Working for
your tomorrow

Hays plc
Annual Report &
Financial Statements 2022

Welcome to 'Our Hays Story' for FY22, a year in which we made excellent financial, operational and strategic progress. We delivered record fees plus our largest-ever profit growth, as well as £262 million in total cash distributions to shareholders.

The world of work sits at the heart of the global economy and is rapidly changing in many ways which benefit Hays. Megatrends such as long-term skill shortages, demographic changes, new job category creation, continual upskilling and changing work habits are being compounded by higher wage inflation. All these play to our strengths, and our strategy is evolving to capitalise on the many structural growth opportunities we see.

We are purposefully building the leading recruitment and HR services business in the most attractive markets globally. We are creating longer-term, stickier relationships with clients and candidates, which are driving more opportunities to grow. Our aspiration is to double our profits* over five years, and to do so from more diversified revenue streams.

Our purpose is also evolving. We benefit society by investing in lifelong partnerships which empower people and organisations to succeed, and over many years we have helped literally millions of talented individuals develop their careers. Our services have never been as relevant in helping to create, retain and develop diverse talent.

Hays has emerged from the pandemic stronger than ever, powered by our c.13,000 expert colleagues worldwide. It is a privilege to be able to tell 'Our Hays Story' for FY22.

Alistair Cox
Chief Executive

More about megatrends in the world of work **page 3**

* More about our medium-term aspirations and the economic assumptions which underpin them **page 16**

'Our Hays Story'

We are proud to be industry leaders, based on our global scale and deep expertise.

Our balanced and diverse business across 32 countries powers our customers, enabling clients to find the talent they need to grow and helping people advance their careers.

The digital revolution is accelerating, and we will lead our industry through change. Further, the prize for adding real human value in a digital world will be significant.

Our strong foundations in technology underpin our Talent Networks, providing deep and valuable data insights for our consultants and our clients.

Our speed and agility help us create the recruiting and HR services experience of tomorrow… enabling us to become trusted lifelong partners to millions of people and organisations.

The best people, allied to the best technology, will deliver the best service.

FINANCIAL OVERVIEW

Net fee income

£1,189.4m

FY21: £918.1m

Operating profit

£210.1m

FY21: £95.1m

Basic EPS

9.22p

FY21: 3.67p

Core & special dividend per share

10.19p

FY21: 10.15p

Net cash

£296.2m

FY21: £410.6m

More information **page 40**

OPERATIONAL SUMMARY

Consultants

9,037

FY21: 7,190

Perm jobs filled

c.83,750

FY21: c.59,090

Temp roles filled

c.250,000

FY21: c.220,000

Talent Networks

c.35,000

(see pages 29 to 30)

More information **page 23**

SUSTAINABILITY/ ED&I HIGHLIGHTS

Women in senior leadership

42.4%

FY21: 41.6%

Our scope 1, 2 & Business travel GHG emissions

7,039 CO_2e tonnes

FY21: 7,720

Science-Based Targets on GHGs in support of the Paris Agreement

Approved

Hays' employee volunteering hours

c.10,000

(New Group initiative)

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Note: Unless otherwise stated all growth rates discussed in this strategic report are LFL (like-for-like), YoY (year-on-year) net fees and profits, representing organic growth at constant currency.

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More information online:
Our investor website gives you direct access to a wide range of Company information
See **haysplc.com/investors**

Read our views and advice on the world of work
See **social.hays.com**

HAYS' FUTURE AT THE HEART OF THE WORLD OF WORK

The world of work is rapidly changing, with clients and candidates facing many new challenges and opportunities. The Covid pandemic has accelerated the megatrends which shape the world of work.

More information **page 3**

- **Business challenges**
- **Skill shortages**
- **Employee demands**
- **Demographic challenges**
- **Societal demands**

We benefit society by investing in lifelong partnerships…

…that empower people and organisations to succeed

Clients

- Skill shortages and high job churn
- Significant new demand in related HR services
- Rapid new job category creation
- Enhanced ESG and ED&I requirements

More information **pages 28 to 31**

Candidates

- Demands for flexible working and changing work habits
- Ageing population and other demographic changes
- Significant need for upskilling and reskilling
- Material inflation for the first time in many years

More information **pages 28 to 31**

Hays sits at the heart of this rapidly changing work ecosystem, and we strongly benefit by solving our clients' talent problems

Skill shortages
We have deep and broad Talent Networks

New job creation
Particularly in structurally growing sectors

Greater job churn
Helped by faster hiring decisions

Workforce challenges
Creating, developing and retaining talent

Wage inflation
Which directly benefits our revenue model

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Five reasons Hays is positioned to win in the new world of work

1. Global scale and delivery capability
2. Unrivalled Talent Networks
3. Growing from a position of market leadership
4. Our diverse SME client base
5. Strong enterprise relationships

STRATEGIC PRIORITIES

Our clear strategic priorities will deliver our long-term aims

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GROW – Materially increase core recruitment fees, particularly in Technology recruitment and with Enterprise clients

DIVERSIFY – Substantially grow new revenue streams and partnership-based areas such as HR services and Project Services globally

ENABLE – Our strategy is underpinned by our continuous investment in People, Culture, Technology and Sustainability

ENHANCE – Drive productivity to deliver significant profits and cash flows, funding reinvestment and enabling substantial returns to shareholders

PARTNER – Nurture lifelong client and candidate partnerships and build the deepest and most engaged Talent Networks worldwide

KEY PERFORMANCE INDICATORS

We use financial and non-financial metrics to track our performance in line with our strategic priorities

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1. Like-for-like (LFL) net fee growth
2. Basic earnings per share (EPS) growth
3. Headline Technology fees
4. Contracted Enterprise client fees
5. Like-for-like net fees per consultant
6. Conversion rate
7. Cash conversion
8. Employee engagement
9. Percentage of female senior leaders
10. Greenhouse gas emissions

INVESTMENT CASE

Driven by our strategic priorities and many structural growth market opportunities, we believe in three simple and compelling reasons to invest in Hays

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1. Growth

We are market leaders in some of the most attractive recruitment markets globally, which offer significant long-term growth potential. Our ability to solve our clients' talent problems globally and at-scale is second to none and we have significant opportunities to grow in highly complementary and related HR services.

2. Scale

We have unrivalled balance, scale and diversity in recruitment and HR services. Our deep relationships with large, medium and small clients are based on partnerships and trust, built over many years. Our strong expertise, people, brand, infrastructure, strategy and financial strength will help us build the leading global HR services business.

3. Returns

Our revenues are increasingly derived from diverse, higher margin revenue streams.

We will return significant cash to shareholders in the form of core and special dividends and share buybacks.

STRATEGIC REPORT

We are proud to be industry leaders. Our **breadth, scale, balance** and **financial strength** set us apart from our competitors.

Our purpose and commitment to sustainability frame our strategy and how we operate

Purpose → **Social licence** → **Strategy** → **Stakeholders** → **Actions**

Our purpose is to empower people and organisations to succeed, through investing in lifelong partnerships with them. Over many years, we have helped millions of talented individuals develop their careers, and are deeply committed to helping many millions more in the future.

Our 'social licence to operate' and reputation are underpinned by this purpose. We are determined that 'Our Hays Story' is a sustainable one, in terms of our role in our communities, our business operations and our ability to grow profits and cash flow in the long term.

Our strategy to be the world's leading recruitment and HR services provider is based on forming lifelong partnerships with clients and candidates, providing them with a first-class service and doing the right thing by our varied stakeholders. This means putting Environmental, Social and Governance (ESG) matters at the heart of our business and strategy.

Our stakeholders are central to how we integrate our strategy with our responsibility to build a sustainable business. We are committed to engagement with our stakeholders and to deliver a more sustainable business, while driving profitable, cash-generative growth.

Our actions this year have demonstrated significant, tangible progress towards our ESG strategy. This included obtaining approval of our carbon emission reduction Science-Based Targets (SBTs), expanding our 'Helping for your tomorrow' initiatives, enhancing our free learning portals and advancing the work done by our global ED&I council.

More information on value for stakeholders **page 23**
More information on sustainability **page 50**

ACCELERATING MEGATRENDS IN THE NEW WORLD OF WORK

The world of work is being shaped by powerful megatrends, which were accelerated by the pandemic. Our strategy is designed to capitalise on these trends, targeting structural growth opportunities within our cyclical end markets.

Growth in flexible, non-Perm careers

For many years, candidates and clients have been demanding new ways of working. Many skilled workers are increasingly seeking interesting, and often highly paid, non-Perm roles as they build 'portfolio' freelance careers. The pandemic has enhanced the demand for flexible working, both for clients and candidates. This trend is also strongly supported by remote and hybrid working.

