuneration Policy for Executive Directors and members of the Executive Leadership Team.

The Committee is satisfied that the advice received was objective and independent. Deloitte is a member of the Remuneration Consultants' Group and the voluntary code of conduct of that body is designed to ensure objective and independent advice is given to Remuneration Committees.

Deloitte's total fee for FY24 in relation to Committee work was £137,150 excluding VAT. While fee estimates are generally required for each piece of work and set fees have been agreed for certain regular work, fees are generally calculated based on time, with hourly rates in line with the level of expertise and seniority of the adviser concerned. During the year, the wider Deloitte firm also provided HR consulting services to Hays.

5.5 Engagement with shareholders

The Committee seeks to maintain an active and productive dialogue with investors on developments in the remuneration aspects of corporate governance generally and any changes to the Company's executive pay arrangements in particular. Following consultation in 2023, the Committee was pleased to have received strong shareholder support for its 2023 Remuneration Policy proposals, the Resolution for which received a 93.20% vote in favour at the 15 November 2023 AGM.

The Committee engaged with major shareholders on the Policy renewal and welcomed the feedback it received which was predominantly supportive, as it was in 2020. The Committee would like to thank those shareholders and proxy agencies who responded and appreciated the feedback.

5.6 Considering risk

Each year, the Committee considers the executive remuneration structure in the light of its key areas of risk. The Committee takes into consideration whether the achievement of objectives and any payment from plans have taken into account the overall risk profile of the Company when it evaluates the executives' performance.

5.7 General governance

The Directors' Report on Remuneration has been prepared in accordance with Schedule 8 to The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended), the revised provisions of the Code and the Listing Rules.

By order of the Board

Susan Murray
Chair of the Remuneration Committee

21 August 2024

DIRECTORS' REPORT

Hays is incorporated in the UK and registered as a public limited company in England and Wales. Its headquarters are in London and it is listed on the main market of the London Stock Exchange.

Strategic Report

A description of the Company's business model and strategy is set out in the Strategic Report along with the factors likely to affect the Group's future development, performance and position. An overview of the principal risks and uncertainties faced by the Group is also provided in the Strategic Report. The Company's Section 172 statement can be on, page 102.

The Statement of Compliance with the Code for the reporting period is contained in the Governance Report.

Information relating to matters addressed by the Audit and Risk, Remuneration, ESG and Nomination Committees, which operate within clearly defined Terms of Reference, are set out within the Audit and Risk, Remuneration, ESG and Nomination Committee Reports. Information relating to dividends and majority shareholders can be found on page 196 under Shareholder Information.

Disclosures required under Listing Rule 9.8.4R

The information required to be disclosed in accordance with Listing Rule 9.8.4R of the Financial Conduct Authority's Listing Rules can be located in the following pages of the Annual Report and Accounts:

Section	Information to be included	Page
(4)	Details of long-term incentive schemes	130

The above table sets out only those sections of LR9.8.4R which are relevant. The remaining sections of LR9.8.4R are not applicable.

In accordance with Section 414CB of the Companies Act 2006, all of the matters above are incorporated by reference into this Directors' Report.

The purpose of this report is to provide information to the members of the Company, as a body. The Company, its directors, employees, agents or advisers do not accept or assume responsibility to any other person to whom this document is shown or into whose hands it may come and any such responsibility or liability is expressly disclaimed. This report contains certain forward-looking statements with respect to the operations, performance and financial condition of the Group. By their nature, these statements involve uncertainty since future events and circumstances can cause results and developments to differ from those anticipated. The forward-looking statements reflect knowledge and information available at the date of preparation of this report. Nothing in this report should be construed as a profit forecast.

Related party transactions

Details of the related party transactions undertaken during the reporting period are contained in note 28 to the Consolidated Financial Statements.

Post-balance sheet events

There have been no significant events to report since the date of the balance sheet.

Financial instruments

Details of the financial instruments used by the Group are set out in notes 19 to 21 to the Consolidated Financial Statements. A general outline of Hays' use of financial instruments is set out in the treasury management section on page 47 of the Finance Director's Review.

Directors

Biographies of the serving directors of Hays are provided on pages 92 to 95 of this report. During the year, Helen Cunningham and Anthony Kirby were appointed as directors on 1 March 2024 and 1 April 2024, respectively. Peter Williams stepped down from the Board on 20 February 2024. Alistair Cox stepped down from the Board on 31 August 2023 All the other Directors served on the Board throughout FY24. Cheryl Millington is the Senior Independent Director and MT Rainey is the Designated NED for Workforce Engagement.

General powers of the directors

The powers of the Directors are contained in the Company's Articles of Association (Articles). These powers may be exercised by any meeting of the Board at which a quorum of three directors is present. The power of the Board to manage the business is subject to any limitations imposed by the Companies Act 2006, the Articles or any directions given by special resolution of the shareholders applicable at a relevant time.

The Articles contain an express authority for the appointment of Executive Directors and provide the directors with the authority to delegate or confer upon such directors any of the powers exercisable by them upon such terms and conditions and with such restrictions as they see fit. The Articles contain additional authorities to delegate powers and discretions to committees and subcommittees.

Directors' powers to allot and buy back shares

The directors have the power to authorise the issue and buyback of the Company's shares by the Company, subject to authority being given to the directors by the shareholders in general meeting, applicable legislation and the Articles.

Appointment and replacement of directors

Shareholders may appoint any person who is willing to act as a director by ordinary resolution and may remove any Director by ordinary resolution. The Board may appoint any person to fill any vacancy or as an additional director, provided that they are submitted for election by the shareholders at the AGM following their appointment. Specific conditions apply to the vacation of office, including cases where a director becomes prohibited by law or regulation from holding office, or is persistently absent from directors' meetings, or if all of the other appointed directors request his or her resignation or in the case of mental incapacity or bankruptcy.

Directors' indemnities

The Company continues to maintain third-party directors' and officers' liability insurance for the benefit of its directors. This provides insurance cover for any claim brought against directors or officers for wrongful acts in connection with their positions.

The directors have also been granted qualifying third-party indemnities, as permitted under the Companies Act 2006, which remain in force. Neither the insurance nor the indemnities extend to claims arising from fraud or dishonesty and do not provide cover for civil or criminal fines or penalties provided by law.

Directors' interests

Details of the interests of Hays' directors and their connected persons in the Ordinary shares of the Company are outlined in the Remuneration Report.

Share capital

Hays has one class of Ordinary shares which carry no right to fixed income or control over the Company. These shares may be held in certificated or uncertificated form. On 30 June 2024, the Company had 1,600,433,092 fully paid Ordinary shares in issue, of which 15,550,496 Ordinary shares were held in treasury by the Company. During the year ended 30 June 2024, Hays purchased 12,000,000 Ordinary shares of 1 pence, representing 0.75% of shares in issue, for a total consideration of £12,239,387, excluding costs. In accordance with the authority conferred by the Company's shareholders at the AGM on 9 November 2022, the shares purchased are held in treasury and will be utilised to satisfy employee share-based award obligations over the next two years.

The rights and obligations attaching to the Company's Ordinary shares are contained in the Articles. In brief, the Ordinary shares allow holders to receive dividends and to exercise one vote on a poll per Ordinary share for every holder present in person or by proxy at general meetings of the Company. They also have the right to a return of capital on the winding-up of the Company.

There are no restrictions on the size of holding or the transfer of shares, which are both governed by the general provisions of the Company's Articles and legislation. Under the Articles, the Directors have the power to suspend voting rights and the right to receive dividends in respect of Ordinary shares and to refuse to register a transfer of Ordinary shares in circumstances where the holder of those shares fails to comply with a notice issued under Section 793 of the Companies Act 2006. The Directors also have the power to refuse to register any transfer of certificated shares that does not satisfy the conditions set out in the Articles.

The Company is not aware of any agreements between shareholders that might result in the restriction of transfer of voting rights in relation to the shares held by such shareholders.

Treasury shares

As Hays has only one class of share in issue, it may hold a maximum of 10% of its issued share capital in treasury. As at 30 June 2024, 0.97% of the Company's shares were held in treasury. Legislation restricts the exercise of rights on Ordinary shares held in treasury.

The Company is not allowed to exercise voting rights conferred by the shares while they are held in treasury. It is prohibited from paying any dividend or making any distribution of assets on treasury shares.

Once in treasury, shares can only be sold for cash, transferred to an employee share scheme or cancelled. The shares are held in treasury and will be utilised to satisfy employee share-based award obligations. During FY24, Hays transferred 7,743,933 shares out of treasury to satisfy the award of shares under the Company's employee share schemes.

Shares held by the Employee Benefit Trust

The Hays plc Employee Share Trust (the Trust) is an employee benefit trust which is permitted to hold Ordinary shares in the Company for employee share schemes purposes. 179 shares were held by the Trust as at the year end. Shares held in the Trust may be transferred to participants of the various Group share schemes.

No voting rights are exercisable in relation to shares unallocated to individual beneficiaries.

Dilution limits in respect of share schemes

The current Investment Association (IA) guidance on dilution limits (formerly the responsibility of the Association of British Insurers) provides that the overall dilution under all share plans operated by a company should not exceed 10% over a 10-year period in relation to the Company's share capital, with a further limitation of 5% in any 10-year period on executive plans. The Company's share plans operate within IA recommended guidelines on dilution limits.

Political donations

The Company made no political donations during the financial year ended 30 June 2024 (2023:nil) and the Board intends to maintain its policy of not making such payments.

Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position, are set out in the Strategic Report. The financial position of the Group, its cash flows and liquidity position are described in the Chief Financial Officer's Review, with details of the Group's treasury activities, long-term funding arrangements and exposure to financial risk included in notes 19 and 20 to the Consolidated Financial Statements. The UK Corporate Governance Code 2018 requires the Directors to assess and report on the prospects of the Group over a longer period. This longer-term viability statement is set out on page 86.

Disclosure of information to the Auditor

So far as the Directors who held office at the date of approval of this report are aware, there is no relevant audit information of which the External Auditor is unaware and each Director has taken all steps that he or she ought to have taken as a Director to make himself or herself aware of any relevant audit information and to establish that the External Auditor is aware of that information.

This confirmation should be interpreted in accordance with Section 418 of the Companies Act 2006.

2024 Annual Report & Financial Statements

On the recommendation of the Audit and Risk Committee and having considered all matters brought to the attention of the Board during the financial year, the Board is satisfied that the Annual Report & Financial Statements, taken as a whole, is fair, balanced and understandable. The Board believes that the disclosures set out in the Annual Report provide the information necessary for shareholders to assess the Company's performance, business model and strategy.

Annual General Meeting

The Company's AGM will be held at 12 noon on 20 November 2024 at the offices of UBS, 5 Broadgate, London EC2M 2QS. The Notice of Meeting sets out the resolutions to be proposed at the AGM and gives details of the voting record date and proxy appointment deadline for that Meeting. The Notice of Meeting is contained in a separate circular to shareholders which is being mailed or otherwise provided to shareholders at the same time as this report.

By order of the Board

Doug Evans
Company Secretary

21 August 2024

STATEMENT OF DIRECTORS' **RESPONSIBILITIES**

The Directors are responsible for preparing the Annual Report and the Accounts in accordance with applicable law and regulation.

The Directors are responsible for preparing the Annual Report and the Accounts in accordance with applicable law and regulation.

Company law requires the Directors to prepare Financial Statements for each financial year. Under that law the Directors have prepared the Group Financial Statements in accordance with UK-adopted international accounting standards and the Company Financial Statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101, 'Reduced Disclosure Framework', and applicable law).

Under company law, Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group for that period. In preparing the Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently
- state whether applicable UK-adopted international accounting standards have been followed for the Group Financial Statements, and United Kingdom Accounting Standards, comprising FRS 101, have been followed for the Company Financial Statements, subject to any material departures disclosed and explained in the Financial Statements
- make judgements and accounting estimates that are reasonable and prudent
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The Directors are responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the Financial Statements and the Directors' Remuneration Report comply with the Companies Act 2006.

The Directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

Each of the Directors, whose names and functions are listed in the Governance Report, confirm that, to the best of their knowledge:

- the Group Financial Statements, which have been prepared in accordance with UK-adopted international accounting standards, give a true and fair view of the assets, liabilities, financial position and profit of the Group
- the Company Financial Statements, which have been prepared in accordance with United Kingdom Accounting Standards, give a true and fair view of the assets, liabilities and financial position of the Company
- the Strategic Report includes a fair review of the development and performance of the business and the position of the Group and Company, together with a description of the principal risks and uncertainties that they face
- the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position, performance, business model and strategy.

In the case of each Director in office at the date the Directors' Report is approved:

- so far as the Director is aware, there is no relevant audit information of which the Group's and Company's Auditors are unaware
- they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Group's and Company's Auditors are aware of that information.

By order of the Board

Dirk Hahn
Chief Executive Officer

James Hilton
Chief Financial Officer

21 August 2024

Hays plc

Company Registered No. 02150950

FINANCIAL STATEMENTS

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HAYS PLC

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

In our opinion:

- Hays plc's group financial statements and company financial statements (the "financial statements") give a true and fair view of the state of the group's and of the company's affairs as at 30 June 2024 and of the group's loss and the group's cash flows for the year then ended;
- the group financial statements have been properly prepared in accordance with UK-adopted international accounting standards as applied in accordance with the provisions of the Companies Act 2006;
- the company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report & Accounts (the "Annual Report"), which comprise: the Consolidated Balance Sheet and Hays plc Company Balance Sheet as at 30 June 2024; the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity and the Hays plc Company Statement of Changes in Equity for the year then ended; and the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Our opinion is consistent with our reporting to the Audit and Risk Committee.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided.

Other than those disclosed in Note 7, we have provided no non-audit services to the company or its controlled undertakings in the period under audit.

Our audit approach

Overview

Audit scope

- We performed full scope audits on 23 components;
- In addition, for a further two components, we performed specific procedures on certain account balances or classes of transactions within each component based on either the size or risk profile of those accounts;
- Specific audit procedures in relation to various Group activities, including over the consolidation, share based payments, taxation, pensions, certain costs classified as exceptional items, the Group's revolving credit facility and associated interest charges and the carrying value of goodwill were performed by the Group team centrally; and
- We performed a statutory audit of the company.

Key audit matters

- Recoverability of trade receivables (group)
- Recognition and presentation of exceptional items (group)
- Carrying value of investments (parent)

Materiality

- Overall group materiality: £8.2 million (2023: £9.5 million) based on 5% of the average of the last three years' group profit before tax and exceptional items (2023: 5% of the group's profit before tax).
- Overall company materiality: £8.6 million (2023: £7.0 million) based on 1% of total assets, with certain procedures restricted by the amount of materiality available for allocation.
- Performance materiality: £6.1 million (2023: £7.1 million) (group) and £6.4 million (2023: £5.3 million) (company).

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

This is not a complete list of all risks identified by our audit.

Presentation of exceptional items is a new key audit matter this year. Valuation of provisions, which was a key audit matter last year, is no longer included because of the settlement of an ongoing matter in the year meant we expended less audit effort than in previous years. Otherwise, the key audit matters below are consistent with last year.

Independent auditors' report to the members of Hays plc continued

Key audit matter	How our audit addressed the key audit matter

Recoverability of trade receivables (group)
Refer to the Audit and Risk Committee Report, Note 2, Note 3 and Note 18 to the Financial Statements for the Directors' disclosures of the related accounting policies and estimates.
 	
At 30 June 2024, total trade receivables balances included in Note 18 were £754.3 million (2023: £727.0 million), net of provisions of £18.6 million (2023: £19.2 million).
 	
The recoverability of trade receivables and the level of provisions for expected credit losses are considered to be a key audit matter due to the significance of these balances to the Financial Statements and the judgements required in making appropriate provisions.
	• In order to test the recoverability of trade receivables we performed the following procedures:
	• We obtained an understanding of management's process for developing its provision for expected credit losses on trade receivables;
	• In each location within full scope of our audit we validated the ageing profile of trade receivables;
	• In respect of management's expected credit loss model: we assessed the mathematical accuracy of the model;
	  • we assessed whether the expected credit loss provision was calculated in accordance with the Group's provisioning policy;
	  • we agreed the historical data included in the model to previously audited information;
	  • we assessed the appropriateness of forward looking risk factors incorporated in management's model to third party supporting information; and,
	  • we considered the sensitivity of changes in the forward looking risk factors to the valuation of the provision.
	• Our testing also took into consideration the appropriateness of key assumptions included in management's expected credit loss model and assessed whether there was any indication of management bias in the estimate.
	
	We challenged management as to whether the expected credit loss provision appropriately reflected the level of risk in the total receivables balance, which included considering general economic conditions and individual counterparty credit risk.
	
	Based on the procedures performed, we noted no material issues arising from our work.

Recognition and presentation of exceptional items (group) Refer to the Audit and Risk Committee Report and Notes 2, 3 and 5 to the Consolidated Financial Statements for the Directors' disclosures of the related accounting judgements and details of the exceptional items. The Group recorded exceptional items of £80.0 million (2023: £nil) which were included on the Consolidated Income Statement and disclosed within the Annual Report and Accounts. The presentation of these items as exceptional is judgmental and has a significant impact on the reader's interpretation of the results of the Group as detailed in the financial statements. Due to the material nature and number of exceptional items this year, we focused on the presentation of these items to assess whether they were treated consistently with the Group's accounting policy and had been appropriately explained and disclosed. We also assessed whether there was any indication of costs being accrued as exceptional items that didn't yet meet the conditions for recognition.	In order to test the appropriateness of the presentation and timing of recognition of items considered to be exceptional in line with management's policy, we performed the following procedures: • We obtained an understanding of management's process for identifying and approving costs recognised as exceptional in nature; • We performed substantive audit procedures on a sample of exceptional items and agreed them to corroborating evidence. This included procedures at certain overseas locations in scope for our Group audit as well as those performed centrally; • We obtained an understanding of the nature of the items subject to our testing and corroborated management's rationale for classification as exceptional in accordance with the Group's accounting policy on such items; • As part of our testing we also assessed whether the exceptional items had met the conditions for being recognised in the year ended 30 June 2024; and, • We assessed the appropriateness and completeness of the disclosures relating to these exceptional items, and whether there was equal prominence of GAAP and non-GAAP measures within the Annual Report and Accounts. We did not encounter any material issues through these audit procedures.

Key audit matter	How our audit addressed the key audit matter
Carrying value of investments (parent) Refer to Note 1 and Note 4 of the Company Financial Statements. At 30 June 2024, the Company held investments in its subsidiaries with a carrying value of £743.9 million (2023: £743.9 million). In accordance with IAS 36, Impairment of Assets, management has performed a year end assessment to determine whether there is any indication of impairment of the investment assets. This included consideration of external sources of information such as the market capitalisation of the group and changes in the market conditions in which the group operates, as well as internal sources including future cash flow forecasts used as part of other impairment assessments. Based on its trigger assessment exercise no impairment of these investments was identified by management. We focused on this area due to the significant size of the investment balances to the Company balance sheet.	We obtained and evaluated the assessment prepared by management to determine whether there was any indication of impairment on the carrying value of the Company's investments. We also performed the following procedures: • We obtained an understanding of management's process for assessing indications of impairment; • We compared the group's market capitalisation throughout the year ended 30 June 2024 to the carrying value of the investments; • We compared the investment in subsidiary values to the net asset values of these subsidiaries; • We assessed management's consideration of internal sources of information, specifically future cash flow forecasts; and, • We verified the consistency of the future cash flow forecasts with those used elsewhere in the business (including the goodwill impairment assessment, and the going concern and viability assessments) which subject to other audit procedures. To challenge management's conclusion, we performed sensitivity analysis on the key assumptions within the cash flow forecasts. This included sensitising the discount rate applied to the future cash flows, and the short and longer term growth rates and operating profit forecast. Following the conclusion of our procedures above, we are satisfied that there was no indication of a trigger for impairment.

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the group and the company, the accounting processes and controls, and the industry in which they operate.