We believe higher skill, higher salary Temp and Contracting are key structural growth markets, particularly in 'Technical' white-collar specialisms such as Technology, Life Sciences and Engineering. We use our expert consultants, global network, state-of-the-art technology and rich data to build deep and broad Talent Networks.

Jobs are changing and skills are increasingly short

Digitisation is changing the face of almost every industry and employers are struggling to find the talent they need, particularly in high-skill, higher salary areas. This 'war for talent' is driving meaningful wage inflation, which is a net positive for our fees. Also, our strategy is focused on building the strongest Talent Networks possible, and our Strategic Growth Initiatives (SGI) target the most skill-short markets, such as Technology or the Green Economy.

Almost every organisation would like more and better technology talent in areas such as data science, artificial intelligence, cyber security; and Tech ecosystems such as Salesforce, AWS and Azure.

Demographic changes and increased employee demands are increasing job churn

Job churn is a key driver of recruitment and talent markets, and churn has been increasing due to trends such as the 'Great Resignation', plus an increasing recognition that real talent can work anywhere.

Also, the rising cost of living globally creates greater incentive for skilled employees to change job and increase their earnings. 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.

Societal demands are changing

For all employers, there is an increasing awareness of the importance of sustainability and ED&I both in their business operations and also their own culture and employee value proposition. Many employees want to work for a purpose-led organisation which matches their own values, and many new job categories are being created or expanded.

Our ability to create equitable and diverse Talent Networks is increasingly a key competitive advantage, as is the ability to help clients with related HR services such as consultancy, onboarding, upskilling and total talent solutions.

Organisations increasingly need expert help to find the talent they need

To help win the battle for talent, organisations increasingly need agencies 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 equally applies to larger outsourcing deals with Enterprise clients and transactional 'spot' recruitment for SMEs. Importantly, all client groups have increased demands for related HR services and we are increasingly able to deliver these services.

The Covid pandemic has significantly changed the world of work and accelerated powerful, inter-related megatrends

Organisation challenges
- Greater digitalisation
- Hiring and retention of talent
- Changing stakeholder needs, including skillsets
- Dealing with inflation

Skill shortages
- Driving the 'battle for talent' and wage inflation
- Desire/need for upskilling
- Partially solved by potential for talent to work from anywhere

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

Demographic challenges
- Smaller working population, driven by the 'Great Resignation'
- Broader demographics and lifestyle choices (e.g. earlier retirement)
- Greater propensity for Contracting and Freelance

Societal demands
- Increasing importance of Sustainability and ESG/ED&I matters
- Social Purpose
- Social mobility
- Regulation

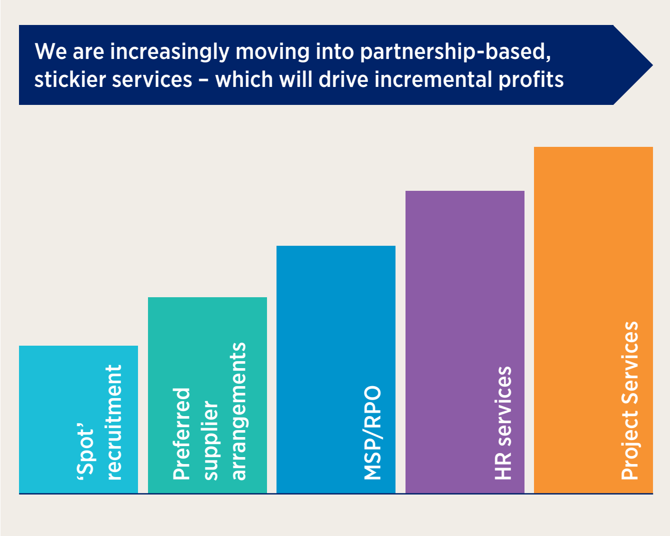
WHY HAYS DELIVERS SUCCESS

Our purpose is to benefit society by investing in lifelong partnerships that empower people and organisations to succeed. We achieve this via our business model, which is centred around solving our clients' talent problems. Our services range from Contracting, Temp and Permanent recruitment to complex, integrated HR solutions.

At our most simple level we charge a percentage fee per placement, based on employee salary. However, our service offering and business model has evolved to become much more embedded with our clients, based on deep human resource partnerships and outsourced solutions such as Managed Service Provision (MSP) and Recruitment Process Outsourcing (RPO). Around 40% of our net fees are derived from clients where we bill over £250k in fees each year, and over 50% where we bill over £100k, demonstrating our deep integration into their HR processes.

We help our clients maximise their employer brand, allowing them to attract and engage with the best talent. We aim to curate the broadest and deepest Talent Networks, powered by our cutting-edge technology, giving real-time access to candidates at a local level. We provide detailed compliance, background and onboarding services, and total talent management. We offer consulting in areas such as ED&I, and we provide Project Services in areas such as Technology and Life Sciences.

We are a leading global talent solutions business, helping millions of people with their career each year, and solving clients' talent problems in real time.

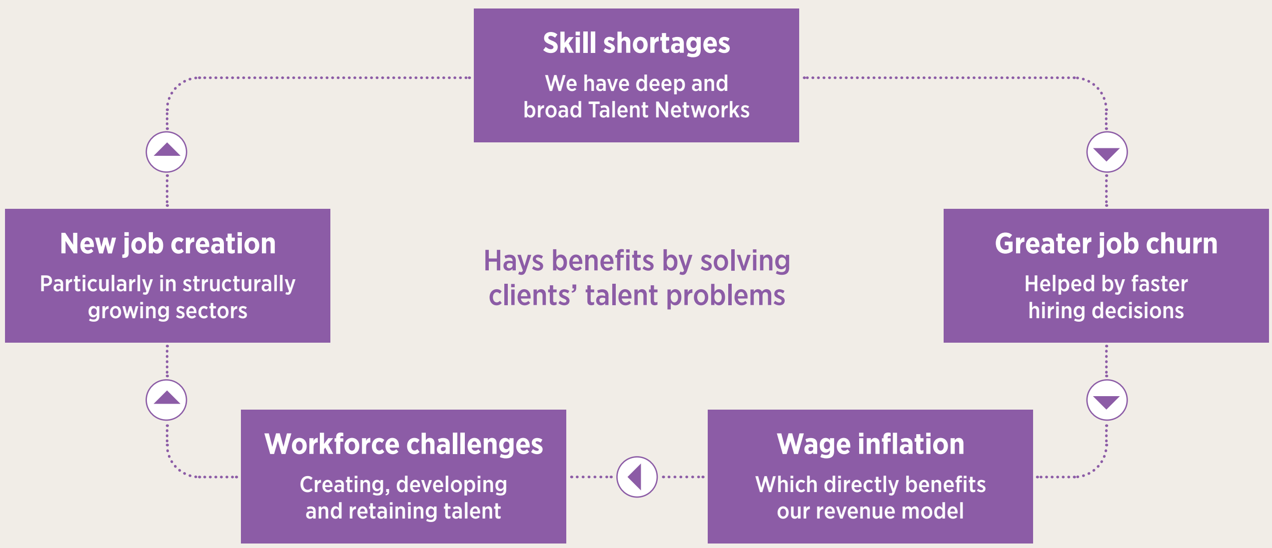


How Hays wins in the new world of work

Five reasons Hays is positioned to win in the new world of work

1. Global scale and delivery capability
2. Unrivalled Talent Networks
3. Growing from a position of market leadership
4. Our diverse SME client base
5. Strong enterprise relationships

The new world of work benefits Hays in five major areas via our robust business model



A BROAD, DIVERSE AND BALANCED BUSINESS

Our business has scale, breadth and diversity of exposure. It is purposefully built to take into account the megatrends driving change in our industry, and also to withstand turbulent economic times.

A global business

32 countries and 21 specialisms

Rest of World

Group net fees
£416.5m (36%)

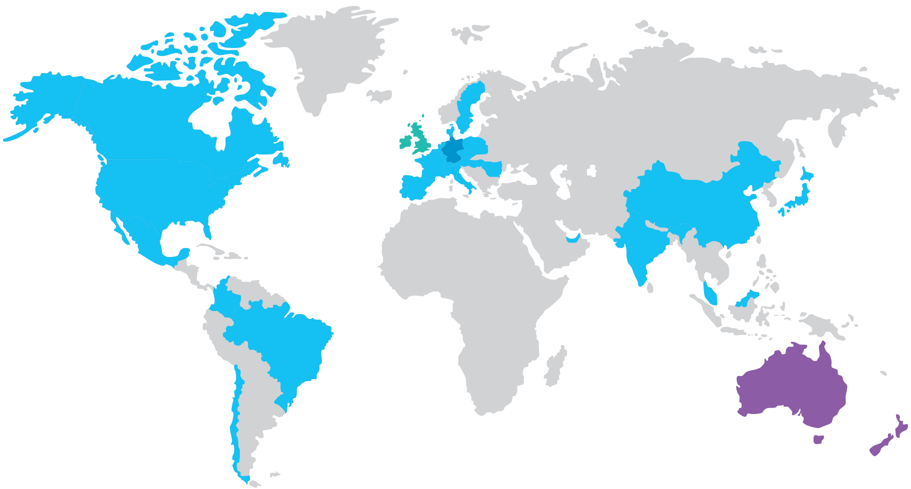
Operating profit
£39.5m

Consultants
3,710

Offices
100

Permanent
68%

Temporary
32%



UK & Ireland

Group net fees
£263.3m (22%)

Operating profit
£43.4m

Consultants
2,175

Offices
87

Permanent
45%

Temporary
55%

Germany

Group net fees	Consultants	Offices
£313.9m (26%)	**2,016**	**26**
Operating profit	Permanent	Temporary
£75.6m	**17%**	**83%**

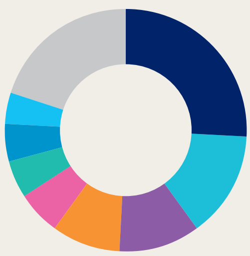
Australia & New Zealand

Group net fees	Consultants	Offices
£195.7m (16%)	**1,136**	**40**
Operating profit	Permanent	Temporary
£51.6m	**38%**	**62%**

A balanced and diverse model

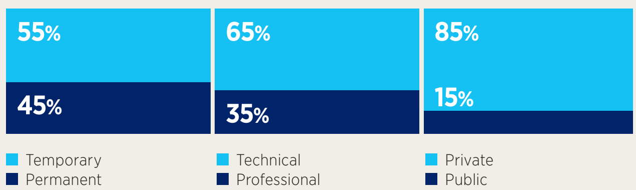
We have deliberately and strategically built a business which is balanced and diverse. Within our network, we have exposure to structural growth markets, such as Technology globally, plus the relatively immature markets of Germany and Asia. We have leading positions in markets which are more mature but still offer strong growth potential such as the UK and Australia. And we have significant market share opportunities with large Enterprise clients, which we see as a high-growth area and one where we have strong potential to grow in related HR services.

Net fees by specialism



- Technology **26%**
- Accountancy & Finance **14%**
- Construction & Property **11%**
- Engineering **9%**
- Office Support **6%**
- Life Sciences **5%**
- Sales & Marketing **5%**
- Banking **4%**
- Other **20%**

Net fees by contract, job and client type



We have leading market positions in Temporary, Contracting and Permanent recruitment, and we have a growing HR services capability. We have scale and expertise in 21 specialist areas of skilled employment. We are predominantly Private sector-focused, but also serve Public sector clients in some markets. Within our portfolio of services, we work on high volume, high service, multi-year outsourcing contracts with some of the largest organisations in the world, as well one-off placements for SMEs.

The balance, breadth and scale of our business is unique in the world of specialist recruitment. This is a key differentiator, which we believe is important as it makes our business and our earnings relatively more resilient to today's uncertain macroeconomic and political landscapes.

OUR STRATEGIC PRIORITIES

Our clear strategic priorities are focused on growth, increasing partnerships and positioning Hays further up the customer value chain.

GROW – Materially increase core recruitment fees, particularly in Technology recruitment and with Enterprise clients

DIVERSIFY – Substantially grow new revenue streams and partnership-based areas such as HR services and Project Services globally

ENABLE – Our strategy is underpinned by our continuous investment in People, Culture, Technology and Sustainability

ENHANCE – Drive productivity to deliver significant profits and cash flows, funding reinvestment and enabling substantial returns to shareholders

PARTNER – Nurture lifelong client and candidate partnerships and build the deepest and most engaged Talent Networks worldwide

Our strategy is based on the industry megatrends which are driving the recruitment and related HR services markets.

Our strategic priorities	Focus in FY23	Link to relevant KPIs
GROW	– Accelerating structural growth in the most attractive future recruitment sectors, including Technology, Engineering, Life Sciences, the Green Economy, and with Enterprise clients more widely – Increase market share with existing and new clients – Drive further growth in non-Perm fees in new/existing markets, including France, Spain, Canada and the USA – Fee growth in our other core specialisms, including Accountancy & Finance and Construction & Property – With macroeconomic uncertainties increasing, we will closely monitor our activity levels and KPIs, which are currently broadly stable overall at strong levels	1. LFL net fee growth 2. Basic EPS growth 3. Headline Technology fees 4. Contracted Enterprise client fees 5. LFL fees per consultant
ENHANCE	– Leverage our market-leading position and deep sector expertise to deliver highly personalised and easily accessible services to clients and candidates – Driving consultant productivity and returns on our investments – Further develop our front- and back-office capabilities, including data science and analytics, to improve our service to clients and candidates and increase business efficiency – Our long-term priorities for free cash flow: fund investment and development, maintain a strong balance sheet, and deliver a core dividend which is sustainable, progressive and appropriate – The Board will look to grow core dividend in line with EPS growth (target dividend cover range 2-3x) and, subject to a supportive economic outlook, distribute surplus cash to shareholders via special dividends and disciplined share buybacks as appropriate	1. LFL net fee growth 2. Basic EPS growth 5. LFL fees per consultant 6. Conversion rate 7. Cash conversion
DIVERSIFY	– Improve and develop our services to support our customers more effectively across a broader array of services, including ED&I Consulting, training, upskilling and total talent management – Grow our Project Services offering and fees	1. LFL net fee growth 3. Headline Technology fees 4. Contracted Enterprise client fees
PARTNER	– Continue to evolve and shape our offering to meet clients' changing needs by providing alternative and innovative delivery models, including Hays Hub – Continue to explore and develop relationships with external organisations, to enable us to better understand, respond to and capitalise on new opportunities and/or threats and provide in-depth insight to clients and candidates – Enhance and expand Hays' learning and development platform to enable more people to upskill or reskill to progress their careers	3. Headline Technology fees 4. Contracted Enterprise client fees

All of this is supported and underpinned by our continuous investment in our people and culture. Nurturing the best talent and cultivating a compelling culture are the cornerstone of Hays' success.

We look to empower our colleagues to reach their full potential, investing in industry-leading training and development and providing them with an exciting and progressive career path. This, combined with how we equip them with cutting-edge technology and tools, is what enables us to deliver the best service to our clients and candidates, nurturing lifelong relationships and driving our business forward.

ENABLE	– Continue to drive employee engagement and respond to the findings of our Your Voice surveys – Continue to invest in our people via our industry-leading training, including the launch of our 'International Leaders of the Future' programme and our ongoing 'International Leadership and Management Programme' – Continue to drive equity across our business, including increasing our percentage of senior female leaders – Continue to invest in our technology and infrastructure to give our people cutting-edge systems and tools – Reduce GHG emissions in line with our Science-Based Targets, including our detailed scope 3 emissions, reported for the first time in FY22 (see page 61) – Further drive broader Sustainability initiatives across Hays (see page 50)	8. Employee engagement 9. Percentage of female senior leaders 10. Greenhouse gas (GHG) emissions

OUR INVESTMENT CASE

We believe there are three simple and compelling reasons to invest in Hays. These are based on our growth potential, our relationships, and our highly profitable, cash-generative business model.

Our financial strength enabled us to make long-term investments through the pandemic, enhancing our business infrastructure, including people, brand, technology and data. Our investments have clearly accelerated our recovery from the pandemic.

1 Growth opportunities

We are market leaders in some of the most attractive recruitment markets globally, which offer significant long-term growth potential. Our ability to solve our clients' talent problems globally and at-scale is second to none and we have significant opportunities to grow in highly complementary and related HR services.

- With fees of >£300 million, we are a global Technology recruitment leader
- Direct outsource fees >£200 million and wider Enterprise clients >£450 million
- Growing range of HR services
- Structural opportunities help offset some cyclicality

2 Scale, strength & depth of relationships

We have unrivalled balance, scale and diversity in recruitment. Our deep relationships with large, medium and small clients are based on partnerships and trust, built over many years. Our strong expertise, people, brand, infrastructure, strategy and financial strength will help us build the leading global HR services business.

- Leading market positions in Contracting, Temp and Perm
- Global network
- Strong management and training
- Leadership Partners and Talent Networks
- HR services opportunities

3 Highly profitable & cash-generative

Our revenues are increasingly derived from diverse, higher margin streams. We will return significant cash to shareholders in the form of core and special dividends and disciplined share buybacks.

- 32% fee growth and 128% operating profit growth in FY22
- £262m cash returned to shareholders in respect of FY22 via core and special dividends and share buybacks

Assuming a supportive economic environment, our aspiration is to double Group operating profit by FY27 and return £500-750 million in surplus cash to shareholders.