The Group's 33 trading countries are structured across four reporting segments, Australia & New Zealand ('ANZ'), Germany, UK & Ireland ('UK&I') and Rest of World ('ROW'). Of the 33 trading countries, four components in the UK, Germany and Australia, subject to full scope audits, together represent 62% of the Group's net fees and 46% of the Group's profit before tax, excluding exceptional items, intercompany operating income and expenses and calculated on an absolute basis. Within these three countries we considered three components to be financially significant to the Group.

A further 19 other components were also subject to full scope audits by PwC teams which, together with centrally performed audit procedures, represented a further 22% of Group net fees and 25% of Group's profit before tax excluding exceptional items, intercompany operating income and expenses and calculated on an absolute basis. In total, including audit of specific classes of transactions, our procedures covered 90% of the Group's gross fees, 85% of the Group's net fees and 71% of the Group's profit before tax excluding exceptional items, intercompany operating income and expenses and calculated on an absolute basis.

One holding company was subject to a limited scope audit of tax balances.

Central review procedures were performed by the Group audit team on the remaining entities that were not subject to full scope or specific procedures. These countries represented the remaining 15% of net fees and 29% of Group profit before tax excluding exceptional items, intercompany operating income and expenses and calculated on an absolute basis. We ensured that we maintained appropriate oversight of our component auditors through issuing detailed instructions and maintaining remote communications with all the teams. We visited our significant component team in Australia during the year end audit process and maintained regular contact with our team in Germany, having visited the local operations during the last financial year. This included regular video conferences and remote working paper reviews to direct and supervise the work of these teams to satisfy ourselves as to the appropriateness of the audit work performed. The audit of the other significant component in the UK is conducted by members of the Group team.

The Group audit team also joined the audit clearance meetings for each of the components that were subject to full scope audit procedures.

The parent company is comprised of one component, included in those detailed above, which was subject to a full scope audit by the group engagement team for the purposes of the company financial statements.

The impact of climate risk on our audit

As part of the audit, we made enquiries of management to understand and evaluate the Group's risk assessment process in relation to climate change. We reviewed management's paper which sets out its assessment of climate change risk to the Group and the impact on the financial statements, and also considered this assessment in light of the disclosures on TCFD in this third year of its application. In evaluating the completeness of the risks identified, we reviewed management's assessment and challenged management on how it considered the potential financial impacts of the Group's commitment to halving its GHG emissions by 2026 and becoming a Net Zero company. Management concluded there are no significant financial reporting risks arising. Based on our evaluation of this assessment, we concluded this was appropriate. We also read the disclosures in relation to climate change made in the Strategic Report section of the Annual Report to ascertain whether the disclosures are materially consistent with the financial statements and our knowledge from our audit. Our responsibility over other information is further described in the "reporting on other information" section of this report.

Independent auditors' report to the members of Hays plc continued

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Financial statements – group	Financial statements – company
Overall materiality	£8.2 million (2023: £9.5 million).	£8.6 million (2023: £7.0 million).
How we determined it	5% of the average of the last three years' group profit before tax and exceptional items (2023: 5% of the group's profit before tax)	1% of total assets, with certain procedures restricted by the amount of materiality available for allocation
Rationale for benchmark applied	We believe that profit before tax adjusted for exceptional items is the primary measure used by management and the shareholders in assessing the performance of the Group, and is a generally accepted auditing benchmark. We have applied a three-year average to the profit before tax (before exceptional items) of the financial years 2022 (£204.3 million), 2023 (£192.1 million) and 2024 (£94.8 million) due to the volatility in the underlying business performance.	We believe that total assets is the most appropriate measure to assess a holding Company, and is a generally accepted auditing benchmark.

For each component in the scope of our group audit, we allocated a materiality that is less than our overall group materiality. The range of materiality allocated across components was between £0.6 million and £7.7 million. Certain components were audited to a local statutory audit materiality that was also less than our overall group materiality.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% (2022: 75%) of overall materiality, amounting to £6.1 million (2023: £7.1 million) for the group financial statements and £6.4 million (2023: £5.3 million) for the company financial statements.

In determining the performance materiality, we considered a number of factors – the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls – and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with the Audit and Risk Committee that we would report to them misstatements identified during our audit above £400,000 (group audit) (2023: £500,000) and £240,000 (company audit) (2023: £350,000) as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons.

Conclusions relating to going concern

Our evaluation of the directors' assessment of the group's and the company's ability to continue to adopt the going concern basis of accounting included:

- Performing a walkthrough of the Group's financial statement close process, budgeting and forecasting process and confirming our understanding of management's going concern assessment process;
- Obtaining management's going concern model which included a base case, and a severe but plausible downside scenario covering the going concern assessment period;
- Critically assessing the assumptions within the models including: assessing the historical accuracy of management's forecast and obtaining corroborating, and considering contradictory, evidence for the assumptions used;
- Reviewing management's sensitivity analysis and performing additional sensitivities on the severe but plausible case to assess the impact on the liquidity and covenant headroom;
- Reviewing the directors' identified available mitigating factors where required and included within the cash flow forecast;
- Testing the mathematical accuracy of the directors' cash flow forecast and validating the opening cash position;
- Understanding management's expectations regarding renewing the Group's revolving credit facility; and,
- Assessing the adequacy of the disclosure provided in note 2 of the consolidated and Company financial statements.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and the company's ability to continue as a going concern.

In relation to the directors' reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 30 June 2024 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the group and company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' Report.

Directors' Remuneration

In our opinion, the part of the Annual Report on Remuneration to be audited has been properly prepared in accordance with the Companies Act 2006.

Corporate governance statement

The Listing Rules require us to review the directors' statements in relation to going concern, longer-term viability and that part of the corporate governance statement relating to the company's compliance with the provisions of the UK Corporate Governance Code specified for our review. Our additional responsibilities with respect to the corporate governance statement as other information are described in the Reporting on other information section of this report.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit, and we have nothing material to add or draw attention to in relation to:

- The directors' confirmation that they have carried out a robust assessment of the emerging and principal risks;
- The disclosures in the Annual Report that describe those principal risks, what procedures are in place to identify emerging risks and an explanation of how these are being managed or mitigated;
- The directors' statement in the financial statements about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them, and their identification of any material uncertainties to the group's and company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements;
- The directors' explanation as to their assessment of the group's and company's prospects, the period this assessment covers and why the period is appropriate; and
- The directors' statement as to whether they have a reasonable expectation that the company will be able to continue in operation and meet its liabilities as they fall due over the period of its assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Our review of the directors' statement regarding the longer-term viability of the group and company was substantially less in scope than an audit and only consisted of making inquiries and considering the directors' process supporting their statement; checking that the statement is in alignment with the relevant provisions of the UK Corporate Governance Code; and considering whether the statement is consistent with the financial statements and our knowledge and understanding of the group and company and their environment obtained in the course of the audit.

In addition, based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- The directors' statement that they consider the Annual Report, taken as a whole, is fair, balanced and understandable, and provides the information necessary for the members to assess the group's and company's position, performance, business model and strategy;
- The section of the Annual Report that describes the review of effectiveness of risk management and internal control systems; and
- The section of the Annual Report describing the work of the Audit and Risk Committee.

We have nothing to report in respect of our responsibility to report when the directors' statement relating to the company's compliance with the Code does not properly disclose a departure from a relevant provision of the Code specified under the Listing Rules for review by the auditors.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities in respect of the Financial Statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to the UK Listing Rules, employment legislation and data protection regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006 and tax regulations. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of unusual journals to increase revenue and/or decrease costs and therefore increase profits, and management bias in determining accounting estimates. The group engagement team shared this risk assessment with the component auditors so that they could include appropriate audit procedures in response to such risks in their work. Audit procedures performed by the group engagement team and/or component auditors included:

- Discussions with senior management, Group legal counsel,Internal Audit, and the Audit Committee, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Challenging assumptions and judgements made by management in its significant accounting estimates;
- Reviewing the Financial Statement disclosures and agreeing to underlying supporting documentation;
- Reviewing Executive management's incentives and bonus schemes to understand and review drivers that could lead to higher fraud risks;
- Performing unpredictable procedures; and
- Identifying and testing journal entries, in particular, journal entries which had unexpected account combinations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

OTHER REQUIRED REPORTING

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the company financial statements and the part of the Annual Report on Remuneration to be audited are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Appointment

Following the recommendation of the Audit and Risk Committee, we were appointed by the directors on 9 November 2016 to audit the financial statements for the year ended 30 June 2017 and subsequent financial periods. The period of total uninterrupted engagement is 8 years, covering the years ended 30 June 2017 to 30 June 2024.

OTHER MATTER

The company is required by the Financial Conduct Authority Disclosure Guidance and Transparency Rules to include these financial statements in an annual financial report prepared under the structured digital format required by DTR 4.1.15R – 4.1.18R and filed on the National Storage Mechanism of the Financial Conduct Authority. This auditors' report provides no assurance over whether the structured digital format annual financial report has been prepared in accordance with those requirements.

Jonathan Sturges (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
21 August 2024

CONSOLIDATED INCOME STATEMENT

For the year ended 30 June 2024

(In £s million)	Note	**2024 Before exceptional items**	2024 Exceptional items (note 5)	**2024**	2023
Turnover	4, 6	**6,949.1**	–	**6,949.1**	7,583.3
Net fees(1)	4, 6	**1,113.6**	–	**1,113.6**	1,294.6
Administrative expenses(2)	6	**(1,008.5)**	(80.0)	**(1,088.5)**	(1,097.6)
Operating profit	4	**105.1**	(80.0)	**25.1**	197.0
Net finance charge(3)	9	**(10.4)**	–	**(10.4)**	(4.9)
Profit before tax		**94.7**	(80.0)	**14.7**	192.1
Tax	10	**(30.7)**	11.1	**(19.6)**	(53.8)
Profit/(loss) after tax		**64.0**	(68.9)	**(4.9)**	138.3
Profit/(loss) attributable to equity holders of the parent company		**64.0**	(68.9)	**(4.9)**	138.3
Earnings per share (pence)					
• Basic	12	**4.03p**	(4.34p)	**(0.31p)**	8.59p
• Diluted	12	**4.00p**	(4.31p)	**(0.31p)**	8.52p

(1) Net fees comprise turnover less remuneration of temporary workers and other recruitment agencies.
(2) Administrative expenses include impairment loss on trade receivables of £1.4 million (2023: £3.0 million).
(3) Net finance charge is stated net of interest received on bank deposits of £3.2 million (2023: £2.0 million).

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2024

(In £s million)	**2024**	2023
(Loss)/profit for the year	**(4.9)**	138.3
Items that will not be reclassified subsequently to profit or loss:		
Actuarial remeasurement of defined benefit pension schemes	**(23.2)**	(95.1)
Tax relating to components of other comprehensive income	**5.6**	19.5
	(17.6)	(75.6)
Items that may be reclassified subsequently to profit or loss:		
Currency translation adjustments	**(4.1)**	(15.6)
Other comprehensive loss for the year net of tax	**(21.7)**	(91.2)
Total comprehensive (loss)/income for the year	**(26.6)**	47.1
Attributable to equity shareholders of the parent company	**(26.6)**	47.1

CONSOLIDATED BALANCE SHEET

At 30 June 2024

(In £s million)	Note	2024	2023
Non-current assets			
Goodwill	13	**182.9**	200.3
Other intangible assets	14	**37.7**	53.7
Property, plant and equipment	15	**25.2**	29.7
Right-of-use assets	16	**162.2**	176.1
Deferred tax assets	17	**25.4**	21.4
Retirement benefit surplus	23	**19.4**	25.7
		452.8	506.9
Current assets			
Trade and other receivables	18	**1,194.5**	1,244.6
Corporation tax debtor		**9.1**	6.8
Cash and cash equivalents	19	**121.8**	145.6
Derivative financial instruments	20	**–**	0.1
		1,325.4	1,397.1
Total assets		**1,778.2**	1,904.0
Current liabilities			
Trade and other payables	22	**(926.6)**	(991.3)
Lease liabilities	16	**(44.2)**	(41.3)
Corporation tax liabilities		**(13.0)**	(16.2)
Provisions	24	**(24.0)**	(10.8)
		(1,007.8)	(1,059.6)
Non-current liabilities			
Bank loans	21	**(65.0)**	(10.0)
Deferred tax liabilities	17	**–**	(2.8)
Lease liabilities	16	**(135.1)**	(148.5)
Provisions	24	**(12.7)**	(12.8)
		(212.8)	(174.1)
Total liabilities		**(1,220.6)**	(1,233.7)
Net assets		**557.6**	670.3
Equity			
Called up share capital	25	**16.0**	16.0
Share premium		**369.6**	369.6
Merger reserve	26	**28.8**	43.8
Capital redemption reserve		**3.4**	3.4
Retained earnings		**62.0**	155.4
Cumulative translation reserve		**53.9**	58.0
Equity reserve		**23.9**	24.1
Total equity		**557.6**	670.3

The Consolidated Financial Statements of Hays plc, registered number 2150950, as set out on pages 155 to 195 were approved by the Board of Directors and authorised for issue on 21 August 2024.

Signed on behalf of the Board of Directors

D Hahn **J Hilton**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2024

(In £s million)	Called up share capital	Share premium	Merger reserve(1)	Capital redemption reserve	Retained earnings	Cumulative translation reserve	Equity reserve(2)	Total equity
At 1 July 2023	16.0	369.6	43.8	3.4	155.4	58.0	24.1	670.3
Currency translation adjustments	–	–	–	–	–	(4.1)	–	(4.1)
Remeasurement of defined benefit pension schemes	–	–	–	–	(23.2)	–	–	(23.2)
Tax relating to components of other comprehensive income	–	–	–	–	5.6	–	–	5.6
Net expense recognised in other comprehensive income	–	–	–	–	(17.6)	(4.1)	–	(21.7)
Loss for the year	–	–	–	–	(4.9)	–	–	(4.9)
Total comprehensive income for the year	–	–	–	–	(22.5)	(4.1)	–	(26.6)
Dividends paid	–	–	(15.0)	–	(68.3)	–	–	(83.3)
Purchase of own shares	–	–	–	–	(12.3)	–	–	(12.3)
Share-based payments charged to the income statement	–	–	–	–	–	–	9.5	9.5
Share-based payments settled on vesting	–	–	–	–	9.7	–	(9.7)	–
At 30 June 2024	**16.0**	**369.6**	**28.8**	**3.4**	**62.0**	**53.9**	**23.9**	**557.6**

For the year ended 30 June 2023

(In £s million)	Called up share capital	Share premium	Merger reserve(1)	Capital redemption reserve	Retained earnings	Cumulative translation reserve	Equity reserve(2)	Total equity
At 1 July 2022	16.7	369.6	43.8	2.7	268.2	73.6	21.6	796.2
Currency translation adjustments	–	–	–	–	–	(15.6)	–	(15.6)
Remeasurement of defined benefit pension schemes	–	–	–	–	(95.1)	–	–	(95.1)
Tax relating to components of other comprehensive income	–	–	–	–	19.5	–	–	19.5
Net expense recognised in other comprehensive income	–	–	–	–	(75.6)	(15.6)	–	(91.2)
Profit for the year	–	–	–	–	138.3	–	–	138.3
Total comprehensive income for the year	–	–	–	–	62.7	(15.6)	–	47.1
Dividends paid	–	–	–	–	(165.1)	–	–	(165.1)
Purchase of own shares	(0.7)	–	–	0.7	(19.0)	–	–	(19.0)
Share-based payments charged to the income statement	–	–	–	–	–	–	11.1	11.1
Share-based payments settled on vesting	–	–	–	–	8.6	–	(8.6)	–
At 30 June 2023	16.0	369.6	43.8	3.4	155.4	58.0	24.1	670.3

(1) The Merger reserve was generated under Section 612 of the Companies Act 2006, as a result of the cash box structure used in the equity placing of new shares issued during the year ended 30 June 2020.
(2) The Equity reserve is generated as a result of IFRS 2 'Share-based payments'.

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 30 June 2024

(In £s million)	2024	2023
Operating profit	**25.1**	197.0
Adjustments for:		
Exceptional items (note 4)	**80.0**	–
Depreciation of property, plant and equipment	**11.1**	10.9
Depreciation of right-of-use assets	**46.0**	46.0
Amortisation of intangible assets	**9.2**	10.0
Loss on disposal of business assets	**–**	0.1
Net movements in provisions (excluding exceptional items)(1)	**0.2**	1.9
Share-based payments (excluding exceptional items)	**8.2**	12.0
	154.7	80.9
Operating cash flow before movement in working capital	**179.8**	277.9
Movement in working capital:		
Decrease/(increase) in receivables	**43.2**	(53.2)
(Decrease)/increase in payables(1)	**(59.7)**	24.5
Movement in working capital	**(16.5)**	(28.7)
Cash generated by operations	**163.3**	249.2
Cash paid in respect of exceptional items	**(22.9)**	–
Pension scheme deficit funding	**(18.2)**	(17.7)
Income taxes paid	**(26.4)**	(65.8)
Net cash inflow from operating activities	**95.8**	165.7
Investing activities		
Purchase of property, plant and equipment	**(7.6)**	(12.3)
Purchase of intangible assets	**(15.8)**	(16.8)
Acquisition of subsidiaries	**–**	(1.0)
Interest received	**3.2**	2.0
Net cash used in investing activities	**(20.2)**	(28.1)
Financing activities		
Interest paid	**(7.2)**	(3.7)
Lease liability principal repayment	**(51.0)**	(49.9)
Purchase of own shares	**(12.3)**	(75.7)
Equity dividends paid	**(83.3)**	(165.1)
Increase in bank loans and overdrafts	**55.0**	10.0
Net cash used in financing activities	**(98.8)**	(284.4)
Net decrease in cash and cash equivalents	**(23.2)**	(146.8)
Cash and cash equivalents at beginning of year	**145.6**	296.2
Effect of foreign exchange rate movements	**(0.6)**	(3.8)
Cash and cash equivalents at end of year	**121.8**	145.6

(1) Net movements in provisions (excluding exceptionals) for the year ended 30 June 2024 includes transfer of dilapidation provision from accruals to provisions, with a corresponding decrease in payables of £5.4 million. There has been no impact on the Group's Cash generated by operations, cash inflow from operating activities, or on cash conversion.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 General information

Hays plc is a Company limited by shares, incorporated and domiciled in the United Kingdom and registered in England and Wales and its registered office and principal place of business is 4th Floor, 20 Triton Street, London NW1 3BF.

The Consolidated Financial Statements have been prepared in accordance with UK-adopted International Accounting Standards. The Consolidated Financial Statements are presented in sterling, the functional currency of Hays plc.

New standards and interpretations

The Consolidated Financial Statements have been prepared on the basis of the accounting policies and methods of computation applicable for the year ended 30 June 2024. These accounting policies are consistent with those applied in the preparation of the Consolidated Financial Statements for the year ended 30 June 2023; the Group has applied the IAS 12 amendment which provides an exemption from recognising and disclosing information related to Pillar Two top-up taxes (see note 10).

The following new standard is mandatory for the first time in the Group's accounting period beginning on 1 July 2023 and no new standards have been early adopted. The Group's financial statements have adopted the new standard, but it has had no material impact on the Group's results or financial position:

- IFRS 17 – Insurance contracts (effective 1 January 2023)

The Group has not yet adopted certain new standards, amendments and interpretations to existing standards, which have been published but which are only effective for the Group accounting periods beginning on or after 1 July 2024. These new pronouncements are listed as follows:

- IFRS 16 (amendments) 'Lease accounting', on sale and leaseback (effective 1 January 2024);
- IAS 1 (amendments) 'Presentation of Financial Statements', on non-current liabilities with covenants (effective 1 January 2024); and
- IAS 7 (amendments) 'Financial instruments', on supplier finance (effective 1 January 2024).

The Directors are currently evaluating the impact of the adoption of the standards, amendments and interpretations but do not expect them to have a material impact on the Group's operations or results.

The Group's principal accounting policies adopted in the presentation of these Consolidated Financial Statements are set out below and have been consistently applied to all the periods presented.

2 Material accounting policies

a Basis of preparation

The Consolidated Financial Statements have been prepared on the historical cost basis with the exception of financial instruments, pension assets and share-based payments. Financial instruments have been recorded initially on a fair value basis and then at amortised cost. Pension assets and share-based payments have been measured at fair value.

b Going Concern

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report. The financial position of the Group, its cash flows and liquidity position are described in the Chief Financial Officer's Review, with details of the Group's treasury activities, long-term funding arrangements and exposure to financial risk included in notes 19 to 21 to the Consolidated Financial Statements.

As in prior years, the Board undertook a strategic business review in the current year which took into account the Group's current financial position and the potential impact of the principal risks set out in the Annual Report.

In addition, and in making this statement, the Board carried out a robust assessment of the principal risks facing the Group, including those that would threaten the Group's business model, future performance and liquidity. While the review has considered all the principal risks identified by the Group, the resilience of the Group to the occurrence of these risks in severe yet plausible scenarios has been evaluated.

Financial position

At 30 June 2024, the Group had net cash of £56.8 million compared to net cash of £135.6 million at 30 June 2023. The Group had a good working capital performance, with significant management focus on cash collection, average trade debtor days remained below pre-Pandemic levels at 36 days (2023: 33 days), with the increase versus prior year being caused by the relative resilience of our Enterprise clients, that typically have longer payment terms. The Group has a history of strong cash generation, tight cost control and flexible workforce management.

Assessment of Going Concern

The Board approves the annual budget, which is based on submissions from the Group's divisions, following a thorough review process. The Board also reviews monthly management reports and quarterly forecasts. The output of the planning and budgeting processes has been used to perform base case projections for going concern purposes, under prudent assumptions:

- FY25 net fees and operating profit in-line with the approved budget
- Modest, single digit net fee growth in FY26
- Working capital movements expected to be broadly neutral
- That the Group's revolving credit facility is extended beyond the viability period
- Future dividends are in-line with current policy
- No changes to the Group structure

A sensitivity analysis of the Group's cash flow was performed to model the potential effects should the principal risks occur either individually or in unison. The sensitivity analysis modelled a range of severe, but plausible, downside scenarios against the base case projections, including a worsening of the macroeconomic environment and intensified competition, increasing inflation and the potential impact of climate change, with a range of recovery scenarios considered. The 'Stress Case' scenario assumes that the Group experiences a severe further deterioration in market conditions in H2 FY25, followed by a period of only gradual recovery.

2 Material accounting policies continued

b Going Concern continued

The Directors are satisfied that the Group would be able to respond to such scenarios with a range of measures including, but not limited to:

- Quickly decreasing headcount through natural attrition
- Reductions in discretionary spend
- Deferral of capital expenditure
- Further rationalisation or restructuring of business operations
- Reduction in cash distributions to shareholders

Given the nature of the Temporary and Contract recruitment business, significant working capital inflows typically arise in periods of severe downturn, thus protecting liquidity as was the case during the Global Financial Crisis of 2008/09 and which we again experienced during the Covid-19 pandemic.

Set against these downside trading scenarios, the Board also considered key mitigating factors including the geographic and sectoral diversity of the Group, its balanced business model across Temporary, Permanent and Contract recruitment services, and the focus on building a more resilient business, underpinned by the Group's clear strategy and focus on operational rigour. Furthermore, whilst our key markets have become increasingly challenging throughout FY24, skill and talent shortages are widespread across our major markets and are expected to remain so for the foreseeable future; the Directors are therefore satisfied that the demand for recruitment services will continue, supporting the resilience of our business model.

The Directors also considered a reverse stress test scenario to understand the reduction required to cause a breach of financial covenants or loss of solvency. The conclusion from the reverse stress test is that the likelihood of the scenarios occurring is remote and therefore does not represent a realistic threat to the going concern assumption of the Group.

The Group has an unsecured revolving credit facility of £210 million, that reduces in November 2024 to £170 million and expires in November 2025. The Directors anticipate no problems in renewing the facility, based on good early engagement with lenders, and fully intend to do so. This provides considerable headroom against current and future Group funding requirements. At 30 June 2024, £145 million of the facility was undrawn.

The Group has sufficient financial resources which, together with internally generated cash flows, will continue to provide sufficient sources of liquidity to fund its current operations, including its contractual and commercial commitments and any proposed dividends. The Group is therefore well-placed to manage its business risks. After making enquiries, the Directors have formed the judgment at the time of approving the financial statements, that there is a reasonable expectation that the Group has adequate resources to continue in operational existence throughout the Going Concern period, being at least 12 months from the date of approval of the Consolidated Financial Statements. For this reason, they continue to adopt the going concern basis of accounting in preparing the Consolidated Financial Statements.

c Basis of consolidation

Subsidiaries are fully consolidated from the date on which power to control is transferred to the Group. They are deconsolidated from the date on which control ceases.

The acquisition method of accounting is used to account for the acquisition of subsidiaries by the Group whereby the identifiable assets, liabilities and contingent liabilities are measured at their fair values at the date of acquisition. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. The Consolidated Financial Statements consolidate the accounts of Hays plc and all of its subsidiaries. The results of subsidiaries acquired or disposed during the year are included from the effective date of acquisition or up to the effective date of disposal, as appropriate.

All intra-Group transactions, balances, income and expenses are eliminated on consolidation.

d Turnover

Turnover is measured at the fair value of the consideration received or receivable at the point in time and represents amounts receivable for services provided in the normal course of business, net of discounts, VAT and other sales-related taxes.

Turnover arising from the placement of permanent candidates, including turnover arising from Recruitment Process Outsourcing (RPO) services, is recognised at the point in time the candidate commences full-time employment. Where a permanent candidate starts employment but does not work for the specified contractual period, an adjustment is made based on experience in respect of the expected required refund or credit note due to the client. The revenue recognised from a permanent placement is typically based on a percentage of the candidate's remuneration package.

Turnover arising from temporary placements, including turnover arising from Managed Service Programme (MSP) services, is recognised starting at the point in time that temporary workers are provided and continues through the duration of the placement. In nearly all contract arrangements the Group acts as principal. Where the Group is acting as a principal, turnover represents the amounts billable for the services of the temporary workers, including the remuneration costs of the temporary workers. The commission included within the revenue recognised arising from temporary placements is typically based on a percentage of the placement's hourly rate.

Where Hays acts as principal in arrangements that invoice on the costs incurred with other recruitment agencies as part of the MSP service provided, and in which Hays manages the recruitment supply chain, turnover represents amounts billable on from other recruitment agencies, including arrangements where no commission is directly receivable by the Group.

In some limited instances where the Group is acting as an agent in arrangements that invoice on behalf of other recruitment agencies as part of the MSP service provided, turnover represents commission receivable relating to the supply of temporary workers and does not include the remuneration costs of the other agency temporary workers.

Revenue recognition

Revenue is recognised for permanent placements on the day a candidate starts work. Revenue is recognised for temporary placements at the point in time that temporary workers are provided and continues through the duration of the placement.

The factors considered by management on a contract by contract basis when concluding the Company is acting as principal (gross basis) rather than agent (net basis) are as follows:

- The client has a direct relationship with Hays;
- Hays has the primary responsibility for providing the services to the client, and engages and contracts directly with the temporary worker and other recruitment companies;
- Hays has latitude in establishing the rates directly or indirectly with all parties; and
- Hays bears the credit risk on the receivable due from the client.

e Net fees

Net fees represent turnover less the remuneration costs of temporary workers for temporary assignments and remuneration of other recruitment agencies. For the placement of permanent candidates, net fees are equal to turnover.

f Exceptional items

Exceptional items, as disclosed on the face of the Consolidated Income Statement, are items which due to their material non-recurring nature have been classified separately and are highlighted separately in the notes to the Consolidated Financial Statements. The Group considers this provides additional useful information and assists in understanding the financial performance achieved by the Group. Separate presentation of these items is intended to enhance understanding of the financial performance of the Group in the year and the extent to which results are influenced by material non-recurring items. These may include items such as a major restructure of the business operations or a material impairment of goodwill or other intangible assets. Items described as "before exceptional items" are alternative performance measures.

g Foreign currencies

On consolidation, the tangible and intangible assets and liabilities of subsidiaries denominated in foreign currencies are translated into sterling at the rates ruling at the balance sheet date. Income and expense items are translated into sterling at average rates of exchange for the period. Any exchange differences which have arisen from an entity's investment in a foreign subsidiary, including long-term loans, are recognised as a separate component of equity and are included in the Group's cumulative translation reserve.

On disposal of a subsidiary, any amounts transferred to the cumulative translation reserve are included in the calculation of profit and loss on disposal. All other translation differences are dealt with in the Consolidated Income Statement.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

h Retirement benefit costs

The expense of defined benefit pension schemes and other post-retirement employee benefits is determined using the projected-unit credit method and charged to the Consolidated Income Statement as an expense, based on actuarial assumptions reflecting market conditions at the beginning of the financial year. All remeasurement gains and losses are recognised immediately in reserves and reported in the Consolidated Statement of Comprehensive Income in the period in which they occur.

Past service costs, curtailments and settlements are recognised immediately in the Consolidated Income Statement.

The Group chose under IFRS 1 to recognise in retained earnings all cumulative remeasurement gains and losses as at 1 July 2004, the date of transition to IFRS. The Group has chosen to recognise all remeasurement gains and losses arising subsequent to 1 July 2004 in reserves and reported in the Consolidated Statement of Comprehensive Income.

The retirement benefit surplus recognised in the Consolidated Balance Sheet represents the fair value of scheme assets less the present value of the defined benefit obligation.

The Hays Pension Scheme Definitive Deed and Rules is considered to provide Hays with an unconditional right to a refund of surplus assets and therefore the recognition of a net defined benefit scheme asset is not restricted and agreements to make funding contributions do not give rise to any additional liabilities in respect of the Scheme.

Payments to defined contribution schemes are charged as an expense in the Consolidated Income Statement as they fall due.

i Share-based payments

The fair value of all share-based remuneration that is assessed upon market-based performance criteria is determined at the date of grant and recognised as an expense in the Consolidated Income Statement on a straight-line basis over the vesting period, taking account of the estimated number of shares that will vest.

The fair value of all share-based remuneration that is assessed upon non-market-based performance criteria is determined at the date of the grant and recognised as an expense in the Consolidated Income Statement over the vesting period, based on the number of shares that are expected to vest. The number of shares that are expected to vest is adjusted accordingly, based on the satisfaction of the performance criteria at each year-end.

The fair values are determined by use of the relevant valuation models. All share-based remuneration is equity-settled.

j Borrowing costs

Interest costs are recognised as an expense in the Consolidated Income Statement in the period in which they are incurred. Arrangement fees incurred in respect of borrowings are amortised over the term of the agreement.

k Taxation

The tax expense is recognised in the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income or directly to retained earnings, according to the accounting treatment of the related transaction giving rise to the tax. The tax expense comprises both current and deferred tax.

Current tax is the tax payable based on taxable profit for the year. Taxable profit differs from profit as reported in the Consolidated Income Statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. Current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is provided on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Consolidated Financial Statements.

Deferred tax liabilities are generally recognised on all temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the temporary differences can be utilised.

2 Material accounting policies continued

k Taxation continued

Deferred tax is not recognised for temporary differences arising from the initial recognition of goodwill or initial recognition of other assets or liabilities in a transaction (other than a business combination) that affects neither accounting profit nor taxable profit. Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates except where the Group is able to control the reversal of the temporary differences and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amounts of deferred tax assets are reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax assets to be recovered. Unrecognised deferred tax assets are also reassessed each balance sheet date and recognised where it has become probable that future taxable profits are available against which the asset can be recovered.

Deferred tax is provided using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set-off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Uncertain tax positions

The Group operates in many countries and is therefore subject to tax laws in a number of different tax jurisdictions. The amount of tax payable or receivable on profits or losses for any period is subject to the agreement of the tax authority in each respective jurisdiction and the tax liability or asset position is open to review for several years after the relevant accounting period ends. In determining the provisions for income taxes, management is required to make judgments and estimates based on interpretations of tax statute and case law, which it does after taking account of professional advice and prior experience.

Uncertainties in respect of enquiries and additional tax assessments raised by tax authorities are measured in accordance with IFRIC 23 using the method that in management's view, best predicts the resolution of the uncertainty. The amounts ultimately payable or receivable may differ from the amounts of any provisions recognised in the Consolidated Financial Statements as a result of the estimates and assumptions used.

l Goodwill

Goodwill arising on consolidation represents the excess of purchase consideration less the fair value of the identifiable tangible and intangible assets and liabilities acquired.

Goodwill is recognised as an asset and reviewed for impairment at least annually. For the purpose of impairment testing, assets are grouped at the lowest level for which there are separately identifiable cash flows, known as cash-generating units (CGUs). Any impairment is recognised immediately in the Consolidated Income Statement and is not subsequently reversed.

On disposal of a business the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Goodwill arising on acquisitions before the date of transition to IFRS (1 July 2004) has been retained at the previous UK GAAP amounts, subject to being tested for impairment at that date. Goodwill arising on acquisitions prior to 1 July 1998 was written off direct to reserves under UK GAAP. This goodwill has not been reinstated and is not included in determining any subsequent profit or loss on disposal.

m Intangible assets

Intangible assets acquired as part of a business combination are stated in the Consolidated Balance Sheet at their fair value as at the date of acquisition less accumulated amortisation and any provision for impairment. The Directors review intangible assets for indications of impairment annually. There are no significant intangible assets other than computer software.

Costs associated with maintaining software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software controlled by the Group are recognised as intangible assets. Directly attributable costs that are capitalised as part of the software include employee costs and appropriate overheads. Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use.

Internally generated intangible assets are stated in the Consolidated Balance Sheet at the directly attributable cost of creation of the asset, less accumulated amortisation. Intangible assets are amortised on a straight-line basis over their estimated useful lives up to a maximum of 10 years. Software incorporated into major Enterprise Resource Planning (ERP) implementations that support the recruitment process and financial reporting process is amortised over a life of up to seven years. Other software is amortised between three and five years.

n Property, plant and equipment

Property, plant and equipment is recorded at cost, net of depreciation and any provision for impairment. Depreciation is provided on a straight-line basis over the anticipated useful working lives of the assets, after they have been brought into use, at the following rates:

Leasehold properties	– The cost is written off over the unexpired term of the lease
Plant and machinery	– At rates varying between 5% and 33%
Fixtures and fittings	– At rates varying between 10% and 25%

o Trade and other receivables

Trade and other receivables are initially measured at the transaction price and then at amortised cost after appropriate allowances for estimated irrecoverable amounts have been recognised in the Consolidated Income Statement. An allowance for impairment is made to both trade receivables and accrued income based on historical credit loss experience adjusted for forward-looking factors specific to the debtors and economic environment, as evidence of a likely reduction in the recoverability of the cash flows.

p Cash and cash equivalents

Cash and cash equivalents comprise cash-in-hand and current balances with banks and similar institutions, which are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value.

q Trade payables

Trade payables are measured initially at transaction price and then at amortised cost.

r Bank borrowings

Interest-bearing bank loans and overdrafts are recorded initially at fair value and subsequently measured at amortised cost.

Finance charges, including premiums payable on settlement or redemption and direct-issue costs, are accounted for on an accrual basis in the Consolidated Income Statement using the effective interest rate method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

s Derivative financial instruments

The Group may use certain derivative financial instruments to reduce its exposure to foreign exchange movements. The Group held six foreign exchange contracts at the end of the current year (2023: six) to facilitate cash management within the Group. The Group does not hold or use derivative financial instruments for speculative purposes.

The fair values of foreign exchange swaps are measured using inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly. It is the Group's policy not to seek to designate these derivatives as hedges. All derivative financial instruments not in a hedge relationship are classified as derivatives at fair value in the Consolidated Income Statement.

Fair value measurements

The information below sets out how the Group determines fair value of various financial assets and financial liabilities.

The following provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

t Leases

Set out below are the accounting policies of the Group upon adoption of IFRS 16, which have been applied from the date of initial application:

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease and they are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its leases of property, motor vehicles and equipment where leases have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

u Provisions

A provision is recognised when the Group has a present legal or constructive obligation as a result of a past event for which it is probable that an outflow of resources will be required to settle the obligation and when the amount can be reliably estimated. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects the current market assessment of the time value of money and the risks specific to the liability.

v Government grants

A government grant is recognised only when there is reasonable assurance that the Group will comply with any conditions attached to the grant and that the grant will be received. The grant is recognised net against the related costs for the period in which they are intended to compensate.

3 Critical accounting judgments and key sources of estimation uncertainty

The preparation of the Consolidated Financial Statements requires judgment, estimations and assumptions to be made that affect the reported value of assets, liabilities, revenues and expenses. Judgments, estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised and in any future years affected.

In preparing the Consolidated Financial Statements, the Directors have considered the impact of Climate Change on the Group and have concluded that there is no material impact on financial reporting judgments and estimates (further information is provided in the Strategic Report on page 71). This is consistent with the assertion that risks associated with Climate Change are not expected to have a material impact on the longer term viability of the Group. Furthermore, there is not considered to be a material impact on the carrying value of goodwill, other intangibles or on property, plant and equipment.

Whilst the Directors have concluded that there is no material impact of Climate Change on the financial reporting judgments and estimates, they are mindful of the changing nature of the risks of Climate Change. The Directors will therefore continue to monitor these risks and their potential impact on the judgments and estimates used in the Consolidated Financial Statements.

In applying the Group's accounting policies, the Directors have identified that the following areas are the critical accounting judgments and key sources of estimation uncertainty:

Critical accounting judgments

Profit before exceptional items

Management consider that this alternative performance measure provides useful information for shareholders on the Group's underlying performance and is consistent with how the business performance is measured internally by the chief operating decision maker. Profit before exceptional items and earnings per share before exceptionals are not recognised measures under UK-adopted International Accounting Standards and may not be directly comparable with adjusted measures used by other companies.

The classification of items excluded from profit before exceptionals requires judgment, including considering the nature, circumstances, scale and impact of a transaction upon the Group's results. The details of items treated as exceptional items are disclosed in note 5 to the Consolidated Financial Statements.

Estimation uncertainty

Goodwill impairment

Goodwill is tested for impairment at least annually. In performing these tests assumptions are made in respect of future growth rates and the discount rate to be applied to the future cash flows of cash-generating units (CGUs). These assumptions are set out in note 13 to the Consolidated Financial Statements. There was an impairment of £15.3 million (2023: £nil) recognised in the current year as an exceptional item in respect of the 2014 Veredus acquisition in the US business. Management have determined that there has been no impairment to any of the other CGUs or to the remainder of the US CGU and does not consider there to exist a significant risk of material adjustments.

Pension accounting

Under IAS 19 'Employee Benefits', the Group has recognised a pension surplus of £19.4 million (2023: £25.7 million). A number of assumptions have been made in determining the pension position and these are described in note 23 to the Consolidated Financial Statements.

Provisions in respect of recoverability of trade receivables

As described in note 18 to the Consolidated Financial Statements, provisions for impairment of trade receivables and accrued income have been made. In reviewing the appropriateness of these provisions, consideration has been given to the ageing of the debt and the potential likelihood of default, taking into account current and future economic conditions.

4 Segmental information

IFRS 8 'Operating Segments'

IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker to allocate resources to the segment and to assess their performance.

As a result, the Group segments the business into four regions, Germany, United Kingdom & Ireland, Australia & New Zealand and Rest of World. There is no material difference between the segmentation of the Group's turnover by geographic origin and destination.

The Group's operations comprise one class of business, that of qualified, professional and skilled recruitment.

Turnover, net fees and operating profit

The Group's Executive Leadership Team, which is regarded as the chief operating decision maker, uses net fees by segment as its measure of revenue in internal reports, rather than turnover. This is because net fees exclude the remuneration of temporary workers, and payments to other recruitment agencies where the Group acts as principal, which are not considered relevant in allocating resources to segments. The Group's Executive Leadership Team considers net fees for the purpose of making decisions about allocating resources. The Group does not report items below operating profit by segment in its internal management reporting. The full detail of these items can be seen in the Group Consolidated Income Statement on page 155. The reconciliation of turnover to net fees can be found in note 6 to the Consolidated Financial Statements.