KEY PERFORMANCE INDICATORS

Our aim is to be the undisputed global leader in specialist recruitment and related HR services, and to deliver well-diversified, profitable and cash-generative fee growth. We use a combination of financial and non-financial alternative performance measures to track our performance in line with our strategic priorities.

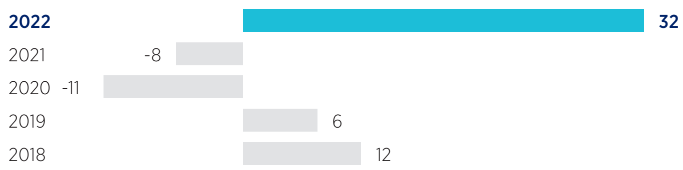
1. Like-for-like[(1)] net fee growth (%)

Measure

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

Progress made in FY22

Our actions to capitalise on significant skill shortages and strong market conditions, including driving higher margins and the positive impact of wage inflation, delivered record Group fees, up 32%, with 24 country records.



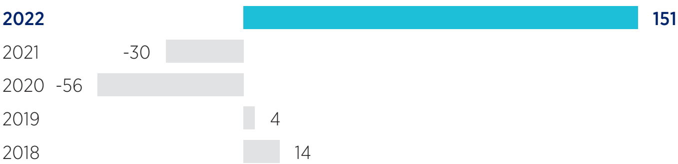
2. Basic earnings per share[(2)] growth (%)

Measure

The underlying profitability of the Group, measured by the earnings per share[(2)] of the Group's operations.

Progress made in FY22

Basic earnings per share[(2)] increased by 151% to 9.22 pence, driven by the significant increase in Group operating profit and the effect of the lower Group effective tax rate.



3. Headline Technology fees (£m)

Measure

The absolute scale of the global Technology business in net fee terms.

Progress made in FY22

We delivered record Group Technology fees in the year of £302 million, up 32%. This included Australia up 37%, Germany up 21%, the UK&I up 56% and RoW up 39%.

4. Contracted Enterprise client fees[(3)] (£m)

Measure

We have introduced this KPI in FY22 to report our contracted outsourcing fees with Enterprise clients. We delivered a record year, up 21% and exceeding £200 million in fees for the first time, with direct outsourcing contracts with c.150 clients.

We continue to win Enterprise market share and broaden our service offering, with a strong pipeline of opportunities. Our medium-term ambition is to double the size of our direct outsourcing business to £400 million in fees.

5. 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 FY22

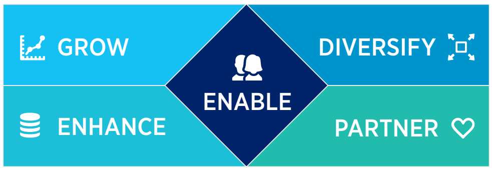
Group like-for-like fees per consultant increased by 8% YoY to a record level of £144.6k. This was driven by strong fee growth through the year, and was delivered despite our highest ever level of headcount investment.

(1) Like-for-like growth represents organic growth of operations at constant currency.
(2) FY20 and FY19 operating profit and basic earnings per share are stated before exceptional charges. There were no exceptional charges in FY18, FY21 & FY22.
(3) This excludes any fees which originate from preferred supplier arrangements, which represented a further c.30% of Group fees (see page 31).
(4) Conversion rate is the proportion of net fees converted into pre-exceptional operating profit[(2)].
(5) Cash generated by operations is stated after IFRS 16 lease payments. 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.

Measured against our strategy

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

More information page 6



6. Conversion rate[4] (%)

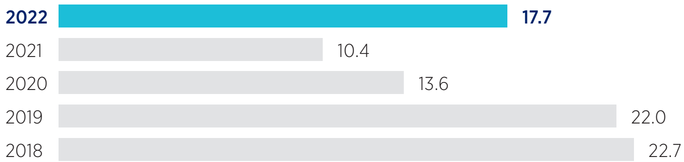
Measure

Calculated as 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 FY22

Our conversion rate[4] increased by 730bps to 17.7%, or 18.0% excluding the one-off impacts of closing our Russia business.

Our FY27 aspiration for conversion rate is 22-25%.



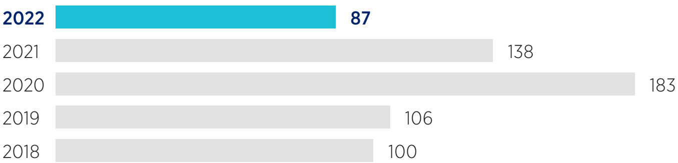
7. Cash conversion[6] (%)

Measure

The Group's ability to convert profit into cash. Calculated as cash generated by operations[5] as a percentage of operating profit[2].

Progress made in FY22

Given excellent 21% growth in our Temp business, with a related increase in Temp book debtors, 87% cash conversion was a good result. Working capital management continued to be excellent, with debtor days maintained at record lows of 33.



8. Employee engagement (%)

Measure

We have worked with Culture Amp since 2019 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 FY22

85% of all staff completed the survey (FY21: 81%), providing strong representation of employee opinion. Our engagement score increased to 80% (FY21: 78%), while 84% said they believed Hays has a positive impact on society (FY21: 74%), and 82% of staff said they believed Hays supports flexible working practices, up from 71% in FY21 and 48% back in FY19. Most encouragingly, 86% would recommend Hays as a great place to work (FY21: 80%).

9. Percentage of female senior leaders (%)

Measure

We believe in equality in all forms across our business and the Group endorses United Nations Sustainability Goal 5: Equality. In FY22 we have included the percentage of female leaders as a KPI for the first time, 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 FY23 represented the top 630 managers in Hays.

(6) Cash conversion represents the conversion of pre-exceptional operating profit[2] to cash generated from operations[5].
(7) 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.

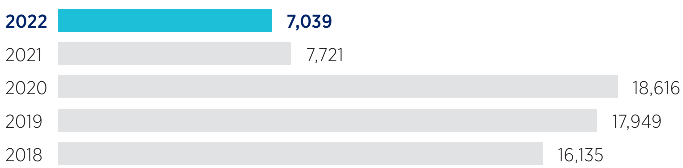
10. Greenhouse gas emissions (CO_2 tonnes)

Measure

Hays is committed to reaching Net Zero emissions and in FY22 our Science-Based Targets were validated by the SBTi.

Progress made in FY22

Our total emissions directly controlled by Hays (scope 1, 2 and business travel) decreased by 9% to 7,039 CO_2e tonnes and by 62% versus FY20. This reflects our progress on the initiatives linked to our Science-Based Targets to reduce GHG emissions, which include increasing the proportion of renewable energy used across our office footprint and reducing business travel through better use of technology.



THE YEAR IN REVIEW, AND THE YEARS AHEAD

Our Chief Executive, Alistair Cox, discusses the Group's performance in FY22 and looks ahead to our areas of focus and development in the future.

Q1.

How did Hays perform in the year?

A. This has been a truly remarkable year in many ways. Although it began with many countries still facing significant Covid restrictions, we entered the year with improving momentum. As this accelerated, we witnessed some of the strongest markets we have ever seen. The 'Great Resignation' saw huge numbers of people changing jobs and employers often struggling to keep their workforces intact. Skill shortages were apparent in many areas, and this translated into the greatest level of wage inflation that we have seen in many years, accelerating and becoming more widespread as the year progressed. All of these factors played to our strengths, and we capitalised on the acceleration in our markets by adding significant capacity, opening new service lines and investing aggressively to position our business at the heart of what the markets are now demanding post-Covid.

Consequently, we upgraded our own view of our likely financial performance through the year. Market consensus EPS forecasts for FY22 increased by over 25% through the year. I think our eventual result was excellent, with strength across all our businesses. Fees increased by 32% and operating profit more than doubled to £210.1 million. While this growth was helped by economic recovery from the pandemic, I am very pleased with our progress, both financially and with the strategic moves we have made. Detailed financial information is presented in Paul's section (page 40), but FY22 represented by far the largest year-on-year profit growth in our 54-year history. Our Perm business was the key driver of fee growth, increasing by 49% as large numbers of candidates looked to change jobs, and organisations invested in their own recovery from the pandemic. Temp grew more slowly as clients focused on their permanent workforces, but fees still increased by an excellent 21%.

24 countries produced all-time net fee records. Our largest country of Germany was a standout performer, with record fees up 34% and operating profit up 152% to £75.6 million. On the other side of the world, ANZ grew strongly, with fees up 24% and operating profit up 32%. The UK&I was stronger still, with fees up 31% and profit up 277%. Finally, in RoW we delivered another set of record fees, up 36%, and profit up 234%.

Our cash performance was again strong and we ended the year with net cash of £296.2 million (FY21: £410.6 million). This was after paying £186.4 million in core and special dividends through the year, and also purchasing £38 million worth of Hays shares in both our Treasury repurchase and recently-announced share buyback programmes.