(In £s million)	Note	2024	2023
Turnover			
Germany		**1,900.3**	1,956.3
United Kingdom & Ireland		**1,594.4**	1,714.6
Australia & New Zealand		**1,286.9**	1,583.3
Rest of World		**2,167.5**	2,329.1
Group	6	**6,949.1**	7,583.3

(In £s million)	Note	2024	2023
Net fees			
Germany		**351.8**	382.0
United Kingdom & Ireland		**225.7**	266.1
Australia & New Zealand		**139.7**	188.4
Rest of World		**396.4**	458.1
Group	6	**1,113.6**	1,294.6

(In £s million)	2024 Before exceptional items	2024 Exceptional items	2024	2023
Operating profit				
Germany	68.0	(23.6)	**44.4**	100.2
United Kingdom & Ireland	6.4	(7.3)	**(0.9)**	28.7
Australia & New Zealand	11.5	(5.3)	**6.2**	32.1
Rest of World	19.2	(43.8)	**(24.6)**	36.0
Group	105.1	(80.0)	**25.1**	197.0

Net trade receivables

For the purpose of monitoring performance and allocating resources from a balance sheet perspective, the Group's Executive Leadership Team monitors trade receivables net of provisions for impairment only on a segmental basis. These are monitored on a constant currency basis for comparability through the year. These are shown below and reconciled to the totals as shown in note 18 to the Consolidated Financial Statements.

(In £s million)	As reported internally	Exchange adjustments	2024	As reported internally	Exchange adjustments	2023
Germany	231.8	(3.0)	**228.8**	234.3	(0.3)	234.0
United Kingdom & Ireland	160.8	(0.1)	**160.7**	174.2	(0.1)	174.1
Australia & New Zealand	89.8	0.6	**90.4**	109.4	(8.3)	101.1
Rest of World	276.3	(1.9)	**274.4**	221.1	(3.3)	217.8
Group	758.7	(4.4)	**754.3**	739.0	(12.0)	727.0

Major customers

In the current year and prior year there was no customer that exceeded 10% of the Group's turnover.

5 Exceptional items

During the year, the Group incurred an exceptional charge of £80.0 million (2023: £nil). Of this, £42.2 million relates to a restructuring charge and the remaining £37.8 million is non-cash, comprising a £22.5 million charge relating to impairment of intangible assets and a £15.3 million charge relating to the partial impairment of goodwill in the US business.

Effective 31 August 2023, after 16 years of service, Alistair Cox stepped down as CEO and from the Board. The Executive Leadership Team was restructured, including the departure of several members of the team, as well as the appointment of a new Chief People Officer and a new Chief Technology Officer. The Group incurred a combined cost, including legal and other third-party costs, of £5.6 million in relation to the departure of the CEO and members of the Executive Leadership Team. These costs are considered exceptional given their size, non-recurring nature and because these changes led to the wider restructuring events that occurred through the remainder of the year.

Following the appointment of the new CEO, Dirk Hahn, and in response to increasingly challenging market conditions and a clear slowdown in most markets, we restructured the business operations of many countries across the Group, to better align business operations to market opportunities and reduce operating costs. The restructuring exercise led to the redundancy of a number of employees, including senior and operational management and back-office positions and the closure of 17 offices. This resulted in the Group incurring a restructuring cost of £42.2 million, including the £5.6 million as noted above, a detailed breakdown of which is provided in note 6 to the Consolidated Financial Statements. The restructuring costs are expected to generate significant cost savings and are considered exceptional given their size and impact on business operations.

The cash impact of the restructuring charge in the year was £22.9 million, with a further £17.8 million cash outflow expected in the year to 30 June 2025.

Following the appointment of the new Chief Technology Officer, the Group's Technology Senior Leadership Team was restructured and the Directors initiated a Group-wide project to transform its IT infrastructure to better support the operations of the business. This led the Directors to enter into a contract to outsource the Group's back-office IT infrastructure and the third-party cost (included in the combined restructuring cost above) associated with this is considered as exceptional due to the size of the contract and the anticipated long-term cost savings to the Group. As part of the transformation, the Directors cancelled certain in-flight projects and concluded that the related intangible assets would not be used in the Group's operations. The Directors also determined that certain intangible assets currently in use would no longer be used in the Group's operations as originally anticipated, and therefore concluded that a material part of their carrying value was impaired. This cumulatively resulted in an impairment charge of £22.5 million, which is a material non-cash item and based on its size and nature is considered to be exceptional.

As described in note 13 to the Consolidated Financial Statements, a £15.3 million charge resulted from the partial impairment of the carrying value of goodwill relating to the 2014 Veredus acquisition in the USA, which was partially impaired in the year ended 30 June 2020. The goodwill impairment charge is a material non-cash item that based on its size and nature is considered to be exceptional. The remaining Veredus goodwill balance at 30 June 2024 is £7.2 million.

In total the exceptional charge generated a tax credit of £11.1 million (2023: £nil).

The last time that the Group recognised an exceptional restructuring charge was in the year ended 30 June 2020, in the immediate aftermath of the Covid-19 pandemic. The last time that the Group incurred an exceptional impairment charge on other intangible assets was in the year ended 30 June 2008.

6 Operating profit

The following costs are deducted from turnover to determine net fees:

(In £s million)	**2024**	2023
Turnover	**6,949.1**	7,583.3
Remuneration of temporary workers	**(4,995.4)**	(5,212.9)
Remuneration of other recruitment agencies	**(840.1)**	(1,075.8)
Net fees	**1,113.6**	1,294.6

Operating profit is stated after charging the following items to net fees of £1,113.6 million (2023: £1,294.6 million):

(In £s million)	2024 Before exceptional items	2024 Exceptional items	2024	2023
Staff costs (note 8)	789.4	30.2	**819.6**	868.8
Amortisation of other intangible assets (note 14)	9.2	–	**9.2**	10.0
Depreciation of property, plant and equipment (note 15)	11.1	–	**11.1**	10.9
Depreciation of right-of-use assets (note 16)	46.0	–	**46.0**	46.0
Loss on disposal of property, plant and equipment (note 15)	–	0.4	**0.4**	–
Impairment loss on goodwill (note 13)	–	15.3	**15.3**	–
Impairment of right-of-use assets (note 16)	–	4.9	**4.9**	–
Impairment of intangible assets (note 14)	–	22.5	**22.5**	–
Short-term leases and leases of low-value assets	3.5	–	**3.5**	3.8
Impairment loss on trade receivables (note 18)	1.4	–	**1.4**	3.0
Auditor's remuneration (note 7):				
• for statutory audit services	2.4	–	**2.4**	2.1
• for other services	0.3	–	**0.3**	0.2
Other external charges	145.2	6.7	**151.9**	152.8
Administrative expenses	1,008.5	80.0	**1,088.5**	1,097.6

Within exceptional items in the table above, staff costs (£30.2 million), loss on disposal of property, plant and equipment (£0.4 million), impairment of right-of-use assets (£4.9 million) and other external charges (£6.7 million) total £42.2 million and represent the restructuring charge as disclosed in note 5 to the Consolidated Financial Statements.

There were no exceptional items in the prior year.

7 Auditor's remuneration

(In £s million)	2024	2023
Fees payable to the Company's Auditors for the audit of the Company's annual Financial Statements	**0.6**	0.6
Fees payable to the Company's Auditors and their associates for other services to the Group:		
The audit of the Company's subsidiaries pursuant to legislation	**1.8**	1.5
Total audit fees	**2.4**	2.1
Audit-related assurance services	**0.3**	0.2
Total non-audit fees	**0.3**	0.2

8 Staff costs

The aggregate staff remuneration (including Executive Directors) was as follows:

(In £s million)	2024 Before exceptional items	2024 Exceptional items	2024	2023
Wages and salaries	666.5	25.2	**691.7**	737.6
Social security costs	93.1	3.2	**96.3**	95.9
Other pension costs	21.6	0.3	**21.9**	23.3
Share-based payments	8.2	1.5	**9.7**	12.0
Staff costs	789.4	30.2	**819.6**	868.8

Average number of persons employed during the year (including Executive Directors) was as follows:

(Number)	2024	2023
Germany	**2,982**	2,994
United Kingdom & Ireland	**3,404**	3,767
Australia & New Zealand	**1,329**	1,634
Rest of World	**4,419**	4,961
Group	**12,134**	13,356

Closing number of persons employed at the end of the year (including Executive Directors) was as follows:

(Number)	2024	2023
Germany	**2,808**	3,023
United Kingdom & Ireland	**3,204**	3,656
Australia & New Zealand	**1,143**	1,581
Rest of World	**3,965**	4,789
Group	**11,120**	13,049

Notes to the Consolidated Financial Statements continued

9 Net finance charge

(In £s million)	2024	2023
Interest received on bank deposits	**3.2**	2.0
Interest payable on bank loans and overdrafts	**(7.2)**	(3.7)
Interest on lease liabilities (note 16)	**(5.0)**	(4.2)
Pension Protection Fund levy	**(0.1)**	(0.1)
Net interest (expense)/credit on defined benefit pension schemes (note 23)	**(1.3)**	1.1
Net finance charge	**(10.4)**	(4.9)

10 Tax

The tax expense for the year is comprised of the following:

(In £s million)	2024	2023
Current tax		
Current tax expense in respect of the current year	**(28.2)**	(57.2)
Adjustments to current tax in relation to prior years	**4.9**	6.8
	(23.3)	(50.4)
Deferred tax		
Deferred tax credit/(charge) in respect of the current year	**2.0**	(5.4)
Adjustments to deferred tax in relation to prior years	**1.6**	2.0
	3.6	(3.4)
Total income tax expense recognised in the current year	**(19.6)**	(53.8)

Current tax expense for the year is comprised of the following:

(In £s million)	2024	2023
United Kingdom	**(3.6)**	(5.7)
Overseas	**(24.6)**	(51.5)
Group	**(28.2)**	(57.2)

The income tax expense for the year can be reconciled to the accounting profit as follows:

(In £s million)	2024 Before exceptional items	2024 Exceptional items	2024	Revised* 2023
Profit before tax	94.7	(80.0)	**14.7**	192.1
Income tax expense calculated at 25.0% (2023: 20.5%)	(23.7)	20.0	**(3.7)**	(39.4)
Items not taxable or non-deductible for tax	(6.1)	(0.7)	**(6.8)**	(3.7)
Changes in recognition of deferred tax in relation to losses	(3.4)	(2.2)	**(5.6)**	(5.1)
Changes in recognition of deferred tax in relation to temporary differences	(2.6)	(7.0)	**(9.6)**	(0.8)
Effect of different tax rates of subsidiaries operating in other jurisdictions	(0.8)	1.0	**0.2**	(13.3)
Effect of share-based payment charges and share options	(0.6)	–	**(0.6)**	(0.3)
Income tax recognised in the current year	(37.2)	11.1	**(26.1)**	(62.6)
Adjustments recognised in the current year in relation to the current tax of prior years	4.9	–	**4.9**	6.8
Adjustments to deferred tax in relation to prior years	1.6	–	**1.6**	2.0
Income tax expense recognised in the Consolidated Income Statement	(30.7)	11.1	**(19.6)**	(53.8)
Effective tax rate for the year	32.4%	13.9%	**133.3%**	28.0%

* The Group has simplified the Income tax reconciliation by amalgamating certain categories of the reconciliation for this financial year. As a result the prior year comparators have been updated to align with the simplified disclosure. This is purely a revision in presentation.

The tax rate used for the reconciliation above for the year ended 30 June 2024 is the corporation tax rate of 25.0% (2023: 20.5%), payable by corporate entities in the United Kingdom on taxable profits under tax law in that jurisdiction. The Group operates in jurisdictions which have tax rates higher than the UK statutory tax rate, the most significant being Germany and Australia with statutory rates of 31.5% and 30% respectively, the impact of which is shown in the above reconciliation under effect of different tax rates of subsidiaries operating in other jurisdictions.

In the Spring Budget 2021, the UK government announced an increase in the UK corporation tax rate from 19% to 25% with effect from 1 April 2023. This was substantially enacted in May 2021.

Furthermore, on 20 June 2023, Finance (No.2) Act 2023 was substantively enacted in the UK, introducing a global minimum effective tax rate of 15% for each jurisdiction in which the Group operates. The legislation was subsequently enacted on 11 July 2023 and implements a domestic top-up tax and a multinational top-up tax, effective for accounting periods starting on or after 31 December 2023. The Group has applied the exemption under the IAS 12 amendment to recognising and disclosing information about deferred tax assets and liabilities related to top-up income taxes.

The Pillar Two legislation implementing the global minimum effective tax regime is effective for the Group's financial year beginning 1 July 2024. The Group is in scope of the legislation and has performed an assessment of the Group's potential exposure to Pillar Two income taxes. The assessment has been based on recent Group Consolidated financial statements and Country by Country Reporting, covering periods ending 30 June 2021, 30 June 2022 and 30 June 2023. Based on the assessment, the Pillar Two effective tax rates in most jurisdictions in which the Group operates are above 15% or the transitional safe harbour relief is expected to apply. However, there are a limited number of jurisdictions where the transitional safe harbour relief is not expected to apply, and the Pillar Two effective tax rate is less than 15%. However, the estimated tax impact on the Group's tax charge is not material had the rules applied in the periods assessed.

Income tax recognised in other comprehensive income

(In £s million)	**2024**	2023
Current tax		
Contributions in respect of defined benefit pension scheme	**2.4**	3.9
Tax on foreign exchange movements	**0.1**	1.1
Deferred tax		
Actuarial loss in respect of defined benefit pension scheme	**5.8**	23.7
Contributions in respect of defined benefit pension scheme	**(4.2)**	(4.7)
Effect of tax losses recognised for deferred tax	**1.5**	(4.5)
Total income tax credit recognised in other comprehensive income	**5.6**	19.5

11 Dividends

The following dividends were paid by the Group and have been recognised as distributions to equity shareholders in the year:

	2024 (pence per share)	**2024 (£s million)**	2023 (pence per share)	2023 (£s million)
Prior year final dividend	**2.05**	**32.6**	1.90	30.8
Prior year special dividend	**2.24**	**35.7**	7.34	119.1
Current year interim dividend	**0.95**	**15.0**	0.95	15.2
Total	**5.24**	**83.3**	10.19	165.1

The following dividends have been proposed by the Group in respect of the accounting year presented:

	2024 (pence per share)	**2024 (£s million)**	2023 (pence per share)	2023 (£s million)
Interim dividend (paid)	**0.95**	**15.0**	0.95	15.2
Final dividend (proposed)	**2.05**	**32.5**	2.05	32.6
Special dividend (proposed)	**–**	**–**	2.24	35.6
Total	**3.00**	**47.5**	5.24	83.4

The final dividend for 2024 of 2.05 pence per share (£32.5 million) will be proposed at the Annual General Meeting on 20 November 2024 and has not been included as a liability. If approved, the final dividend will be paid on 25 November 2024 to shareholders on the register at the close of business on 18 October 2024.

12 Earnings per share

For the year ended 30 June 2024	**Earnings (£s million)**	**Weighted average number of shares (million)**	**Per share amount (pence)**
Before exceptional items:			
Basic earnings per share	**64.0**	**1,586.6**	**4.03**
Dilution effect of share options	**–**	**13.7**	**(0.03)**
Diluted earnings per share	**64.0**	**1,600.3**	**4.00**
After exceptional items:			
Basic earnings per share	**(4.9)**	**1,586.6**	**(0.31)**
Dilution effect of share options	**–**	**13.7**	**–**
Diluted earnings per share	**(4.9)**	**1,600.3**	**(0.31)**

For the year ended 30 June 2023	Earnings (£s million)	Weighted average number of shares (million)	Per share amount (pence)
Basic earnings per share	138.3	1,610.0	8.59
Dilution effect of share options	–	13.9	(0.07)
Diluted earnings per share	138.3	1,623.9	8.52

The weighted average number of shares in issue for the current and prior years exclude shares held in treasury.

Notes to the Consolidated Financial Statements continued

12 Earnings per share continued

Reconciliation of earnings

(In £s million)	2024	2023
Earnings before exceptional items	**64.0**	138.3
Exceptional items (note 5)	**(80.0)**	–
Tax credit on exceptional items (note 10)	**11.1**	–
Total earnings	**(4.9)**	138.3

13 Goodwill

(In £s million)	2024	2023
At 1 July	**200.3**	202.3
Exchange adjustments	**(2.1)**	(3.0)
Additions during the year	**–**	1.0
Impairment loss for the year	**(15.3)**	–
At 30 June	**182.9**	200.3

Goodwill arising on business combinations is reviewed and tested on an annual basis or more frequently if there is an indication that goodwill might be impaired. Goodwill has been tested for impairment by comparing the carrying amount of each cash-generating unit (CGU), including goodwill, with the recoverable amount. The recoverable amounts of the CGUs are determined from value-in-use calculations.

The additions during the year ended 30 June 2023 of £1.0 million relate to the acquisition of Vercida Consulting, a DE&I advisory business based in the UK, with further amounts payable based on achieving our ambitious growth plans. These amounts are charged to the Consolidated Income Statement over the earnout period and are not expected to be material.

The key assumptions for the value-in-use calculations are as follows:

Assumption	How determined
Operating profit	The operating profit is based on the latest one-year forecasts for the CGUs approved by the Group's Executive Leadership Team, and medium-term forecasts over a two to five year period which are compiled using expectations of fee growth, consultant productivity and operating costs, from past experience. The Group prepares cash flow forecasts derived from the most recent one-year financial forecasts approved by the Group's Executive Leadership Team, and extrapolates cash flows in perpetuity based on the long-term growth rates and expected cash conversion rates. Cash flow projections used to measure value-in-use do not include any cash inflows or outflows expected from any future restructurings or asset enhancements.
Discount rates	The pre-tax rates used to discount the forecast cash flows range between 12.9% and 15.6% (2023: 12.2% and 14.2%) reflecting current market assessments of the time value of money and the country risks specific to the relevant CGUs. The discount rate applied to the cash flows of each of the Group's operations is based on the weighted average cost of capital (WACC), taking into account adjustments to the risk-free rate for 20-year bonds issued by the government in the respective market. Where government bond rates contain a material component of credit risk, high-quality local corporate bond rates may be used. These rates are adjusted for a risk premium to reflect the increased risk of investing in equities and, where appropriate, the systematic risk of the specific Group operating company. In making this adjustment, inputs required are the equity market risk premium (that is the increased return required over and above a risk-free rate by an investor who is investing in the market as a whole) and the risk adjustment beta, applied to reflect the risk of the specific Group operating company relative to the market as a whole.
Growth rates	The medium-term growth rates are based on management's current forecasts for a period of two to five years. These are consistent with a minimum average estimated fee growth rate for Group of 5.0% (2023: 4.0%). The growth estimates reflect a combination of both past experience and the macroeconomic environment, including GDP expectations driving fee growth. The long-term growth rates are based on management forecasts, which are consistent with external sources of an average estimated growth rate of 2.0% (2023: 2.0%), reflecting a combination of GDP expectations and long-term wage inflation driving fee growth. GDP growth is a key driver of our business, and is therefore a key consideration in developing long-term forecasts. Wage inflation is also an important driver of net fees, as net fees are derived directly from the salary level of candidates placed into employment. Based on past experience a combination of these two factors is considered to be an appropriate basis for assessing long-term growth rates.

Impairment reviews were performed at the year-end by comparing the carrying value of goodwill with the recoverable amounts of the CGUs to which goodwill has been allocated. Management has determined that there has been no impairment to any of the CGUs as at 30 June 2024, subsequent to the impairment recorded in respect of the US CGU during half year ended 31 December 2023. Management performed a sensitivity analysis in assessing recoverable amounts of goodwill as at 30 June 2024. This has been based on changes in key assumptions considered to be reasonably possible by management. This included a change in the pre-tax discount rate of up to 3% and changes in the long-term growth rate of between 0% and 2% in absolute terms, both of which gave a clear headroom and there was no impairment. Management has also considered the potential impact of climate change on future growth rates, and where appropriate, has incorporated the risks and opportunities as disclosed in the TCFD Report on pages 71 to 78, into cash flow forecasts.

As mentioned above, the Group recognised an impairment charge of £15.3m (recorded under exceptional items) during the half year ended 31 December 2023 in respect of the US CGU, included within the Rest of World segment. Management revised its cash flow forecast for the US CGU as at 31 December 2023, which resulted in a reduction of its recoverable amount below the carrying amount. Before impairment testing, the carrying value in respect of the goodwill relating to the 2014 Veredus acquisition in the USA was £22.5 million. The recoverable amount was considered to be in line with its value-in-use which is considered higher than its fair value less cost of disposal. The key assumptions that were applied to the US CGU as at 31 December 2023 were as follows: A pre-tax WACC of 13.1%, an average medium-term growth rate of 25.0% and a long-term growth rate of 2.0%. The sensitivity of an adverse 0.5% change in absolute terms to each of these assumptions in isolation would result in a reduction in its value-in-use by £0.7 million, £0.1 million and £0.2 million respectively. The sensitivity of a favourable 0.5% change in absolute terms to each of these assumptions in isolation would result in an increase in its value-in-use by £0.7 million, £0.1 million and £0.2 million respectively.

Goodwill is allocated to CGUs for the purpose of impairment testing. The allocation is made to those CGUs or groups of CGUs that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being the operating segments. The carrying amount of goodwill has been allocated as follows:

(In £s million)	2024	2023
Germany	**49.1**	49.8
United Kingdom & Ireland	**94.1**	94.1
Rest of World	**39.7**	56.4
Group	**182.9**	200.3

Information about the performance of the individual CGUs is provided in the Divisional Operating Reviews, within the Strategic Report on pages 38 to 42.

14 Other intangible assets

(In £s million)	2024	2023
Cost		
At 1 July	**194.0**	179.2
Exchange adjustments	**(0.9)**	(1.5)
Additions	**15.8**	16.8
Disposals	**(13.7)**	(0.5)
At 30 June	**195.2**	194.0
Accumulated amortisation		
At 1 July	**140.3**	132.1
Exchange adjustments	**(0.8)**	(1.3)
Charge for the year	**9.2**	10.0
Impairment charge (note 5)	**22.5**	–
Disposals	**(13.7)**	(0.5)
At 30 June	**157.5**	140.3
Net book value		
At 30 June	**37.7**	53.7
At 1 July	**53.7**	47.1

All other intangible assets relate mainly to computer software, and of the additions in the current year, £6.7 million relate to internally generated assets (2023: £7.3 million). The impairment charge of £22.5 million is split by the following segments: Germany £10.3 million; UK&I £2.8 million; ANZ £1.7 million; and RoW £7.7 million.

The estimated average useful life of the computer software related intangible assets is seven years (2023: seven years). Software incorporated into major Enterprise Resource Planning (ERP) implementations is amortised on a straight-line basis over a life of up to seven years. Other software is amortised on a straight-line basis between three and five years.

There were no capital commitments at 30 June 2024 (2023: £1.7 million).

Notes to the Consolidated Financial Statements continued

15 Property, plant and equipment

(In £s million)	Leasehold improvements	Plant and machinery	Fixtures and fittings	Total
Cost				
At 1 July 2023	28.0	57.3	34.0	119.3
Exchange adjustments	(0.4)	(0.4)	(0.3)	(1.1)
Additions	2.8	2.4	2.4	7.6
Disposals	(1.9)	(5.9)	(4.4)	(12.2)
At 30 June 2024	**28.5**	**53.4**	**31.7**	**113.6**
Accumulated depreciation				
At 1 July 2023	20.5	43.8	25.3	89.6
Exchange adjustments	(0.1)	(0.2)	(0.2)	(0.5)
Charge for the year	2.4	6.3	2.4	11.1
Disposals	(1.5)	(5.9)	(4.4)	(11.8)
At 30 June 2024	**21.3**	**44.0**	**23.1**	**88.4**
Net book value				
At 30 June 2024	**7.2**	**9.4**	**8.6**	**25.2**
At 1 July 2023	7.5	13.5	8.7	29.7

(In £s million)	Leasehold improvements	Plant and machinery	Fixtures and fittings	Total
Cost				
At 1 July 2022	28.1	54.8	31.4	114.3
Exchange adjustments	(1.5)	(1.2)	(0.3)	(3.0)
Additions	2.9	5.4	4.0	12.3
Disposals	(1.5)	(1.7)	(1.1)	(4.3)
At 30 June 2023	28.0	57.3	34.0	119.3
Accumulated depreciation				
At 1 July 2022	20.7	39.7	24.6	85.0
Exchange adjustments	(1.0)	(0.9)	(0.2)	(2.1)
Charge for the year	2.3	6.7	1.9	10.9
Disposals	(1.5)	(1.7)	(1.0)	(4.2)
At 30 June 2023	20.5	43.8	25.3	89.6
Net book value				
At 30 June 2023	7.5	13.5	8.7	29.7
At 1 July 2022	7.4	15.1	6.8	29.3

16 Lease accounting

(In £s million)	Right-of-use assets Property	Motor vehicles	Other assets	Total lease assets	Lease liabilities
At 1 July 2023	164.5	11.5	0.1	176.1	(189.8)
Exchange adjustments	(1.5)	(0.2)	–	(1.7)	3.2
Lease additions	29.8	10.6	–	40.4	(40.4)
Lease disposals	(1.5)	(0.2)	–	(1.7)	1.7
Impairment of right-of-use assets	(4.9)	–	–	(4.9)	–
Depreciation of right-of-use assets	(38.6)	(7.4)	–	(46.0)	–
Lease liability principal repayments	–	–	–	–	51.0
Interest on lease liabilities	–	–	–	–	(5.0)
At 30 June 2024	**147.8**	**14.3**	**0.1**	**162.2**	**(179.3)**

(In £s million)	Right-of-use assets Property	Motor vehicles	Other assets	Total lease assets	Lease liabilities
At 1 July 2022	162.4	9.2	0.1	171.7	(185.1)
Exchange adjustments	(2.2)	–	–	(2.2)	2.2
Lease additions	53.6	8.5	0.1	62.2	(62.2)
Lease disposals	(9.5)	(0.1)	–	(9.6)	9.6
Depreciation of right-of-use assets	(39.8)	(6.1)	(0.1)	(46.0)	–
Lease liability principal repayments	–	–	–	–	49.9
Interest on lease liabilities	–	–	–	–	(4.2)
At 30 June 2023	164.5	11.5	0.1	176.1	(189.8)

Maturity analysis

(In £s million)	**2024**	2023
Less than one year	**(44.2)**	(41.3)
One to two years	**(34.0)**	(36.5)
Two to three years	**(25.8)**	(26.9)
Three to four years	**(19.3)**	(19.6)
Four to five years	**(14.9)**	(15.4)
More than five years	**(41.1)**	(50.1)
Total lease liabilities	**(179.3)**	(189.8)

(In £s million)	**2024**	2023
Current	**(44.2)**	(41.3)
Non-current	**(135.1)**	(148.5)
Total lease liabilities	**(179.3)**	(189.8)

Notes to the Consolidated Financial Statements continued

17 Deferred tax

Deferred tax assets and liabilities in relation to:

(In £s million)	1 July 2023	(Charge)/credit to Consolidated Income Statement	(Charge)/credit to other comprehensive income	Exchange adjustments	**30 June 2024**
Accelerated tax depreciation	(4.8)	10.3	–	0.1	**5.6**
Retirement benefit surplus	(6.5)	–	1.6	–	**(4.9)**
Share-based payments	2.3	(0.3)	–	–	**2.0**
Provisions	7.4	(0.3)	–	(0.1)	**7.0**
Tax losses	9.4	(2.4)	1.5	–	**8.5**
Other short-term timing differences	10.8	(3.7)	–	0.1	**7.2**
Net deferred tax	18.6	3.6	3.1	0.1	**25.4**

(In £s million)	1 July 2022	(Charge)/credit to Consolidated Income Statement	(Charge)/credit to other comprehensive income	Exchange adjustments	30 June 2023
Accelerated tax depreciation	(3.8)	(1.0)	–	–	(4.8)
Retirement benefit surplus	(25.5)	–	19.0	–	(6.5)
Share-based payments	1.7	0.6	–	–	2.3
Provisions	8.5	(0.9)	–	(0.2)	7.4
Tax losses	17.2	(3.1)	(4.5)	(0.2)	9.4
Other short-term timing differences	10.4	1.0	–	(0.6)	10.8
Net deferred tax	8.5	(3.4)	14.5	(1.0)	18.6

Deferred tax assets and liabilities are offset where the Group has a legal enforceable right to do so. The analysis of the deferred tax balances (after offset) for financial reporting purposes are as follows:

(In £s million)	**2024**	2023
Deferred tax assets	**25.4**	21.4
Deferred tax liabilities	**–**	(2.8)
Net deferred tax	**25.4**	18.6

The deferred tax asset of £25.4 million (2023: £21.4 million) as at 30 June 2024 primarily arises from our Australian and UK businesses.

The overall deferred tax asset has increased due to a number of factors including the impairment of intangible assets in Germany, together with a reduction in the deferred tax liability in the UK, driven by a reduction in the retirement benefit surplus. The reduction in the pension deferred tax liability has been partially offset by the derecognition of deferred tax asset in relation to previously unrecognised tax losses, on the basis that the asset can be recovered against the deferred tax liability relating to the retirement benefit surplus when the latter unwinds in the future. In addition,a deferred tax asset of £8.4m has been recognised in the UK, on the basis of forecast future taxable profits.

Deferred tax assets can, inter alia, be recognised where the potential asset can offset the future unwind of a deferred tax liability. Therefore, when considering the recognition of certain deferred tax assets, management must consider the level of the deferred tax liability recognised in relation to the retirement benefit surplus and the manner in which that deferred tax liability will unwind.

Management considers a buy-out of the defined benefit pension scheme to be the most probable manner of recovery of the retirement benefit surplus, based on the progress of the Group's stated long-term objective of achieving a buyout of the scheme within the next four years. On this basis, the retirement benefit surplus would unwind as a one-off event, rather than over time, and hence the associated deferred tax liability would unwind simultaneously at that point in time.

As such, the extent to which a deferred tax asset can be recognised against this deferred tax liability is capped to the amount of that potential asset that can be utilised in the one period in which the pension related deferred tax liability unwinds.

If management were to judge that the retirement benefit surplus would unwind over a number of years, rather than as a one-off event, the deferred tax asset recognised at 30 June 2024 would be £1.6 million higher.

The basis for measurement will be assessed at each reporting period based on the latest position in relation to the defined benefit pension scheme, as a change in the basis of recovery would result in a different measurement basis and impact the quantum of the deferred tax balance recognised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the periods in which they reverse – being the rates enacted or substantively enacted for those relevant periods applicable for each jurisdiction. Following the legislated increase in the main UK corporation tax rate from 19% to 25% which took effect from 1 April 2023, the UK deferred tax balances were remeasured as at 30 June 2021 and continues to be measured at the tax rates that would apply in the period they are expected to reverse.

Unrecognised deductible temporary differences, unused tax losses and unused tax credits

Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following:

(In £s million)	**Gross 2024**	**Tax 2024**	Gross 2023	Tax 2023
Tax losses (revenue in nature)	**175.3**	**43.9**	138.1	34.6
Tax losses (capital in nature)	**22.1**	**5.5**	22.1	5.5
Total tax losses	**197.4**	**49.4**	160.2	40.1

(In £s million)	**Gross 2024**	**Tax 2024**	Gross 2023	Tax 2023
Unrecognised deductible temporary differences	**78.3**	**18.7**	49.6	11.9

In tax losses (revenue in nature) £9.4 million is due to expire within thirteen years and £6.1 million within five years. The remaining tax losses have no fixed expiry date. The capital losses can also be carried forward indefinitely but can only be offset against capital gains.

Unrecognised taxable temporary differences associated with investments and interests

Taxable temporary differences in relation to investments in subsidiaries, for which deferred tax liabilities have not been recognised are attributable to the following:

(In £s million)	**2024**	2023
Foreign subsidiaries	**29.5**	34.9
Tax thereon	**2.4**	2.2

18 Trade and other receivables

(In £s million)	**2024**	2023
Net trade receivables	**754.3**	727.0
Net accrued income	**394.5**	476.8
Prepayments and other receivables	**45.7**	40.8
Trade and other receivables	**1,194.5**	1,244.6

Due to their short-term nature, the Directors consider that the carrying amount of trade receivables approximates to their fair value. The average credit period taken is 36 days (2023: 33 days).

Accrued income primarily arises where temporary workers have provided their services but the amount incurred and margin earned thereon has yet to be invoiced on to the client due to timing.

The Group's exposure to foreign currency translation is primarily in respect of the euro and the Australian dollar. The sensitivity of a 1 cent change in the year-end closing exchange rates in respect of the euro and Australian dollar would result in a £2.8 million and £0.5 million movement in trade receivables respectively.

Credit risk

The Group's credit risk is primarily attributable to its trade receivables and the risk of customer default, although the Group is also subject to credit risk on its accrued income. The amounts presented in the Consolidated Balance Sheet for both trade receivables and accrued income are net of allowances for doubtful receivables. An impairment analysis is performed centrally using a provision matrix to measure the expected credit losses, in which the allowance for impairment increases as balances age. Expected credit losses are measured using historical losses for the past five years, adjusted for forward-looking factors impacting the economic environment, such as the GDP growth outlook (based on the IMF's World Economic Outlook data), and commercial factors deemed to have a significant impact on expected credit loss rates. The provision matrix used to measure the expected credit losses is:

As at 30 June 2024

(In £s million)	Gross	Expected Credit Loss	Provision	Net
Not yet due	684.6	0.3%	(1.7)	682.9
Up to one month past due	60.5	8.3%	(5.0)	55.5
One to three months past due	17.8	20.2%	(3.6)	14.2
Greater than three months past due	9.8	83.7%	(8.2)	1.6
Trade receivables	**772.7**	**2.4%**	**(18.5)**	**754.2**
Accrued income	**396.2**	**0.4%**	**(1.7)**	**394.5**

18 Trade and other receivables continued

As at 30 June 2023

(In £s million)	Gross	Expected Credit Loss	Provision	Net
Not yet due	633.2	0.3%	(1.7)	631.5
Up to one month past due	81.9	5.7%	(4.7)	77.2
One to three months past due	20.1	17.4%	(3.5)	16.6
Greater than three months past due	11.0	84.6%	(9.3)	1.7
Trade receivables	746.2	2.6%	(19.2)	727.0
Accrued income	478.5	0.4%	(1.7)	476.8

The Group reduces risk through its credit control process and by contractual arrangements with other recruitment agencies in situations where the Group invoices on their behalf. The Group's exposure is spread over a large number of customers.

The movement on the provision for impairment of trade receivables is as follows:

(In £s million)	**2024**	2023
At 1 July	**19.2**	17.6
Exchange movement	**(0.3)**	(0.2)
Charge for the year	**1.4**	3.0
Uncollectable amounts written off	**(1.8)**	(1.2)
At 30 June	**18.5**	19.2

Sensitivity

The key sensitivity for credit risk is the movement in recoverability of trade receivables, measured by Days Sales Outstanding ('DSO'). Sensitivity analysis is performed for both an increase and decrease of one DSO, based on actual DSO of 36 days at 30 June 2024 (30 June 2023: 33 days). The sensitivity analysis shows that an increase of one DSO will result in an additional £0.8 million impairment allowance, whereas a decrease of one DSO will result in a £1.0 million decrease in impairment allowance. The impact of forward-looking factors on the required provision is immaterial at 30 June 2024, including the impact on the required provision on accrued income. The results of the sensitivity analysis of DSO is shown below:

One additional DSO

(In £s million)	Adjusted Gross	Expected Credit Loss	Required Provision
Not yet due	717.2	0.3%	(1.8)
Up to one month past due	63.4	8.3%	(5.2)
One to three months past due	18.5	20.2%	(3.7)
Greater than three months past due	10.3	83.7%	(8.6)
Trade receivables	809.4	2.4%	(19.3)

One fewer DSO

(In £s million)	Adjusted Gross	Expected Credit Loss	Required Provision
Not yet due	649.8	0.3%	(1.6)
Up to one month past due	57.4	8.3%	(4.7)
One to three months past due	16.8	20.2%	(3.4)
Greater than three months past due	9.3	83.7%	(7.8)
Trade receivables	733.3	2.4%	(17.5)

The risk disclosures contained on page 79 to 85 within the Strategic Report form part of these Consolidated Financial Statements.

19 Cash and cash equivalents

(In £s million)	2024	2023
Cash and cash equivalents	**121.8**	145.6

The Group had net cash of £56.8 million (2023: £135.6 million), comprising of cash and cash equivalents of £121.8 million (2023: £145.6 million) less bank loan of £65.0 million (2023: £10.0 million).

No short-term deposits were placed in the year ended 30 June 2024.

Capital management

The Group's business model remains highly cash generative. The Board's free cash flow priorities are to fund the Group's investment and development, maintain a strong balance sheet, deliver a sustainable and appropriate core dividend and to return surplus capital to shareholders via special dividends and share buybacks.

The Group's target core full-year dividend cover range remains 2.0 to 3.0x earnings, however given the Group's strong financial position, the Group maintains the flexibility to pay dividend outside this target range where appropriate as is the case in the year ended 30 June 2024. The Group's policy for returning surplus net cash to shareholders is based on returning capital above the Group's cash buffer at each financial year-end (30 June) of £100 million, subject to the economic outlook.

The capital structure of the Group consists of net cash/(debt), which is represented by cash and cash equivalents, bank loans and overdrafts (note 21) and equity attributable to equity holders of the parent, comprising issued share capital, reserves and retained earnings.

The Group is not restricted to any externally imposed capital requirements.

Risk management

A description of the Group's treasury policy and controls is included in the Chief Financial Officer's Review on page 47.

Cash management and foreign exchange risk

The Group's cash management policy is to minimise interest payments by closely managing Group cash balances and external borrowings. Euro-denominated cash positions are managed centrally using a cash concentration arrangement which provides visibility over participating country bank balances on a daily basis. Any Group surplus balance is used to repay any maturing loans under the Group's revolving credit facility or invested in money market funds. As the Group holds a sterling-denominated debt facility and generates significant foreign currency cash flows, the Board considers it appropriate in certain cases to use derivative financial instruments as part of its day-to-day cash management to reduce the Group's exposure to foreign exchange risk.

The Group's operating profit exposure to foreign currency translation is primarily in respect of the euro and the Australian dollar. The sensitivity of a 1 cent change in the average exchange rates for the year in respect of the euro and Australian dollar would result in a £0.9 million and £0.1 million change in operating profit respectively.

The Group does not use derivatives to hedge balance sheet and income statement translation exposure.

Interest rate risk

The Group is exposed to interest rate risk on floating rate bank loans and overdrafts. It is the Group's policy to limit its exposure to fluctuating interest rates by selectively hedging interest rate risk using derivative financial instruments, however there were no interest rate swaps held by the Group during the current or prior year. Cash and cash equivalents carry interest at floating rates based on local money market rates.

Counterparty credit risk

Counterparty credit risk arises primarily from the investment of surplus funds. Risks are closely monitored using credit ratings assigned to financial institutions by international credit rating agencies. The Group restricts transactions to banks and money market funds that have an acceptable credit profile and limits its exposure to each institution accordingly.

Notes to the Consolidated Financial Statements continued

20 Derivative financial instruments

(In £s million)	2024	2023
Net derivative asset	–	0.1

As set out in note 19 to the Consolidated Financial Statements and in the treasury management section of the Chief Financial Officer's Review on page 47, in certain cases the Group uses derivative financial instruments to manage its foreign exchange exposures as part of its day-to-day cash management.

As at 30 June 2024, the Group had entered into six forward exchange contract arrangements with a counterparty bank (2023: six forward contracts). There was no net gain or loss resulting from fair market value of the contracts as at 30 June 2024 (2023: gain of £0.1 million) in the Consolidated Balance Sheet.

In the current year, some of the derivative assets and liabilities met the offsetting criteria of IAS 32 paragraph 42. Consequently, the qualifying gross derivative assets were set off against the qualifying gross derivative liabilities.