Given our increased profitability, financial strength and confidence in the future, the Board proposes to pay a full-year core dividend of 2.85 pence per share in respect of FY22, as well as a special dividend of 7.34 pence per share, subject to shareholder approval.

Our financial results are the outcome of our daily efforts to empower people and businesses to succeed. I'm most proud therefore that during FY22 we helped nearly 350,000 people with their next career move, and literally millions of others develop their careers through our advice and freely available content. Our services have never been as relevant in helping to create, retain and develop diverse talent as they are today, and I believe we are making a real difference to people's lives globally.

Our business starts and ends with our own people. They are what sets us apart and they are the heart of our culture. We aim to recruit the very best, provide the best training and development in our industry and offer the most rewarding and fulfilling career opportunities. We have been very alive to the challenges our people have faced over the past two years and have made numerous changes to support colleagues and improve how each of us delivers our full potential in the new world of work. That is all paying off and I am delighted that our overall employee engagement score increased to 80%. In addition, 4,840 colleagues were promoted throughout the year as they took their own steps on their career journey.

We are clearly mindful of the increasing global macroeconomic uncertainties, but we entered FY23 in a strong position. Our focus is on increasing consultant productivity, particularly as we have recently added a significant number of newer associates. Our Strategic Growth Initiatives (SGIs) have steadily repositioned the business towards the longer-term growth sectors. We have a formidable client base, ranging from the biggest, most global organisations in the world to the newest start-up, and a network and capability to help every single one of them with one of the biggest economic challenges our world faces – building the right workforce with the right skills, in the right place, at the right time. While the world confronts increasing challenges around inflation, rising interest rates and energy security, I believe our clients will still need talented people in great numbers, whatever the backdrop. It is our role to help ensure organisations have access to the very best talent, and talented people have access to the very best opportunities for themselves. That is why we exist.

+32%

increase in net fees in FY22, including 24 country fee records

"It has been a **truly remarkable year** with the Group performing strongly on all fronts."

Q2.

What were the strategic highlights of the year?

A. Our strategy is designed to best position Hays as the partner of choice to help organisations build the most effective workforce they need for the changing world of work. That world of work has been shaped by a number of structural megatrends over recent years and arguably the pandemic has accelerated many of them (see page 3). These include changing demographics around ageing working populations, the emergence of whole new job categories and the elimination of other historic tasks or roles through digitisation, a chronic shortage of necessary skills in many areas, and more recently the dawn of remote and hybrid working patterns. There is great complexity in navigating this new world and that means organisations increasingly need expert help to find and develop the talent they need and are turning to us for that help.

As our growth accelerated, we added over 1,800 net new consultants through the year with 1,250 going into sectors benefiting from cyclical recovery. This was a much greater level of general investment than we have ever made, but as our fee growth shows, it paid off. As that new cohort gains experience, we expect their productivity to increase.

A further c.550 consultants were added into our SGIs. As we detailed last year, SGIs were established to accelerate the positioning of Hays at the centre of the talent services we expected the world to require in the future.

I'm delighted that our SGIs have continued to outperform our initial expectations. A cumulative £35 million has been invested in FY21 and FY22, equating to 800 additional consultants across both years. On a pro-forma basis, they are already billing c.£90 million annually in areas such as Technology, Engineering and Sustainability.

"Our fees in Technology exceeded £300 million for the first time ever, having more than doubled in the past eight years."

The demand for Technology talent continues to grow strongly and our fees in the sector exceeded £300 million for the first time ever, having more than doubled in the past eight years. This makes us a global leader in the supply of technology skills, a privileged position given the massive market opportunity. Technology fee growth was strong across the globe, with fees in Australia up 37%, Germany up 21%, UK&I up 56% and RoW up 39%. I see virtually no limits to where we can take this business, and our next milestone is £500 million in fees, as we detailed at our recent Investor Day in April (see question 5).

An increasingly important part of our Technology business is our ability to deliver Project Services. We invested quickly into this area, adding leadership capability in the UK, Germany and Australia and building our own software development centre in Romania, initially to support our German clients. These services are a natural complement to our recruitment services and reflect the deepening Leadership Partner role we are playing with many of our clients.

Our non-Perm business has been a key strategic focus for many years and fees grew by 21% in FY22. This included 31% fee growth in Germany, where we further reinforced our leadership in the attractive high-end Contracting market. We also made breakthroughs in growing non-Perm fees to a critical scale in several other European countries including France, Spain and Poland.

A significant proportion of our global fees are now earned with large Enterprise clients. Fees from this segment grew quickly and we have provided additional disclosure to highlight the attractiveness of our Enterprise client offering. Our services to Enterprise clients are currently delivered via two contractual forms. First, our outsourced solutions business, which manages long-term contracted arrangements such as Managed Service Provision (MSP; non-Perm), Recruitment Process Outsourcing (RPO; Perm-based) and broader Human Resources services to around 150 clients reached £200 million in fees in FY22 for the first time, up 21% YoY.

Our second channel to large clients is via Preferred Supplier Lists (PSL). We have around 1,200 PSL clients globally, which are non-contracted. Within this, the largest c.400 clients each billed over £250k p.a., contributing a further c.£250 million in fees globally. Therefore, the combined value of fees in our top 550 global clients represented c.40% of Group fees in FY22, and over half of Group fees came from contracted or PSL clients (see page 31).

+26%
growth in consultant headcount

A further c.15% of Group fees originated from the next 1,000 global PSL clients. Each of these organisations still has significant unfulfilled demand and therefore opportunity, either on finding the talent they need right now or on their strategy to build the right workforce for tomorrow. In this increasingly complicated world, we see our role alongside our clients maturing, becoming what we call their 'Leadership Partner' (see page 28).

Leadership Partnership means delivering highly personalised services, at scale and across borders as appropriate. It means providing in-depth expertise on the best practices of today and the future and bringing rich insights and new workforce strategies to support better decision-making by our customers. The demand for such insights in the broad HR services market is vast, and there are few organisations better equipped than ourselves to deliver such a breadth and depth of expertise on the global stage. I believe our transition to deliver these broader services alongside our existing recruitment opens up stickier, more diverse and higher margin revenue streams and becoming a leader in the wider HR and Talent Services sector can be a game-changer for Hays.

Just as the challenges faced by our clients are changing, so too are those of our candidates. Ultimately, we are in the business of helping people deliver their full potential in their career and to deliver on this promise we have invested heavily in building Talent Network communities. These are highly focused and engaged communities of talented people segmented by skillset and geography. It is to these communities that we look first to find the scarce talent our clients need.

Since we commenced roll-out of the Talent Networks in September 2021, we now have over 35,000 live communities, with more being added every day. Having unique and instant access to such a rich collection of talent means we can fill our clients' vacancies much faster, and we have seen a reduction in the time taken to fill roles of up to 15% as our consultants leverage their networks.

Candidates also gain significant value from partnering with us as we can guide them to the skills they need to advance their career, including providing access to training and upskilling resources through our online portals. We initially launched the first stage of this skills ecosystem in May 2020 in response to the pandemic, and in FY22 more than 27 million minutes of training were consumed. The reskilling of workforces across the world is one of the biggest challenges facing every economy and we see great opportunity in evolving our ecosystem to be a leader in insight-driven reskilling.

Bringing all of this together, Hays is evolving from our historic foundation of specialist recruitment and leveraging that base to become a leader in the global market for HR and talent services. To support that evolution, we have also updated our own brand positioning in the market (see question 8). 'Recruiting Experts Worldwide' served us well for the past decade, but today we already do so much more than simple transactional recruitment. Hence at the start of FY23 we launched our new brand promise: 'Working for your tomorrow' and I am very excited at the possibilities this opens up for us.

Q3.

What operational changes to the business have you made as a result of the pandemic, and how have they improved overall efficiency?

A. The pandemic changed working patterns in almost all industries, and I think has positively impacted recruitment and HR processes. Video interviewing, remote onboarding and varying degrees of flexible working are now fully accepted alongside more traditional processes across most businesses globally.

We remain firm believers in the many positive aspects that working together in vibrant office environments bring. But, like many other companies, we also recognise the benefits of planned flexible working. We intend to retain those advantages and have developed new hybrid and flexible working practices to capitalise on them. This improves our proposition as an employer and I expect it will translate into a more productive and engaged workforce over time.

To support this new approach, we have invested in tools to better equip our leaders to manage their teams or for individuals to hone their own skills, recognising that team members might not be physically together all the time. Our Digital Manager system enables our teams to work seamlessly across different locations. We have also digitalised much of our own learning & development programmes, continuing to invest in upskilling and developing our leaders of tomorrow. We have embedded video deep into our processes, whether it be for interviewing, training or regional Board meetings, and this drives efficiency.

"Our Digital Manager system enables our teams to work seamlessly across different locations."

The ability to work remotely is also opening new ways of serving our clients. Where it is hard to source talent locally, many clients are increasingly willing to look further afield, including overseas, for the skills they need. We are seeing many examples of this in practice and are in a prime position to consult with clients given our global coverage and access to Talent Networks worldwide.

Q4.

How would you summarise Hays' Sustainability and societal progress in the year?

A. It is a core Hays value to always try to 'do the right thing'. Our efforts to build a more sustainable business are central to this, and I feel we have made significant progress.

Societally, in addition to the hundreds of thousands of people we placed in work, we have helped many millions of others with advice, guidance and training towards their next role. That has and continues to require investment, but I believe there is real social value in this.

Protecting the world in which we live is also front of mind. Our Science-Based Targets in support of the Paris Agreement on climate change were approved in February 2022. These set out our commitment to reduce our scope 1 and 2 GHG emissions by 50% by 2026. In doing so, we aspire to lead our industry in environmental performance. Despite the fact our network re-opened in FY22 after strict lockdowns, I am delighted our initiatives to reduce GHG emissions meant our scope 1, 2 and business travel emissions actually declined by 9% YoY, and reduced by 62% versus FY20.

We have also made great progress by quantifying our scope 3 supply chain emissions. We are committed to halving scope 3 emissions by 2030, and we actively prioritise working with suppliers who share our vision on Net Zero emissions.

Sustainable business also means one that is inclusive and diverse and reflective of the communities we serve. Having set a target at the end of FY21 of 50% female representation in our global leaders for example, we delivered 42.4% representation in FY22. Reaching parity will take some time as we largely promote from within, but we have in place the foundations, ambitions and support to reach our goal and have added a new Group KPI on this subject (see page 9).

We are also keenly aware that the work we do for our clients in helping them build equitable and diverse workforces can make a material difference to our local communities. We are increasingly innovating how we build our Talent Networks, helping our clients meet their own diversity targets and to support talent that has previously been under-represented e.g. workers living with a disability, ethnic minorities, LGBTQ+ communities, veterans, indigenous peoples, the mature-aged workforce, and young people. It is a privilege to find ourselves in such a powerful position to demonstrably help make our world a fairer and more socially mobile place, through our actions every day.

Linked to this, we consolidated our charitable work in FY22 under our 'Helping for your tomorrow' programme. This delivered an excellent first full year, helping many thousands of people who may not have the opportunities in life that many of us take for granted. Globally, over 10,000 volunteer hours were taken, and I am actively encouraging our people to take much more in FY23. We helped homeless people get back into meaningful work, and helped schoolchildren experience the world of work for the first time and discover their own career aspirations. We also helped hundreds of refugee families fleeing the war in Ukraine, establishing transport, shelter, essential supplies and education for those escaping the violence and making a new life in neighbouring countries. The generosity of Hays colleagues to put back into their communities is something I am always humbled by, and they have my full support. Their charitable efforts are central to our purpose, support our core value to 'do the right thing' and help sustain our social licence to operate.

Finally, we adopted a further United Nations Sustainable Development Goal – SDG 9: Building resilient infrastructure and promoting sustainable and inclusive industrialisation. This aligns with our ambitions to support the development of the Green Economy and our ED&I initiatives, including our promotion of training under-represented talent.

In summary, we made great progress in FY22. However, a strong business strategy is one that is inherently sustainable, so it makes good sense that we double down on all these efforts in the months and years ahead. I believe we have an important role to play in so many aspects, ranging from helping our clients find their talent from the most unexpected and under-represented communities through to helping the world source the many new skills required to support the development of the Green Economy. That to me is sustainability in action.

For more information **page 50**

Q5.

Hays held its first Investor Day since 2017 in April 2022, which set out Hays' future at the heart of the world of work. What were the key messages?

A. Our Investor Day was our opportunity to explain how the world of work has changed, how those changes benefit Hays, what we are doing to capitalise on that and how we will deliver significant value for all our stakeholders, including substantial returns to our shareholders.

There were three overriding themes. Firstly, the market for finding the right talent is virtually limitless and we are already a leader in that space. Secondly, the business we are building will be characterised by longer-term and stickier relationships and focused increasingly on structural opportunities that are less influenced by the cycle. Finally, our existing platform gives us more, and more diverse, opportunities to grow from than we have ever faced.

In delivering on these themes, we will see Hays evolve from being today's leader in specialist recruitment to become a global leader in the talent solutions and HR services market. We will achieve this by continuing to purposefully build our business around what the world increasingly needs – and we start from a position of strength with our global network, deep understanding and relationships with labour markets and talent, and our formidable client base.

Stepping back, Hays sits at the heart of one of the key drivers of the global economy – namely talented workforces. Changes in the world of work – the megatrends mentioned earlier – were accelerated by the pandemic, and these changes significantly benefit us. The creation, development and retention of workforces is becoming more complex and more expensive. Working models and environments are in a state of flux. New job categories are being created faster than ever before. Skill shortages are everywhere and will likely worsen as working age populations decline.

That supply/demand imbalance is creating wage inflation and internal HR departments are struggling to solve these new problems. We work with many thousands of organisations around the world, large and small, helping them solve these talent issues and delivering the skilled workforces they need as their long-term strategic Leadership Partner. This is a very privileged – and powerful – place to be.

Yet all these factors, including job churn, wage inflation and skill-matching, play precisely to our purpose and strengths. We have never been as relevant in helping solve these issues as we are today.

Why is this? First, we are building the broadest and deepest network of capability and infrastructure in the skilled talent market globally. We can deliver for all sizes of client in every key economy and across all professional skillsets. We are leaders in the fastest-growing talent markets globally, such as Technology and Life Sciences, as well as the support functions every organisation needs, be it Finance, HR or Marketing. Clients turn to Hays to support them, and this market leadership is very hard to replicate.

Second, the richness of our candidate Talent Networks gives us unrivalled access to the scarce resources all clients are looking for and is a distinct competitive advantage. Building rich talent pools in advance of job opportunities requires us to add significant value to our candidates repeatedly over time. It is about expert advice at many stages in a career, insights into where the best roles or salaries are, access to the best training or presentation of the best opportunities in both Permanent roles and Contractor assignments.

Third, over many years we have invested to build a business that is balanced between more established markets and those that are still structurally immature. Whatever the market, we aim to be the local leader, just as we are in our biggest businesses of the UK, Australia and Germany. In the less mature markets, we face significant structural opportunities as those markets open up to our services. However, we should not underestimate the structural opportunities that also remain in the more mature markets like the UK and Australia. We see opportunities there too to build new businesses in sectors we have traditionally not served, or where we are underweight.

Fourth, we have built a formidable client base, literally in the tens of thousands. Every one of those clients is facing challenges around their human capital. We partner with SMEs, in many cases supplying the majority of what they need. But there are also many SMEs we don't work for yet, and they represent a huge opportunity for us to leverage our network more extensively. At the other end of the spectrum, we have very deliberately built a leading position in large Enterprise clients. For some, we do most of their recruitment through our outsourced service lines. But for many, we currently only service a smaller proportion of their business, and that is a tremendous opportunity to leverage existing relationships and take further market share. I firmly believe this can deliver a higher quality of earnings in the future, as our relationships become stickier and more valuable, including a range of higher margin services in fast-growing markets.

We start this next chapter of our Hays story from a position of strength. Our market-leading positions and global infrastructure offer us opportunities in every single one of our businesses. We benefit from the tailwinds of wage inflation and skills shortages, and we have the financial resources to invest as we broaden and deepen our capability. There are very few organisations in the HR market with this foundation from which to evolve and that's what makes our future so exciting.

Q6.

What financial aspirations for Hays were set out at the Investor Day?

A. Our Investor Day was designed to lay out the 'art of the possible' within our business. With so much economic uncertainty in our world and in an industry that is so sensitive to economic confidence, it would be unrealistic to claim to be able to accurately predict a five-year financial plan. However, it is possible to illustrate what a feasible outcome may look like and where it will be derived from, assuming a supportive economy and no significant downturn in any of our major markets, and that is what we sought to disclose. Overall, we feel it realistic that our business can broadly double profits from current levels in five years, assuming no significant downturn in any of our major markets or material change in key exchange rates. There are many drivers of this potential, and we set out our ambitions for our three largest countries – Germany, UK and Australia – as well as the scale of opportunity in our Technology specialism and our Enterprise business.

Understandably, the macroeconomic environment will play a major role in our delivery against our aspirations. The shock of the pandemic and subsequent recovery showed just how material these external factors can be. At the time of the Investor Day we were not forecasting any major downturns, but if they do occur, we may well see achievement of our aspirations pushed out by 1-2 years. But the long-term potential remains undiminished.