The Group does not use derivatives for speculative purposes and all transactions are undertaken to manage the risks arising from underlying business activities. These instruments are classified as Level 2 in the IFRS 7 fair value hierarchy.

Categories of financial assets and liabilities held by the Group are as follows:

(In £s million)	2024	2023
Financial assets		
Net trade receivables	**754.3**	727.0
Net accrued income	**394.5**	476.8
Cash and cash equivalents	**121.8**	145.6
Derivative financial instruments	**–**	0.1
Total financial assets	**1,270.6**	1,349.5

(In £s million)	2024	2023
Financial liabilities		
Trade payables	**320.7**	278.6
Other payables	**55.1**	87.6
Accruals	**477.6**	537.7
Bank loans and overdrafts	**65.0**	10.0
Total financial liabilities	**918.4**	913.9

21 Bank loans and overdrafts

(In £s million)	2024	2023
Bank loans	**65.0**	10.0

Risk management

A description of the Group's treasury policy and controls is included in the Chief Financial Officer's Review on page 47.

Committed facilities

On 19 October 2020, the Group extended the maturity of its £210 million unsecured revolving credit facility by one year to November 2025 at the lower value of £170 million in its final year due to reduced lender commitments received. The financial covenants within the facility remain unchanged and require the Group's interest cover ratio to be at least 4:1 and its leverage ratio (net debt to EBITDA) to be no greater than 2.5:1. The interest rate of the facility is based on a ratchet mechanism with a margin payable over SONIA in the range of 0.70% to 1.50%.

At 30 June 2024, £145 million of the committed facility was undrawn (2023: £200 million undrawn).

Interest rates

The weighted average interest rates paid were as follows:

	2024	2023
Bank borrowings	**6.2%**	4.6%

For every 25 basis points fall or rise in the average SONIA rate in the year, there would be a reduction or increase in profit before tax by approximately £0.2 million.

22 Trade and other payables

(In £s million)	2024	2023
Trade payables	**320.7**	278.6
Other tax and social security	**73.2**	87.4
Other payables	**55.1**	87.6
Accruals	**477.6**	537.7
Trade and other payables	**926.6**	991.3

The Directors consider that the carrying amount of trade payables approximates to their fair value. The average credit period taken for trade purchases is 38 days (2023: 31 days).

Accruals primarily relate to the remuneration costs for temporary workers and other agencies that have provided their services but remuneration has yet to be made due to timing.

23 Retirement benefit surplus

The Group operates a number of retirement benefit schemes in the UK and in other countries. The Group's principal schemes are within the UK where the Group operates one defined contribution scheme and two defined benefit schemes. The majority of overseas arrangements are either defined contribution or government-sponsored schemes and these arrangements are not material in the context of the Group results. The total cost charged to the Consolidated Income Statement in relation to these overseas arrangements was £15.3 million (2023: £17.5 million).

UK Defined Contribution Scheme

The Group's principal defined contribution benefit scheme is the Hays Group Personal Pension Plan which is operated for all qualifying employees and is funded via an employee salary sacrifice arrangement, and for qualifying employees additional employer contributions. Employer contributions are in the range of 3% to 12% of pensionable salary depending on the level of employee contribution and seniority.

The total cost charged to the Consolidated Income Statement of £6.3 million (2023: £5.8 million) represents employer's contributions payable to the money purchase arrangements. There were no contributions outstanding at the end of the current or prior year. The assets of the money purchase arrangements are held separately from those of the Group.

UK Defined Benefit Schemes

The Group's principal defined benefit schemes are the Hays Pension Scheme and the Hays Supplementary Scheme both in the UK. The Hays Pension Scheme is a funded final salary defined benefit scheme providing pensions and death benefits to members. The Hays Supplementary Scheme is an unfunded unapproved retirement benefit scheme for employees who were subject to HMRC's earnings cap on pensionable salary. The Schemes were closed to future accrual from 30 June 2012 with pensions calculated up until the point of closure. The Schemes are governed by a Trustee Board, which is independent of the Group and are subject to full actuarial valuation on a triennial basis.

The last formal actuarial valuation of the Hays Pension Scheme was performed at 30 June 2021 and quantified the deficit at £23.9 million. A revised deficit funding schedule, in line with the Group's strategy to achieve an eventual buy-out of the Scheme, was agreed with effect from 1 July 2021 which maintained the annual contribution at its previous level, subject to a 3% per annum fixed uplift over a period of five and a half years. During the year ended 30 June 2024, the Group made a contribution of £17.7 million to the Hays Pension Scheme (2023: £17.2 million) in accordance with the agreed deficit funding schedule. The cash contributions made during the year mainly related to deficit funding payments.

In respect of IFRIC 14, The Hays Pension Scheme Definitive Deed and Rules is considered to provide Hays with an unconditional right to a refund of surplus assets and therefore the recognition of a net defined benefit scheme asset is not restricted and agreements to make funding contributions do not give rise to any additional liabilities in respect of the Scheme.

The defined benefit schemes expose the Group to actuarial risks, such as longevity risk, inflation risk, interest rate risk and market (investment) risk. The Group is not exposed to any unusual, entity-specific or scheme-specific risks.

The net amount included in the Consolidated Balance Sheet arising from the Group's obligations in respect of its defined benefit pension schemes is as follows:

(In £s million)	2024	2023
Present value of defined benefit obligations	**(489.7)**	(475.8)
Less fair value of defined benefit scheme assets:		
Bonds and gilts	**180.4**	166.7
LDI funds	**158.2**	162.6
Buy-in policy and other insurance policies	**159.5**	159.7
Cash	**11.0**	12.5
Total fair value of defined benefit scheme assets	**509.1**	501.5
Net asset arising from defined benefit obligations	**19.4**	25.7

Notes to the Consolidated Financial Statements continued

23 Retirement benefit surplus continued

(In £s million)	Quoted	Unquoted	2024
Asset category			
Bonds and gilts	181.2	(0.8)	**180.4**
LDI funds	261.1	(102.9)	**158.2**
Buy-in policy and other insurance policies	–	159.5	**159.5**
Cash	11.0	–	**11.0**
Total scheme assets	453.3	55.8	**509.1**

The Trustee Board is responsible for determining the Hays Pension Scheme's investment strategy, after taking advice from the Scheme's investment advisor Mercer Limited. The investment objective for the Trustee of the Scheme is to maintain a portfolio of suitable assets of appropriate liquidity which will generate investment returns to meet, together with future contributions, the benefits of the defined benefit scheme as they fall due. The current strategy is to hold investments that share characteristics with the long-term liabilities of the Scheme. The majority of assets are invested in a Liability Driven Investments (LDI) portfolio and corporate bonds and gilts. The Scheme also holds a bulk purchasing annuity policy (buy-in) contract with Canada Life Limited in respect of ensuring all future payments to existing pensioners of the Hays defined benefit Scheme as at 31 December 2017. The Scheme assets do not include any directly held shares issued by the Company or property occupied by the Company.

The fair value of financial instruments has been determined using the fair value hierarchy. Where such quoted prices are unavailable, the price of a recent transaction for an identical asset, adjusted if necessary, is used. Where quoted prices are not available and recent transactions of an identical asset on their own are either unavailable or not a good estimate of fair value, valuation techniques are employed using both observable market data and non-observable data.

In relation to the LDI funds the valuations have been determined as follows:

- Repurchase agreements (where the Scheme has sold assets with the agreement to repurchase at a fixed date and price) are included in the Consolidated Financial Statements at the fair value of the repurchase price as a liability. The assets sold are reported at their fair value reflecting that the Scheme retains the risks and rewards of ownership of those assets;
- The fair value of the forward currency contracts is based on market forward exchange rates at the year-end and determined as the gain or loss that would arise if the outstanding contract was matched at the year-end with an equal and opposite contract; and
- Swaps represent current value of future cash flows arising from the swap determined using discounted cash flow models and market data at the reporting date.

The analysis of the LDI funds included within the pension scheme assets is as follows:

(In £s million)	Quoted	Unquoted	2024
LDI funds summary valuation			
Government bonds	(10.1)	–	**(10.1)**
Government index-linked	267.1	–	**267.1**
Interest rate swaps	–	(2.5)	**(2.5)**
Fixed incomes futures	46.5	–	**46.5**
Liquidity	4.1	–	**4.1**
Gross funds	307.6	(2.5)	**305.1**
Repurchase agreements	–	(102.1)	**(102.1)**
Asset swaps	–	1.7	**1.7**
Futures	(46.5)	–	**(46.5)**
Gross liabilities	(46.5)	(100.4)	**(146.9)**
Total LDI funds	261.1	(102.9)	**158.2**

The LDI portfolio is managed by Insight (a Bank of New York Mellon company) under an active mandate and uses government bonds and derivative instruments (such as interest rate swaps, inflation swaps and gilt repurchase transactions) to hedge the impact of interest rate and inflation movements in relation to the long-term liabilities.

Under the Schemes' LDI strategy, if interest rates fall, the value of LDI investments will rise to help match the increase in actuarial liabilities arising from the fall in discount rate. Similarly if interest rates rise, the LDI investments will fall in value, as will the liabilities because of the increase in the discount rate. The extent to which the liability interest rate and inflation risk is not fully matched by the LDI funds, represents the residual interest rate and inflation risk the Scheme remains exposed to.

In addition to the above risk, the LDI portfolio forms part of a diversified investment portfolio for the Scheme, with this diversification seeking to reduce investment risk.

The Scheme is subject to direct credit risk because it invests in segregated mandates with the LDI portfolio. Credit risk arising on bonds held directly within the LDI portfolio is mitigated by investing mostly in government bonds where the credit risk is minimal.

Credit risk arising on the derivatives held in the LDI mandate depends on whether the derivative is exchange traded or over the counter (OTC). OTC derivative contracts are not guaranteed by any regulated exchange and therefore the Scheme is subject to risk of failure of the counterparty. The credit risk for OTC swaps held in the LDI portfolio is reduced by collateral arrangements.

The change in the present value of defined benefit obligations is as follows:

(In £s million)	2024	2023
Opening defined benefit obligation at 1 July	**(475.8)**	(573.5)
Administration costs	**(3.0)**	(3.2)
Interest on defined benefit scheme liabilities	**(24.2)**	(21.9)
Net remeasurement losses – change in experience assumptions	**(3.6)**	(26.5)
Net remeasurement gains – change in demographic assumptions	**2.0**	16.8
Net remeasurement (losses)/gains – change in financial assumptions	**(9.6)**	106.6
Benefits and expenses paid	**24.5**	25.9
Closing defined benefit obligation at 30 June	**(489.7)**	(475.8)

The analysis of the defined benefit obligations is as follows:

(In £s million)	2024	2023
Plans that are wholly or partly funded	**(484.3)**	(470.2)
Plans that are wholly unfunded	**(5.4)**	(5.6)
Total	**(489.7)**	(475.8)

The defined benefit schemes' liability comprises 54% (2023: 55%) in respect of deferred benefit scheme participants and 46% (2023: 45%) in respect of retirees.

The weighted average duration of the UK defined benefit scheme liabilities at the end of the reporting year is c.13-14 years (2023: 15 years).

The change in the fair value of defined benefit scheme assets is as follows:

(In £s million)	2024	2023
Fair value of plan assets at 1 July	**501.5**	675.5
Interest income on defined benefit scheme assets	**25.9**	26.2
Return on scheme assets	**(12.0)**	(192.0)
Employer contributions (towards funded and unfunded schemes)	**18.2**	17.7
Benefits and expenses paid	**(24.5)**	(25.9)
Fair value of plan assets at 30 June	**509.1**	501.5

During the year the Company made deficit funding contributions of £17.7 million (2023: £17.2 million) into the funded Hays Pension Scheme, and made pension payments amounting to £0.5 million (2023: £0.5 million) in respect of the unfunded Hays Supplementary Scheme. The amount of deficit funding contributions expected to be paid into the funded Hays Pension Scheme in the year to 30 June 2025 is £18.2 million. Following the closure of the schemes in 2012, future service contributions are no longer payable.

The net interest (expense)/credit recognised in the Consolidated Income Statement comprised:

(In £s million)	2024	2023
Net interest income	**1.7**	4.3
Administration costs	**(3.0)**	(3.2)
Net interest (expense)/credit recognised in the Consolidated Income Statement	**(1.3)**	1.1

The net interest income and administration costs in the current year and prior year were recognised within finance costs.

The amounts recognised in the Consolidated Statement of Comprehensive Income are as follows:

(In £s million)	2024	2023
Return on plan assets (excluding amounts included in net interest expense)	**(12.0)**	(192.0)
Actuarial remeasurement:		
Net remeasurement losses – change in experience assumptions	**(3.6)**	(26.5)
Net remeasurement gains – change in demographic assumptions	**2.0**	16.8
Net remeasurement (losses)/gains – change in financial assumptions	**(9.6)**	106.6
Remeasurement of the net defined benefit surplus	**(23.2)**	(95.1)

A roll-forward of the actuarial valuation of the Hays Pension Scheme to 30 June 2024 and the valuation of the Hays Supplementary Pension Scheme has been performed by an independent actuary, who is an employee of ISIO Group Limited.

Notes to the Consolidated Financial Statements continued

23 Retirement benefit surplus continued

The key assumptions used at 30 June are as follows:

	2024	2023
Discount rate	**5.10%**	5.20%
RPI inflation	**3.25%**	3.25%
CPI inflation	**2.65%**	2.55%
Rate of increase of pensions in payment	**2.95%**	2.90%
Rate of increase of pensions in deferment	**2.65%**	2.55%

The discount rate has been constructed to reference the AA corporate bond curve (which fits a curve to iBoxx sterling AA corporate data). The corporate bond yield curve has been used to discount the Scheme cash flows using the rates available at each future duration and this had been converted into a single flat rate assumption to give equivalent liabilities to the Scheme's cash flows. The duration of the Scheme's liabilities using this approach is c.13-14 years.

The RPI inflation assumption has been set as gilt market implied RPI appropriate to the duration of the liabilities (c.13-14 years) less a 0.2% per annum inflation risk premium. The CPI inflation assumption has been determined as 0.6% per annum below the RPI assumption (2023: 0.7%).

The life expectancy assumptions have been updated and calculated using bespoke 2021 Club Vita base tables along with CMI 2023 projections (smoothing factor of 7 and assuming improvements have peaked) and a long-term improvement rate of 1.25% per annum. On this basis a 65-year-old current pensioner has a life expectancy of 21.8 years for males (2023: 21.8 years) and 23.4 years for females (2023: 23.4 years). Also on the same basis, the life expectancy from age 65 years of a current 45-year-old deferred member is 22.6 years for males (2023: 22.6 years) and 25.4 years for females (2023: 25.4 years).

A sensitivity analysis on the principal assumptions used to measure the Scheme's liabilities at the year-end is:

	Change in assumption	Impact on Scheme's liabilities
Discount rate	+/- 0.5%	-£31m/+£34m
Inflation and pension increases (allowing for caps and collars)	+/- 0.5%	+£19m/-£17m
Assumed life expectancy at age 65	+/- 1 year	+£15m/-£15m

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation; it is unlikely that the change in assumptions would occur in isolation to one another as some of the assumptions may be correlated.

In presenting the above sensitivity analysis the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the Consolidated Balance Sheet.

24 Provisions

(In £s million)	Property	Restructuring	Legal, tax and other matters	Total
At 1 July 2023	–	–	23.6	23.6
Charged to income statement	–	35.8	2.8	38.6
Credited to income statement	–	–	(4.6)	(4.6)
Utilised	–	(22.9)	(3.4)	(26.3)
Transfers from trade and other payables	5.4	–	–	5.4
At 30 June 2024	**5.4**	**12.9**	**18.4**	**36.7**

(In £s million)	2024	2023
Current	**24.0**	10.8
Non-current	**12.7**	12.8
Total provisions	**36.7**	23.6

During the current year, the Group recognised a restructuring charge of £42.2 million as an exceptional cost as detailed in note 5 of the Consolidated Financial Statements. Of the £42.2 million restructuring charge, £4.9 million relates to impairment of right-of-use assets and £1.5 million relates to early vesting on Performance Share Plans (PSPs), which has been charged to equity. The remaining £35.8m was recognised as a restructuring provision, of which £22.9m was utilised in the year.

On a number of leased properties, the Group has an obligation to restore the leased property to its original condition at the end of the lease term, or incur costs related to the repair and maintenance of the property due to dilapidation. The Group previously recognised an accrual for property dilapidation within Trade and other payables, based on management's best estimate of the expenditure required to settle the present obligation at the balance sheet date. During the year, the Directors made the decision to reclassify the property dilapidation obligations as provisions and therefore the amounts held as Trade and other payables at 30 June 2024 were transferred to provisions. Given that the amount is not material, a prior year restatement has not been made (2023: £5.6 million).

As a global specialist in recruitment and workforce solutions and in common with other similar organisations, in the ordinary course of our business the Group is exposed to the risk of legal, tax and other disputes. Where costs are likely to arise in defending and concluding such disputes, and these costs can be measured reliably, they are provided for in the Consolidated Financial Statements. These items affect various Group subsidiaries in different geographic regions and the amounts provided for are based on management's assessment of the specific circumstances in each case. The timing of settlement depends on the circumstances in each case and is uncertain. Legal matters includes claims relating to disputes raised by our workers with either Hays or our clients. There are no individually material balances within this provision, and management does not consider it reasonably possible that any of these balances will change materially in the next 12 months.

25 Called up share capital

Called up, allotted and fully paid Ordinary shares of 1 pence each

	Share capital number (thousand)	Share capital (£s million)
At 1 July 2023	1,600,433	16.0
At 30 June 2024	**1,600,433**	**16.0**

In accordance with the Companies Act 2006, the Company no longer has an authorised share capital. The Company is allowed to hold 10% of issued share capital in treasury.

As at 30 June 2024, the Company held 15.6 million (2023: 11.3 million) Hays plc shares in treasury. The shares held in treasury are used to satisfy the exercises in relation to equity-settled share-based payment awards.

26 Merger reserve

(In £s million)	Total
At 1 July 2023	43.8
Interim dividend paid during the year	(15.0)
At 30 June 2024	**28.8**

The interim dividend for the year ended 30 June 2024 of 95 pence, paid on 9 April 2024, was paid out of the merger reserve, which was generated under Section 612 of the Companies Act 2006 as a result of the cash box structure used in the equity placing of new shares issued during the year ended 30 June 2020.

27 Share-based payments

During the year, £9.7 million (2023: £12.0 million) was charged to the Consolidated Income Statement in relation to equity-settled share-based payments.

Share options

Sharesave is a save as you earn (SAYE) scheme designed to give employees the opportunity to buy Hays plc shares at a discounted price at the end of three-year savings contract, where they have six months to buy the shares or withdraw the savings.

At 30 June 2024 the following options had been granted and remained outstanding in respect of the Company's Ordinary shares of 1 pence each under the Company's share option schemes:

	Number of shares	Nominal value of shares (£)	Subscription price (pence/share)	Date normally exercisable
Hays UK Sharesave Scheme				
	334,377	3,344	143	2024
	498,808	4,988	117	2025
	466,633	4,666	108	2026
	3,798,136	37,981	85	2027
	5,097,954	50,979		
Hays International Sharesave Scheme				
	412,328	4,123	143	2024
	520,039	5,200	117	2025
	451,807	4,518	108	2026
	834,296	8,343	85	2027
	2,218,470	22,184		
Total Sharesave options outstanding	7,316,424	73,163		

Notes to the Consolidated Financial Statements continued

27 Share-based payments continued

The Hays International Sharesave Scheme is available to employees in Australia, New Zealand, Germany, the Republic of Ireland, Canada, Hong Kong SAR, Singapore and the United Arab Emirates.

Details of the share options outstanding during the year are as follows:

	2024 Number of share options (thousand)	2024 Weighted average exercise price (pence)	2023 Number of share options (thousand)	2023 Weighted average exercise price (pence)
Sharesave				
Outstanding at the beginning of the year	**5,666**	**118**	6,125	127
Granted during the year	**4,733**	**85**	2,328	108
Forfeited during the year	**(3,046)**	**114**	(2,104)	126
Expired during the year	**(37)**	**121**	(684)	136
Outstanding at the end of the year	**7,316**	**98**	5,665	118
Exercisable at the end of the year	**747**	**143**	–	135

There were no options exercised during the year (2023: none).