Fee growth is the main driver of our plan. Breaking this down by key sector, our Technology specialism grew fees by an average of 9% per annum since FY15 – and by 11% per annum before the pandemic. Given our strong momentum, and having accelerated our investment through the SGI programme, we expect to achieve at least an 11% annual growth rate going forward. This would see us grow to £500 million+ fees in Technology.

Similarly, our other structural growth areas – including Engineering, Life Sciences, HR and Enterprise Solutions – have also performed strongly and have significant long-term growth potential. We therefore expect each of these to deliver fee growth in the range of 8-12% p.a. over the forecast period, consistent with our historic levels of fee growth.

Finally, over the past seven years we have grown net fees in our other core specialisms by 3% p.a., even including the impact of the pandemic, and going forward we see the opportunity to accelerate this growth to a range of 3-7% p.a. over the next five years.

The combination of these factors drives an overall Group net fee growth range of 6% to 10% over the five years to FY27.

Operating profit conversion

Our key operating profit metric remains our conversion rate of net fees into operating profit. This was 17.7% in FY22, and in each of the three years prior to the pandemic we achieved a conversion rate of around 22%. It is our goal to return this key performance measure back to – and beyond – pre-pandemic levels over the next few years and there are three routes to achieving this.

First, we will focus on increasing consultant productivity and leverage the significant investment we have made in the business. World-class training and equipping our consultants and leaders with the best technology support this.

Second, wage inflation is evident for the first time in many years. As the salaries of the candidates we place on Perm and Temp assignments increase, our own fee per placement also increases. Furthermore, in skill-short markets where demand outstrips supply, we have opportunities to increase our percentage fee on Perm placements and increase Temp margins. In FY22, the combined effects of wage inflation added c.£40 million to Group fees. Each 1% we gain on pricing is today worth c.£12 million in net fees, while a 1% increase in our own cost base costs us c.£9 million. This leverage gives us confidence that we will be a net winner from inflation.

Finally, we will continue to focus diligently on cost management, including the continual improvement of efficiencies in our back-office, travel and optimisation of our property portfolio to capture the benefits of flexible working.

Bringing these three aspects together, we see the opportunity to drive our Group conversion rate back beyond our pre-pandemic level, with a range of 22-25% by FY27.

"Assuming a supportive economic environment, we aspire to double operating profit by FY27. This would generate between c.£550 million and £750 million cumulatively of surplus cash for shareholders."

We have set out our growth ambitions for the next five years

Technology	Germany	UK&I	ANZ	Outsourced Solutions
£500m+ net fees	Double profits to €200m*	£350m net fees	AUD 500m net fees	Double net fees to £400m

We see significant structural opportunities for long-term growth

For the avoidance of doubt, our total Group FY27 net fee aspiration is not an aggregation of these ambitions as there is significant overlap between our net fees by country and fees in our large Technology and Outsourced Solutions business.

* Pre central cost allocation.

Cash conversion

We are an asset-light, highly cash-generative business and we remain highly focused on remaining so. Between FY15 and FY19 we converted 102% of operating profit to operating cash flow. This repositioned the Group to a net cash position and generated significant dividend payments to shareholders of £455 million.

We are now targeting a cash conversion of 90%+ over the next five-year period, underpinned by two main assumptions.

Firstly, we expect debtor days to increase slightly from recent historically low levels of 33 days, as post-pandemic payments from clients normalise.

Of greater significance, we expect significant levels of growth in more working capital-intensive areas of our business, including our high salary Temp and Contracting businesses and particularly within Technology and our Enterprise clients.

We indicated a range of £0.9 billion to £1.1 billion of cumulative free cash flow (post payment of taxes) over the five years to FY27, based on our profit aspirations. This would generate between c.£550 million and £750 million of surplus cash, after deducting expected capex, pension contributions and setting aside a £100 million pot for potential bolt-on M&A. We anticipate continuing to return this surplus cash to shareholders via the most appropriate route.

Q7.

What are the Group's priorities for cash and have these changed?

A. The Board's free cash flow priorities remain to fund the Group's investment and development, maintain a strong balance sheet, deliver a sustainable and appropriate core dividend and return excess capital to shareholders in the form of special dividends and share buybacks.

Our first priority is investment in our business. This will mainly be via organic means – however we also reserve the right to make selective bolt-on acquisitions to broaden our service offerings should we identify appropriate opportunities. As mentioned, there is the potential to use up to £100 million for M&A over the next five years.

Our core dividend is designed to be sustainable, progressive and appropriate over the cycle, and our core target cover remains 2-3 times EPS. In addition, the Board will continue to retain a cash buffer of £100 million at our financial year-end, plus a sum representing the remaining outstanding value of any share buyback programme underway. Above this level, and subject to a positive economic outlook, the Board intends to return capital to shareholders via a combination of special dividends and disciplined share buybacks.

The Board expects the combined value of core and special dividends to represent the majority of capital returns in normal years. However, we reserve the right to accelerate our share buyback according to market conditions.

Our priorities for uses of free cash flow

Fund Group investment and development

- Invest in headcount, training, systems and brand to support organic growth
- Assess potential M&A opportunities where appropriate

Maintain a strong balance sheet

- Maintain a net cash position of £100 million
- Funding of defined benefit pension scheme and long-term consideration of buyout

Core dividend policy

- Deliver a core dividend which is sustainable, progressive and appropriate
- Target core dividend cover of 2-3x EPS

Excess cash returns policy

- Subject to supportive economic outlook, return cash >£100 million and any outstanding share buyback programme at our year end to shareholders via special dividends and disciplined share buybacks as appropriate

Working for your tomorrow

Q8.

How does the rebranding of Hays support the Group's strategy?

A. For the past decade, our brand has carried the strapline 'Recruiting experts worldwide' and this has served us very well. But we are already so much more than solely a recruiting business. Our strategy is to become ever more deeply embedded with our clients.

Hence, from 1 July 2022, and reflected in the design of this Annual Report, we enhanced our brand proposition to better describe how we want the world to view Hays. Our new brand promise of 'Working for your tomorrow' captures how we put our customers – both clients and candidates – right at the heart of what we do.

'Working for your tomorrow' is about preparing organisations and people to be stronger tomorrow than they are today. It reinforces our ambition to become more integrated partners with our clients and delivering more than just recruitment transactions. It underpins our ambition to be lifelong partners to millions of the world's top talent and help them in their own development and career journey. And it opens our own eyes – and raises our ambition – for what we need to provide to get there. I believe it is a powerful statement and shows our intent as a global professional services organisation.

Q9.
What are your other key priorities?

A. Delivering on the potential we laid out at our Investor Day and the enhancement of our business are first and foremost. However, these can only be delivered through the expertise of all our people delivering world-class solutions. Hence a huge amount of my own attention is focused on developing our leaders and nurturing our unique Hays culture.

We are hugely proud of our culture and we think it sets us apart in our industry. In every one of our 253 offices worldwide, client service, integrity, passion and doing the right thing hold true every day. Culture needs investment in people and I am delighted we were able to resume in-person delivery of our flagship International Leadership & Management Programme in FY22, with its biggest cohort yet scheduled to start in FY23. We are also broadening our leadership capabilities with the introduction of a new course, International Leaders of the Future, and I expect 120 people to attend in FY23. We have also maintained total classroom and on-the-job training time at c.20% of each Associate's first year, supplemented by manager training of an average 12 days per year.

In our focus to ensure our customer is at the heart of everything we do, we are continually looking for new ways to enhance that centricity. I expect us to identify new offerings we can bring to our clients to deliver real expertise in more aspects of building a future-proof workforce. In each case we will assess the best way to deliver these services, whether to build, buy or partner to acquire the necessary expertise. I also expect us to continue our journey of digitising many of our services to best suit our customers.

With a digitally-enabled business comes greater IT security risks. We take this threat extremely seriously and strive to do everything we can to protect our candidate, client and employee data as well as our own systems integrity. The high level of engagement across our IT, Legal and Operations teams gives me significant confidence in this area.

Finally, my job is to align Group strategy and investments with the reality of global economic and geopolitical conditions. We clearly live in a world of significant and increasing macroeconomic uncertainties, all of which are outside our control. Accurately predicting the impacts of the many forces at work is impossible. However, we have built a business that is highly adaptable to changing circumstances and we run the business extremely closely, based on real-time data from our systems. We are constantly alert to the circumstances of the time and our management teams worldwide are expert at responding nimbly as we balance short-term priorities with our longer-term ambitions.

For example, we did not foresee exiting a business last year, but the Russian invasion of Ukraine in February 2022 made it untenable for us to remain operating in Russia, and we quickly and efficiently exited. Undoubtedly, the world has other new challenges to face today, but I am confident our leaders will adjust accordingly 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 reinforcing our position as a world leader in talent and HR services.

"We are hugely proud of our culture, and we think it sets us apart in our industry."