The options outstanding as at 30 June 2024 had a weighted average remaining contractual life of 2.03 years.

Performance Share Plan (PSP) and Deferred Annual Bonus (DAB)

The PSP is designed to link reward to the key long-term value drivers of the business and to align the interests of the Executive Directors and approximately 360 of the global senior management population with the long-term interests of shareholders. PSP awards are discretionary and vesting is dependent upon the achievement of performance conditions measured over either a three-year period with a two-year holding period, or a one-year period with a two-year holding period. The fair value of both the PSP and DAB awards are calculated using the share price as at the date the shares are granted.

Only the Executive Directors and other members of the Executive Leadership Team participate in the DAB, which promotes a stronger link between short-term and long-term performance through the deferral of annual bonuses into shares for a three-year period.

Further details of the schemes for the Executive Directors can be found in the Remuneration Report on pages 120 to 144.

Details of the share awards outstanding during the year are as follows:

	2024 Number of share options (thousand)	2024 Weighted average fair value at grant (pence)	2023 Number of share options (thousand)	2023 Weighted average fair value at grant (pence)
Performance Share Plan				
Outstanding at the beginning of the year	**27,458**	**127**	24,024	137
Granted during the year	**11,212**	**108**	10,245	117
Exercised during the year	**(6,315)**	**128**	(3,442)	169
Lapsed during the year	**(3,810)**	**122**	(3,369)	144
Outstanding at the end of the year	**28,545**	**116**	27,458	127

The weighted average share price on the date of exercise was 105 pence (2023: 115 pence).

The options outstanding as at 30 June 2024 had a weighted average remaining contractual life of 2.1 years.

	2024 Number of share options (thousand)	2024 Weighted average fair value at grant (pence)	2023 Number of share options (thousand)	2023 Weighted average fair value at grant (pence)
Deferred Annual Bonus				
Outstanding at the beginning of the year	**3,040**	**135**	2,028	157
Granted during the year	**822**	**104**	1,765	114
Exercised during the year	**(293)**	**134**	(753)	147
Outstanding at the end of the year	**3,569**	**128**	3,040	135

The weighted average share price on the date of exercise was 105 pence (2023: 117 pence).

The options outstanding as at 30 June 2024 had a weighted average remaining contractual life of 1.2 years.

28 Related parties

Remuneration of key management personnel

The remuneration of the Executive Leadership Team and Non-Executive Directors, who are key management personnel of the Group, is set out below in aggregate for each of the categories specified in IAS 24 'Related Party Disclosures' and represents the total compensation costs incurred by the Group in respect of remuneration, not the benefit to the individuals. Further information about the remuneration of Executive and Non-Executive Directors is provided in the Directors' Remuneration Report on pages 120 to 144.

(In £s million)	**2024**	2023
Short-term employee benefits	**8.7**	8.9
Share-based payments	**4.5**	5.1
Remuneration of key management personnel	**13.2**	14.0

29 Disaggregation of net fees

IFRS 15 requires entities to disaggregate revenue recognised from contracts with customers into relevant categories that depict how the nature, amount and cash flows are affected by economic factors. As a result, we consider the following information relating to net fees to be relevant and should be considered alongside note 4:

For the year ended 30 June 2024

	Germany	United Kingdom & Ireland	Australia & New Zealand	Rest of World	**Group**
Temporary placements	82%	57%	65%	39%	**59%**
Permanent placements	18%	43%	35%	61%	**41%**
Total	100%	100%	100%	100%	**100%**
Private sector	85%	68%	63%	98%	**83%**
Public sector	15%	32%	37%	2%	**17%**
Total	100%	100%	100%	100%	**100%**
Technology	33%	15%	16%	27%	**25%**
Accountancy & Finance	17%	20%	12%	11%	**15%**
Engineering	27%	2%	0%	7%	**11%**
Construction & Property	4%	16%	20%	9%	**10%**
Office Support	0%	9%	11%	4%	**5%**
Other	19%	38%	41%	42%	**34%**
Total	100%	100%	100%	100%	**100%**

For the year ended 30 June 2023

	Germany	United Kingdom & Ireland	Australia & New Zealand	Rest of World	Group
Temporary placements	83%	56%	61%	34%	**57%**
Permanent placements	17%	44%	39%	66%	**43%**
Total	100%	100%	100%	100%	**100%**
Private sector	86%	70%	65%	98%	**84%**
Public sector	14%	30%	35%	2%	**16%**
Total	100%	100%	100%	100%	**100%**
Technology	35%	18%	16%	27%	**26%**
Accountancy & Finance	17%	19%	11%	11%	**15%**
Engineering	26%	2%	0%	6%	**10%**
Construction & Property	4%	16%	21%	9%	**10%**
Office Support	0%	10%	11%	5%	**5%**
Other	18%	35%	41%	42%	**34%**
Total	100%	100%	100%	100%	**100%**

30 Contingent liabilities

The Group has issued certain financial guarantees in respect of operating lease obligations and in respect of obtaining regulatory licenses in certain countries. The Group has recognised liabilities in respect of these guarantees, where applicable.

31 Reconciliation of financial liabilities arising from financing activities

Net debt

(In £s million)	**2024**	2023
Cash and cash equivalents	**121.8**	145.6
Bank loans	**(65.0)**	(10.0)
Lease liabilities	**(179.3)**	(189.8)
Net debt	**(122.5)**	(54.2)

Net debt reconciliation

(In £s million)	Bank loans	Lease liabilities	Subtotal	Cash and cash equivalents	Total
At 1 July 2023	(10.0)	(189.8)	(199.8)	145.6	(54.2)
Exchange adjustments	–	3.2	3.2	(0.6)	2.6
Financing cash flows	(55.0)	51.0	(4.0)	(23.2)	(27.2)
Interest expense	(7.2)	(5.0)	(12.2)	–	(12.2)
Interest payments	7.2	–	7.2	–	7.2
New leases	–	(38.7)	(38.7)	–	(38.7)
At 30 June 2024	**(65.0)**	**(179.3)**	**(244.3)**	**121.8**	**(122.5)**

(In £s million)	Bank loans	Lease liabilities	Subtotal	Cash and cash equivalents	Total
At 1 July 2022	–	(185.1)	(185.1)	296.2	111.1
Exchange adjustments	–	2.2	2.2	(3.8)	(1.6)
Financing cash flows	(10.0)	49.9	39.9	(146.8)	(106.9)
Interest expense	(3.7)	(4.2)	(7.9)	–	(7.9)
Interest payments	3.7	–	3.7	–	3.7
New leases	–	(52.6)	(52.6)	–	(52.6)
At 30 June 2023	(10.0)	(189.8)	(199.8)	145.6	(54.2)

32 Subsequent events

The final dividend for 2024 of 2.05 pence per share (£32.5 million) will be proposed at the Annual General Meeting on 20 November 2024 and has not been included as a liability. If approved, the final dividend will be paid on 25 November 2024 to shareholders on the register at the close of business on 18 October 2024.

HAYS PLC COMPANY BALANCE SHEET

At 30 June 2024

(In £s million)	Note	Company 2024	Company 2023
Non-current assets			
Other intangible assets		**3.1**	3.0
Property, plant and equipment		**0.7**	0.8
Investment in subsidiaries	4	**743.9**	743.9
Trade and other receivables	5	**71.2**	67.9
Deferred tax assets	6	**0.3**	1.3
Retirement benefit surplus	9	**19.4**	25.7
		838.6	842.6
Current assets			
Trade and other receivables	7	**24.8**	19.6
Cash and cash equivalents		**0.5**	0.3
		25.3	19.9
Total assets		**863.9**	862.5
Current liabilities			
Trade and other payables	8	**(99.0)**	(118.2)
Provisions	10	**(2.7)**	(1.9)
		(101.7)	(120.1)
Net current liabilities		**(76.4)**	(100.2)
Total assets less current liabilities		**762.2**	742.4
Non-current liabilities			
Deferred tax liabilities	6	**–**	(2.6)
Provisions	10	**(0.6)**	(5.4)
		(0.6)	(8.0)
Total liabilities		**(102.3)**	(128.1)
Net assets		**761.6**	734.4
Equity			
Called up share capital	11	**16.0**	16.0
Share premium		**369.6**	369.6
Merger reserve	12	**28.8**	43.8
Capital redemption reserve		**3.4**	3.4
Retained earnings		**319.9**	277.5
Equity reserve		**23.9**	24.1
Total equity		**761.6**	734.4

The profit for the financial year in the Hays plc Company Financial Statements is £131.0 million (2023: profit of £100.3 million).

The Financial Statements of Hays plc, registered number 2150950, set out on pages 187 to 195 were approved by the Board of Directors and authorised for issue on 21 August 2024.

Signed on behalf of the Board of Directors

D Hahn **J Hilton**

HAYS PLC COMPANY STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2024

(In £s million)	Called up share capital	Share premium	Merger reserve[1]	Capital redemption reserve	Retained earnings	Equity reserve[2]	Total equity
At 1 July 2023	16.0	369.6	43.8	3.4	277.5	24.1	734.4
Remeasurement of defined benefit pension schemes	–	–	–	–	(23.2)	–	(23.2)
Tax relating to components of other comprehensive income	–	–	–	–	5.5	–	5.5
Net expense recognised in other comprehensive income	–	–	–	–	(17.7)	–	(17.7)
Profit for the year	–	–	–	–	131.0	–	131.0
Total comprehensive income for the year	–	–	–	–	113.3	–	113.3
Dividends paid	–	–	(15.0)	–	(68.3)	–	(83.3)
Purchase of own shares	–	–	–	–	(12.3)	–	(12.3)
Share-based payments charged to the income statement	–	–	–	–	–	9.5	9.5
Share-based payments settled on vesting	–	–	–	–	9.7	(9.7)	–
At 30 June 2024	**16.0**	**369.6**	**28.8**	**3.4**	**319.9**	**23.9**	**761.6**

For the year ended 30 June 2023

(In £s million)	Called up share capital	Share premium	Merger reserve[1]	Capital redemption reserve	Retained earnings	Equity reserve[2]	Total equity
At 1 July 2022	16.7	369.6	43.8	2.7	429.5	21.6	883.9
Remeasurement of defined benefit pension schemes	–	–	–	–	(95.1)	–	(95.1)
Tax relating to components of other comprehensive income	–	–	–	–	18.3	–	18.3
Net expense recognised in other comprehensive income	–	–	–	–	(76.8)	–	(76.8)
Profit for the year	–	–	–	–	100.3	–	100.3
Total comprehensive income for the year	–	–	–	–	23.5	–	23.5
Dividends paid	–	–	–	–	(165.1)	–	(165.1)
Purchase of own shares	(0.7)	–	–	0.7	(19.0)	–	(19.0)
Share-based payments charged to the income statement	–	–	–	–	–	11.1	11.1
Share-based payments settled on vesting	–	–	–	–	8.6	(8.6)	–
At 30 June 2023	16.0	369.6	43.8	3.4	277.5	24.1	734.4

(1) The Merger reserve was generated under Section 612 of the Companies Act 2006, as a result of the cash box structure used in the equity placing of new shares issued during the year ended 30 June 2020.

(2) The Equity reserve is generated as a result of IFRS 2 'Share-based payments'.

NOTES TO THE HAYS PLC COMPANY FINANCIAL STATEMENTS

1 Accounting policies

Basis of accounting

The Company Financial Statements have been prepared under the historical cost convention, in accordance with Financial Reporting Standard 101 (FRS 101) 'Reduced Disclosure Framework' as issued by the Financial Reporting Council.

As permitted by Section 408 of the Companies Act 2006, the Company's Income Statement has not been presented. The Company, as permitted by FRS 101, has taken advantage of the disclosure exemptions available under that standard in relation to share-based payments, financial instruments, certain disclosures regarding the Company's capital, capital management, presentation of comparative information in respect of certain assets, presentation of a cash flow statement, certain related party transactions and the effect of future accounting standards not yet adopted. Where required, equivalent disclosures are provided in the Consolidated Financial Statements of Hays plc.

New and amended accounting standards effective during the year

There have been no new or amended accounting standards or interpretations adopted during the year that have had a significant impact on the Company Financial Statements.

The significant accounting policies and significant judgments and key estimates relevant to the Company are the same as those set out in note 2 and note 3 to the Consolidated Financial Statements with the addition of the following accounting policies set out below.

Investment in subsidiary undertakings

Investments in subsidiary undertakings are held at cost less any provision for impairment. The subsidiary undertakings which the Company held at 30 June 2024 are described in note 4 to the Company Financial Statements.

Guarantee arrangements

As a part of various intercompany arrangements, the Company has issued letters of support to various subsidiaries within the Group to assist with their day-to-day operations. The Company doesn't have any contractual obligations in respect of these letters of support.

Intercompany and other receivables

Intercompany and other receivables are initially measured at fair value. Subsequent to initial recognition these assets are measured at amortised cost less any provision for impairment losses. The Company measures impairment losses using the expected credit loss model in accordance with IFRS 9.

2 Employee information

There are no staff employed by the Company (2023: none), therefore no remuneration has been disclosed. Details of Directors' emoluments and interests are included in the Remuneration Report on pages 120 to 144 of the Annual Report.

3 Profit for the year

Hays plc has not presented its own Income Statement and related notes as permitted by Section 408 of the Companies Act 2006. The profit for the financial year in the Hays plc Company Financial Statements is £131.0 million (2023: profit of £100.3 million).

4 Investment in subsidiaries

(In £s million)	**2024**	2023
Cost		
At 1 July	**743.9**	743.9
At 30 June	**743.9**	743.9

Investments in subsidiaries are stated at cost less any impairment in recoverable value. Management has carried out an assessment for any indications of impairment in the investment carrying value as at 30 June 2024. No indicators were identified that would suggest an impairment is required.

The subsidiary undertakings of the Company are listed in note 13 to the Company Financial Statements.

5 Trade and other receivables: non-current assets

(In £s million)	**2024**	2023
Prepayments	**0.6**	1.6
Amounts owed by subsidiary undertakings	**70.6**	66.3
Trade and other receivables: amounts falling due after more than one year	**71.2**	67.9

The Company charges interest on amounts owed by subsidiary undertakings at a rate of three-month SONIA plus 1%. The amounts owed by subsidiary undertakings are unsecured.

Notes to the Hays plc Company Financial Statements continued

6 Deferred tax

(In £s million)	2024	2023
Deferred tax assets	**0.3**	1.3
Deferred tax liabilities	**–**	(2.6)
Net deferred tax	**0.3**	(1.3)

The reduction in the overall deferred tax balance is primarily explained by the decrease in the deferred tax liability driven by a decrease in the retirement benefit surplus, partially offset by the derecognition of deferred tax asset in relation to tax losses, together with a reduction in the deferred tax asset following a provision release.

7 Trade and other receivables: current assets

(In £s million)	2024	2023
Corporation tax debtor	**1.9**	1.2
Amounts owed by subsidiary undertakings	**17.6**	13.5
Prepayments	**5.3**	4.9
Trade and other receivables: amounts falling due within one year	**24.8**	19.6

The amounts owed by subsidiary undertakings relate to a corporation tax debtor which is expected to be settled via group relief from UK subsidiary undertakings.

8 Trade and other payables

(In £s million)	2024	2023
Accruals	**19.7**	24.2
Amounts owed to subsidiary undertakings	**79.3**	94.0
Trade and other payables	**99.0**	118.2

Amounts owed to subsidiary undertakings are repayable on demand. The Company is charged interest on amounts owed to subsidiary undertakings at a rate of three-month SONIA less 1%.

9 Retirement benefit surplus

(In £s million)	2024	2023
Net asset arising from defined benefit obligations	**19.4**	25.7

The details of these UK schemes, for which Hays plc is the sponsoring employer, are set out in note 23 to the Consolidated Financial Statements.

10 Provisions

(In £s million)	Total
At 1 July 2023	7.3
Charged to income statement	3.9
Credited to the income statement	(5.3)
Utilised during the year	(2.6)
At 30 June 2024	**3.3**

(In £s million)	2024	2023
Current	**2.7**	1.9
Non-current	**0.6**	5.4
Total provisions	**3.3**	7.3

Provisions comprise of potential exposures arising as a result of business operations. The timing of settlement depends on the circumstances in each case and is uncertain.

11 Called up share capital

Called up, allotted and fully paid Ordinary shares of 1 pence each

	Share capital number (thousand)	Share capital (£s million)
At 1 July 2023	1,600,433	16.0
At 30 June 2024	**1,600,433**	**16.0**

In accordance with the Companies Act 2006, the Company no longer has an authorised share capital. The Company is allowed to hold 10% of issued share capital in treasury.

As at 30 June 2024, the Company held 15.6 million (2023: 11.3 million) Hays plc shares in treasury. The shares held in treasury are used to satisfy the exercises in relation to equity-settled share-based payment awards.

12 MERGER RESERVE

(In £s million)	Total
At 1 July 2023	43.8
Interim dividend paid during the year	(15.0)
At 30 June 2024	**28.8**

The interim dividend for the year ended 30 June 2024 of 95 pence, paid on 9 April 2024, was paid out of the merger reserve, which was generated under Section 612 of the Companies Act 2006 as a result of the cash box structure used in the equity placing of new shares issued during the year ended 30 June 2020.

Notes to the Hays plc Company Financial Statements continued

13 Subsidiaries

	Registered Address and Country of Incorporation
Emposo Pty Limited	Level 13, The Chifley Tower, 2 Chifley Square, Sydney, NSW 2000, Australia
Hays Specialist Recruitment (Australia) Pty Limited	Level 13, The Chifley Tower, 2 Chifley Square, Sydney, NSW 2000, Australia
Hays Österreich GmbH	Europaplatz 3/5, 1150 Wien, Austria
Hays Professional Solutions Österreich GmbH	Europaplatz 3/5, 1150 Wien, Austria
Hays NV	Brugsesteenweg 255, 8500 Kortrijk, Belgium
Hays Services NV	Brugsesteenweg 255, 8500 Kortrijk, Belgium
Hays Alocação Profissional Ltda	Avenida das Nações Unidas, nº 14.401 Torre Jequitibá, 17º andar, São Paulo, Brazil – CEP 04794-000
Hays Recruitment and Selection Ltda	Avenida das Nações Unidas, nº 14.401 Torre Jequitibá, 17º andar, São Paulo, Brazil – CEP 04794-000
Hays Trabalho Temporário Ltda	Avenida das Nações Unidas, nº 14.401 Torre Jequitibá, 17º andar, São Paulo, Brazil – CEP 04794-000
Hays Specialist Recruitment (Canada) Inc.	8 King Street East, 20th Floor, Toronto, Ontario, M5C 1B5
Hays Especialistas En Reclutamiento Limitada	Cerro El Plomo 5630, Of. 1701, Las Condes, P.O. 7560742, Santiago, Chile
Hays Specialist Recruitment (Shanghai) Co. Limited* (90% owned)	Unit 0304, 19/F Shui On Plaza, 333 Huaihai Road, Lot No.7 Luwan District, Shanghai 200020, CN, 0, China
Hays Colombia SAS	AK 45 No. 108-27 Torre 2 Oficina 1105, Bogotá, Colombia
Hays Czech Republic s.r.o	Olivova 4/2096, 110 00 Praha 1, Czech Republic
Hays Information Technology s.r.o	Olivova 4/2096, 110 00 Praha 1, Czech Republic
Hays Specialist Recruitment (Denmark) A/S	Kongens Nytorv 8, 1050 København K, Denmark
H101 Limited	4th Floor, 20 Triton Street, London, NW1 3BF, UK
Hays Commercial Services Limited (In Liquidation)	55 Baker Street, London, W1U 7EU, UK
Emposo Limited	4th Floor, 20 Triton Street, London, NW1 3BF, UK
Fairer Consulting Limited* (65% owned)	4th Floor, 20 Triton Street, London, NW1 3BF, UK
Hays Group Holdings Limited †	4th Floor, 20 Triton Street, London, NW1 3BF, UK
Hays Healthcare Limited	4th Floor, 20 Triton Street, London, NW1 3BF, UK
Hays Holdings Ltd †	4th Floor, 20 Triton Street, London, NW1 3BF, UK
Hays International Holdings Limited †	4th Floor, 20 Triton Street, London, NW1 3BF, UK
Hays Life Sciences Limited	4th Floor, 20 Triton Street, London, NW1 3BF, UK
Hays Nominees Limited	4th Floor, 20 Triton Street, London, NW1 3BF, UK
Hays Overseas Holdings Limited †	4th Floor, 20 Triton Street, London, NW1 3BF, UK
Hays Pension Trustee Limited †	4th Floor, 20 Triton Street, London, NW1 3BF, UK
Hays Recruitment Services Limited	4th Floor, 20 Triton Street, London, NW1 3BF, UK
Hays Social Care Limited	4th Floor, 20 Triton Street, London, NW1 3BF, UK
Hays Specialist Recruitment (Holdings) Limited †	4th Floor, 20 Triton Street, London, NW1 3BF, UK
Hays Specialist Recruitment Limited	4th Floor, 20 Triton Street, London, NW1 3BF, UK
Hays Stakeholder Life Assurance Trustee Limited †	4th Floor, 20 Triton Street, London, NW1 3BF, UK
James Harvard Limited	4th Floor, 20 Triton Street, London, NW1 3BF, UK
Krooter Limited	4th Floor, 20 Triton Street, London, NW1 3BF, UK
Oval (1620) Limited	4th Floor, 20 Triton Street, London, NW1 3BF, UK
Paperstream Limited	4th Floor, 20 Triton Street, London, NW1 3BF, UK
Recruitment Solutions Group Limited (IOM)	First Names House, Victoria Road, Douglas, IM2 4DF, Isle of Man
Emposo SASU	149 boulevard Haussmann, 75008 Paris, France
Hays Consulting SASU	147 boulevard Haussmann, 75008 Paris, France
Hays Corporate SASU	147 boulevard Haussmann, 75008 Paris, France

	Registered Address and Country of Incorporation
Hays Enterprise Solutions SASU	149 boulevard Haussmann, 75008 Paris, France
Hays Executive SASU	147 boulevard Haussmann, 75008 Paris, France
Hays France SASU	147 boulevard Haussmann, 75008 Paris, France
Hays Life Sciences Consulting SASU	147 boulevard Haussmann, 75008 Paris, France
Hays Media SASU	147 boulevard Haussmann, 75008 Paris, France
Hays Pharma SASU	147 boulevard Haussmann, 75008 Paris, France
Hays Portage	149 boulevard Haussmann, 75008 Paris, France
Hays SASU	147 boulevard Haussmann, 75008 Paris, France
Hays Services SASU	147 boulevard Haussmann, 75008 Paris, France
Emposo GmbH	Glücksteinallee 67, 68163, Mannheim, Germany
Hays AG	Glücksteinallee 67, 68163, Mannheim, Germany
Hays Beteiligungs GmbH & Co. KG	Glücksteinallee 67, 68163, Mannheim, Germany
Hays Holding GmbH	Glücksteinallee 67, 68163, Mannheim, Germany
Hays Professional Solutions GmbH	Völklinger Straße 4, 40219 Düsseldorf, Germany
Hays Talent Solutions GmbH	Völklinger Straße 4, 40219 Düsseldorf, Germany
Hays Verwaltungs GmbH	Willy-Brandt-Platz 1-3, 68161 Mannheim, Germany
Hays Vorrat 01 GmbH	Willy-Brandt-Platz 1-3, 68161 Mannheim, Germany
Hays Hong Kong Limited	Unit 6604-07, 66/F, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong
Hays Specialist Recruitment Hong Kong Limited	Unit 6604-07, 66/F, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong
Hays Hungary Kft	1054 Budapest, Akadémia utca 6., Hungary
Hays Professional Services Kft	1054 Budapest, Akadémia utca 6., Hungary
Hays Business Solutions Private Limited (Gurgaon)	Buildings 9B, 11th Floor, DLF Cyber City, Gurgaon, Haryana-HR, 122002, India
Hays Specialist Recruitment Private Limited	Office No. 2102, Space Inspire Hub, Adani Western Height, J.P. Road, Four Bungalows, Andheri West, Mumbai, Maharashtra, 400053, India
Emposo (Ireland) Limited	26/27a Grafton St. Dublin 2, Ireland
Hays Business Services Ireland Limited	26/27a Grafton St, Dublin 2, Ireland
Hays Specialist Recruitment (Ireland) Limited	26/27a Grafton St, Dublin 2, Ireland
Hays Professional Services S.r.l	Corso Italia 13, CAP 20122, Milano, Italy
Hays Solutions S.r.l	Corso Italia 13, CAP 20122, Milano, Italy
Hays S.r.l	Corso Italia 13, CAP 20122, Milano, Italy
Hays Resource Management Japan K.K.	Izumi Garden Tower 38F 1-6-1 Roppongi, Minato-ku, Tokyo 106-6028, Japan
Hays Specialist Recruitment Japan K.K.	Izumi Garden Tower 38F 1-6-1 Roppongi, Minato-ku, Tokyo 106-6028, Japan
Hays Finance (Jersey) Limited	44 Esplande, St Helier, Jersey JE4 9WG
Hays S.a.r.l	65 Avenue de la Gare – L 1611, Luxembourg
Hays Travail Temporaire Luxembourg	65 Avenue de la Gare – L 1611, Luxembourg
Agensi Pekerjaan Hays (Malaysia) Sdn. Bhd.* (49% owned)	B4-3A-6, Solaris Dutamas, No 1, Jalan Dutamas 1, 50480 Kuala Lumpur, Malaysia
Hays Solutions Sdn. Bhd.	B4-3A-6, Solaris Dutamas, No 1, Jalan Dutamas 1, 50480 Kuala Lumpur, Malaysia
Hays Specialist Recruitment Holdings Sdn. Bhd.	B4-3A-6, Solaris Dutamas, No 1, Jalan Dutamas 1, 50480 Kuala Lumpur, Malaysia
Hays Flex. S.A. de C.V.	Avenida Paseo de las Palmas No. 405, esquina con Sierra Mojada, Colonia Lomas de Chapultepec, C.P. 11000, México, D.F.

Notes to the Hays plc Company Financial Statements continued

13 Subsidiaries continued

	Registered Address and Country of Incorporation
Hays Servicios S.A. de C.V.	Avenida Paseo de las Palmas No. 405, esquina con Sierra Mojada, Colonia Lomas de Chapultepec, C.P. 11000, México, D.F.
Hays, S.A. de C.V.	Avenida Paseo de las Palmas No. 405, esquina con Sierra Mojada, Colonia Lomas de Chapultepec, C.P. 11000, México, D.F.
Hays Maroc	Casablanca 20180, Anfa Place, Tour Ouest, Niveau 1, Boulevard de la corniche – Ain Diab (Maroc), Morocco
Hays B.V.	Ellen Pankhurststraat 1G, NL-5032 MD, Tilburg, Netherlands
Hays Holdings B.V.	Ellen Pankhurststraat 1G, NL-5032 MD, Tilburg, Netherlands
Hays Services B.V.	Ellen Pankhurststraat 1G, NL-5032 MD, Tilburg, Netherlands
Hays Temp B.V.	Ellen Pankhurststraat 1G, NL-5032 MD, Tilburg, Netherlands
Hays Specialist Recruitment (NZ) Limited	Level 36, ANZ Tower, 23 Albert Street, Auckland, 1010, New Zealand
Hays Document Management (Private) Limited (in liquidation)	6th Floor, AWT Plaza, I.I Chundrigar Road, Karachi, Pakistan
Hays Outsourcing Sp. z.o.o.	ul. Marszałkowska 126/134, 00-008 Warszawa, Poland
Hays Poland Sp. z.o.o.	ul. Marszałkowska 126/134, 00-008 Warszawa, Poland
Hays Poland Centre of Excellence sp. z.o.o.	ul. Marszałkowska 126/134, 00-008 Warszawa, Poland
Hays Business Services Portugal Unipessoal LDA	Avenida da Republica, no 18 – 2° andar, Lisbon, Portugal
HaysP Recrutamento Seleccao e Empresa de Trabalho Temporario Unipessoal LDA	Avenida da Republica, no 9 – 1 andar, fraccao 4, Lisbon, Portugal
Hays Specialist Recruitment Romania SRL	Premium Plaza 63-69 Dr. Iacob Felix Street, 7th floor, Bucharest 011033 Romania
Hays Professional Services SRL	Premium Plaza 63-69 Dr. Iacob Felix Street, 7th floor, Bucharest 011033 Romania
Emposo Romania SRL	1B Sergent Ghercu Constantin Street, the Bridge – Phase III, Building C, 6th Floor, 6th District, Romania
Hays Management Company	Building 7534, King Abdul Aziz Street, Al Ghadeer Dist. Postal Code: 13311, Riyadh, Kingdom of Saudi Arabia
Hays Specialist Recruitment P.T.E Limited	80 Raffles Place, #27-20 UOB Plaza 2, Singapore
Hays Solutions Pte Ltd	80 Raffles Place, #27-20 UOB Plaza 2, Singapore
Hays Business Services S.L.	Paseo de la Castellana 81, 28046 Madrid, Spain
Hays Personnel Espana Empresa de Trabajo Temporal S.L.	Paseo de la Castellana 81, 28046 Madrid, Spain
Hays Personnel Services Espana S.L.	Paseo de la Castellana 81, 28046 Madrid, Spain
Hays Talent Solutions Espana S.L.	Madrid, C/Zurbano nº 23, 1º Dcha (C.P. 28010)
Hays AB	Bryggargatan 4, 11121 Stockholm, Sweden
Hays (Schweiz) AG	Beethovenstrasse 19 8002 Zürich, Switzerland
Hays Talent Solutions (Schweiz) GmbH	Beethovenstrasse 19 8002 Zürich, Switzerland
Hays Holdings (Thailand) Ltd * (49% owned)	No. 8 T-One Building, 22nd Floor, Unit 2202, Soi Sukhumvit 40, Sukhumvit Road, Phra Khanong Sub-district, Klong Toei District, Bangkok, Thailand
Hays Recruitment (Thailand) Ltd * (74% owned)	No. 8 T-One Building, 22nd Floor, Unit 2202, Soi Sukhumvit 40, Sukhumvit Road, Phra Khanong Sub-district, Klong Toei District, Bangkok, Thailand
Hays FZ-LLC	Al Thuraya Tower 1, Office 2003, Dubai Media City Dubai 500340, UAE
3 Story Software LLC	c/o C T Corporation System, 67 Burnside Avenue, East Hartford, CT 06108, USA
Hays Holding Corporation	c/o National Registered Agents, Inc. 1209 Orange Street, Wilmington, DE 19801, USA
Hays Specialist Recruitment LLC	c/o National Registered Agents, Inc. 1209 Orange Street, Wilmington, DE 19801, USA

	Registered Address and Country of Incorporation
Hays Talent Solutions LLC	c/o National Registered Agents, Inc. 1209 Orange Street, Wilmington, DE 19801, USA
Hays U.S. Corporation	c/o NRAI Services, Inc. 1200 South Pine Island Road, Plantation FL 33324 USA
Hays Holdings U.S. Inc.	c/o NRAI Services, Inc. 1200 South Pine Island Road, Plantation FL 33324 USA

As at 30 June 2024, Hays plc and/or a subsidiary or subsidiaries in aggregate owned 100% of each class of the issued shares of each of these companies with the exception of companies marked with an asterisk (*) in which case each class of issued shares held was as stated.

Shares in companies marked with a (†) were owned directly by Hays plc. All other companies were owned by a subsidiary or subsidiaries of Hays plc.

14 Other related party transactions

Hays plc has taken advantage of the exemption granted under paragraph 8(k) of FRS 101 not to disclose transactions with fellow wholly owned subsidiaries. Transactions entered into and trading balances outstanding that were owed to Hays plc at 30 June 2024 with other related parties were £5.6 million (2023: £4.1 million).

SHAREHOLDER INFORMATION

Dividends

An interim dividend of 0.95 pence (2023: 0.95 pence) per Ordinary share was paid to shareholders on 9 April 2024. The Board recommends the payment of a final dividend of 2.05 pence (2023: 2.05 pence) per Ordinary share. These dividends payments will represent a total dividend of 3.00 pence per Ordinary share for the financial year ended 30 June 2024. Subject to the shareholders of the Company approving this recommendation at the 2024 AGM, the final dividend will be paid, in aggregate, on 25 November 2024 to those shareholders appearing on the register of members as at 18 October 2024. The ex-dividend date is 17 October 2024.

Dividend reinvestment plan (DRIP)

Shareholders can choose to reinvest dividends received to purchase further shares in the Company. The purchases are made on, or as soon as reasonably practicable after, the dividend payment date, at the market price(s) available at the time. Any surplus cash dividend remaining is carried forward and added to your next dividend payment.

Major shareholders

As at 30 June 2024, the following shareholders held an interest of 3% or more of the Company's issued share capital:

	% of issued share capital
Silchester International	17.59%
Blackrock, Inc	7.80%
GLG Partners LP*	7.02%
Columbia Threadneedle	6.55%
Jupiter	5.68%
Evenlode	4.45%
Vanguard	3.76%
HeronBridge	3.51%
Fidelity	3.28%

*on 20 August 2024, in accordance with DTR 5.1.2R, GLG Partners LP disclosed a change in notifiable interest to 6.55%

Share price

Shareholders can find share price information on our website and in most national newspapers. For a real-time buying or selling price, you should contact a stockbroker.

Shareholder contact

The Company's registrar is Equiniti ('EQ'). EQ's main responsibilities include maintaining the shareholder register and making dividend payments. If you have any queries relating to your Hays plc shareholding, you should contact EQ. The contact details are:

Equiniti Limited
Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA
www.shareview.co.uk
Telephone: 0371 384 2843(1)
International: +44 (0) 121 415 7047
Textphone: 0371 384 2255

Electronic communications

By registering to receive shareholder documentation from Hays plc electronically, shareholders can benefit from being able to:

- view the Annual Report and Accounts on the day it is published;
- receive an email alert when shareholder documents are available;
- manage their shareholding quickly and securely online, through Shareview.

Electronic communications also enable us to reduce our impact on the environment and benefit from savings associated with reduced printing and mailing costs.

For further information and to register for electronic shareholder communications visit www.shareview.co.uk and register for an online portfolio account enabling you to:

- monitor all your shareholdings;
- manage your personal details;
- buy and sell shares;
- vote at Company meetings; and
- view tax vouchers online.

ID fraud and unsolicited mail

Share-related fraud and identity theft affects shareholders of many companies and we urge you to be vigilant. If you receive any unsolicited mail offering advice, you should inform EQ (Equiniti), the Company's registrar, immediately.

As the Company's share register is, by law, open to public inspection, shareholders may receive unsolicited mail from organisations that use it as a mailing list. To reduce the amount of unsolicited mail you receive, contact the Mailing Preference Service, FREEPOST 29 LON20771, London W1E 0ZT. Telephone: 0345 0700 705. Website: www.mpsonline.org.uk

ShareGift

ShareGift is a charity share donation scheme for shareholders and is administered by the Orr Mackintosh Foundation. It is especially useful for those shareholders who wish to dispose of a small number of shares whose value makes it uneconomical to sell on a normal commission basis. Further information can be obtained from www.sharegift.org or from EQ.

Website

The Company has a corporate website at haysplc.com, which holds, amongst other information, a copy of our latest Annual Report & Financial Statements and copies of all announcements made over the last 12 months.

Registered office

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NW1 3BF
Registered in England & Wales no. 2150950
Telephone: +44 (0) 20 3978 2520

Company Secretary

Doug Evans
Email: cosec@hays.com

Investor Relations contact

David Phillips, Head of Investor Relations
Email: ir@hays.com

FINANCIAL CALENDAR

2024

11 October	Trading update for the quarter ending 30 September 2024
20 November	Annual General Meeting

2025

16 January	Trading update for the quarter ending 31 December 2024
20 February	Half-year results for the six months ending 31 December 2024

HAYS ONLINE

Our award-winning investor site gives you fast, direct access to a wide range of Company information.

Visit haysplc.com/investors

Our investor site includes

- Investment case
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- Corporate governance
- Investor Day materials
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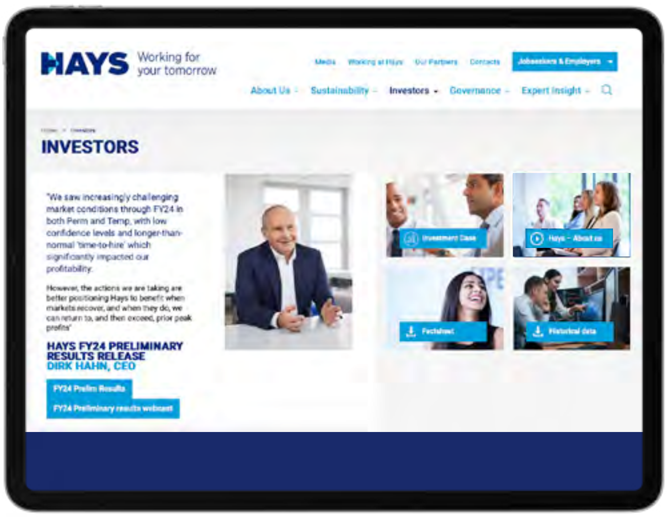

GLOSSARY

Term	Definition
Contractor	Freelance worker who is paid to work on a specific project or task. Typically works on a project basis for a fixed period of time, usually around 6-12 months
Conversion rate	Proportion of our net fees which is converted into operating profit
Enterprise client	Clients whom we bill a significant amount each year, typically >£100K in fees. Within this, direct outsourcing fees in Enterprise clients (formerly Hays Talent Solutions) include our MSP and RPO contracts
Flex/Flexible worker	Encompasses both Temp and Contractor workers
Free cash flow	Cash generated by operations less tax paid and net interest paid
HR services	Broader suite of people-related capabilities which support clients' and candidates' wider needs beyond recruitment. For example, consultancy, onboarding, upskilling and reskilling
International	Relating to our non-UK&I business
Job churn	Confidence among businesses to hire skilled people, aligned to candidate confidence to move jobs
Like-for-like	Year-on-year organic growth of net fees or profits of Hays' continuing operations, at constant currency
Managed Service Programmes (MSP)	The transfer of all or part of the management of a client's Temp staffing hiring activities on an ongoing basis to a recruitment company
Megatrend	Powerful macro industry theme which we regard as shaping recruitment markets and driving net fee growth
Net fees	As defined in note 2 (e) to the Consolidated Financial Statements
Perm	Candidate placed with a client in a permanent role
Perm gross margin	Our percentage placement fee, usually based on the Perm candidate's base salary
Profit drop-through	The additional like-for-like profit which flows to our bottom line from incremental like-for-like net fees in a particular period. Expressed as a percentage
Project Services	The process by which a specific task, or set of tasks, is initiated, planned, controlled and executed for a client, including recruiting and managing the personnel to complete the project, which meets specific success criteria
Recruitment Process Outsourcing (RPO) contracts	The transfer of all or part of a client's Perm recruitment processes on an ongoing basis to a recruitment company
Reporting period	Our internal Group reporting cycle comprises some countries which report using 12 calendar months, and some which report using 13 four-week periods. The Group's annual cost base equates to c.12.5x our cost base per period. This is consistent with prior years
Specialism	21 broad areas, usually grouped by industry, in which we are experts, e.g. Technology, Construction & Property, Accountancy & Finance, and Life Sciences
Talent pools	Collective term for active candidate databases
Temp	Worker engaged on a short-term basis to fill a skills gap for a pre-agreed period of time
Turnover	As defined in note 2d to the Consolidated Financial Statements
Underlying Temp gross margin	Temp net fees divided by Temp gross revenue. Relates solely to Temp placements where we generate net fees, and specifically excludes: transactions where we act as agent for workers supplied by third-party agencies; and arrangements relating to major payrolling services. Usually expressed as a percentage

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