And finally, I would like to say a few words about Paul Venables, our Group Finance Director of 16 years, who retires from full-time employment on 30 September 2022. Paul has made an extraordinary contribution to our Company, and he leaves the business in the best possible shape. He has been a trusted and talented support to me throughout, and I wish him the very best in his well-earned retirement. It is a testament to Paul's personal investment in the development of his team that our Finance Director Designate, James Hilton, is a home-grown talent with all the skills, experience and insight to now step up as our new Finance Director. James and I have worked together over many years now and I very much look forward to continuing to work alongside him in his new role from 1 October 2022.

STAKEHOLDER ENGAGEMENT

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

For more information **page 23**

Our key stakeholders	How we engaged	What was important in the year
Employees 13,234 colleagues worldwide – our greatest asset	We invest substantially in training and building our culture to ensure Hays is a great place to work. As well as regular communication via newsletters, townhalls and steering committees, the Group also undertakes regular global employee engagement surveys, with scores improving in FY22. The results are analysed by regional and executive management and presented to the Board.	– Mental health and wellbeing – Enhanced working conditions – e.g. Equity, Diversity & Inclusion; flexible and hybrid working – Growing our headcount and promoting learning and development
Candidates individuals we connect to the working world	By building long-term relationships with candidates, we help them fulfil their career ambitions. Our engagement is multichannel, working through our website, social media, flagship publications such as the Hays Salary Guide, and Hays Thrive, our free-to-use Training & Wellbeing platform.	– Market insight and expert advice – Investment in customer experience – Tailoring learning and development to respective upskilling, reskilling and career requirements – Advancing Talent Networks globally
Clients organisations whose HR needs we support	We consult with our clients, helping them find the talent they need to deliver their growth plans. Understanding their needs helps us achieve lasting impact, building deeper and stickier long-term relationships. We provide clients with free access to Hays MyLearning, enabling them to support their employees' learning, development and mental health needs.	– Delivering a professional service, responding to rapidly changing conditions and helping solve skill shortages – Providing support needed to thrive in recovering markets – Insight into recruitment trends and market comparisons
Communities the many local societies in which we operate	We seek to have a positive impact by engaging with our communities, actively providing support, career advice and training. The 'Helping for your tomorrow' programme, launched in FY21 and expanded in FY22, is a major part of that strategy.	– Ongoing growth of 'Helping for your tomorrow'; community involvement and significant local charity fundraising and volunteering, socioeconomic development – Livelihoods and job creation
Natural environment operating in a sustainable way	We are committed to becoming a Net Zero company, setting ambitious targets to halve our GHG emissions by 2026 and reducing our broader environmental impact year-on-year. Our Net Zero Working Group is developing strategies which will underpin our Science-Based Target (SBT) on reducing carbon emissions.	– Increasing awareness of our environmental impact abatement strategy – Remaining carbon neutral – Obtaining approval of our Science-Based Targets by the Science-Based Targets initiative (SBTi) on our route to reach Net Zero
Shareholders our long-term capital providers	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 Chairman also hosts meetings with some of our largest institutional investors.	– Clear and consistent communications and transparent reporting – Sustainability strategy, with particular focus on ESG – Hosting our first Investor Day since 2017 and setting out our long-term aspirations
Suppliers organisations involved in supporting Hays' operations	We are committed to treating our suppliers fairly and with respect and publish a Supplier Code of Conduct on our website. As part of our Net Zero journey, we have contacted landlords and are beginning discussions with suppliers, to assess their commitment to reducing environmental impact and increasing societal engagement.	– Clear Supplier Code of Conduct – Partnership in reducing environmental impact, including stating our preference to work with partners that are also on a Net Zero journey
Host countries and governments administrations in our markets	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.	– Supporting public sector administrations – Ensuring worker tax and regulation compliance

Hays understands its responsibilities to multiple stakeholders. By engaging with our stakeholders, we are better able to understand their needs and strive to surpass their expectations. We appreciate the impact the right individual can have on an organisation and how the right job can transform a person's life. This is the essence of our purpose – to benefit society by investing in lifelong partnerships that empower people and organisations to succeed. Our behaviour is steered by our values.

Throughout FY22 we have maintained close contact with our key stakeholders including: regular engagement with our shareholders; frequent engagement with employees, clients and candidates; driving Hays Thrive, our free-to-use wellbeing platform; and engaging with communities by endorsing four United Nations Sustainable Development Goals and focusing our charitable efforts on activities which support our purpose via the 'Helping for your Tomorrow' programme.

How we make decisions

The Board's decision-making process is structured around a comprehensive assessment of the principal risks facing the business together with feedback and input from different internal and external stakeholders. The Board has an active role in stakeholder engagement, for example meeting local management teams and employees during office visits, and via the Chairman's meetings with our large institutional investors. Engaging with our stakeholders means the Board is better placed to understand what is important for the near and the long term. This then helps position how principal risks are assessed and enables the Board to make more informed decisions which support how we deliver our strategy most successfully, and in the right way. A visual information flow chart on how the Board arrives at decisions is shown on page 85.

How stakeholder engagement influences our decisions

Determining the most important stakeholder issues means identifying and assessing issues that are material to our business and our stakeholders. Leveraging these insights is an integral part of how Hays forms and delivers its strategy. Matters are evaluated in terms of their potential impact in the short, medium and long term, and drive our planning processes to create the most value possible for the future.

Core to our 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. This is at the core of how decisions are made as it fuels the Board's consideration and discussion of matters of material importance to internal and external stakeholders. Hays' culture, management and governance structures are shaped by our Purpose and our recognition of needing to protect and enhance our social licence to operate.

The Board understands the need to steer the business not just for the near term, but also to ensure the success of the business in the long term. Examples of this include our Net Zero journey and our share buyback programme, highlighted below. Also, a detailed case study in relation to the Board's decision to close our business and exit Russia is shown on page 87.

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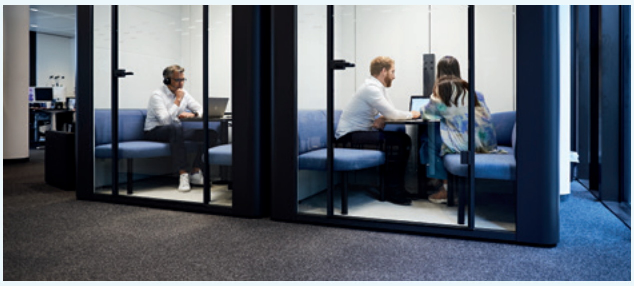
Examples of decisions

Net Zero journey

Hays was proud to become a carbon neutral business in 2021, however the Board always viewed this as a stepping stone on our path to becoming Net Zero. This ambition was set in February 2021, following significant engagement with stakeholders including shareholders, customers, employees and suppliers. In FY22, as part of this progression, Hays developed and submitted Science-Based Targets to the SBTi. We were delighted these were approved in February 2022.

These targets are a key part of our ambition to be the first global specialist recruitment firm to reach Net Zero. This landmark step demonstrates Hays' firm commitment to fighting climate change, and our targets have been validated by the SBTi as being consistent with GHG reductions which will limit warming to 1.5˚C, the most ambitious goal of the Paris Agreement.



Share buyback programme

During FY22, the Board recognised that although shareholders strongly support the returning of significant amounts of surplus cash, there was an increasing market appetite to use share buybacks in addition to special dividends.

The executive management team engaged with many of the Group's largest shareholders and consulted on whether a disciplined share buyback would represent a positive addition to our investment case. Responses were highly supportive, both to concentrate ownership of the Company in the hands of long-term supporters via a reduced share count, and to take advantage of favourable valuation. The Board quickly approved an initial £75 million programme, which was launched in April 2022. This was subsequently increased by a further c.£18 million, which meant we began FY23 with the buyback programme restored to £75 million.

HOW WE CREATE VALUE

Hays helps organisations find and nurture the talent they need to grow, and supports people as they build their careers. As people choose new ways to work, and use new technologies to access job markets, we are also evolving.

What we do

Our business model

We are leading global recruiting experts, focusing on 'white-collar' skilled or specialist recruitment. Our business has scale, breadth and diversity of exposure. It is purposely built to take into account the megatrends driving structural growth in our industry, and to take advantage of opportunities to deliver complementary HR services. Our highly cash-generative model is also built to withstand turbulent economic times.

The salary of the candidates we mainly place ranges from c.£30,000 to £150,000 per annum. 55% of our FY22 fees came from Temp and Contracting assignments, while 45% came from Perm placements. We operate across 21 specialisms, with 65% of our fees in white-collar 'Technical', project-led areas such as Technology, Life Sciences, Engineering and Construction & Property. We view this as a strength of our business, with Technology and Life Sciences in particular showing relative resilience through the pandemic.

We embrace digitalisation; developing technology to help our consultants match candidates with clients' roles much faster than previously possible.

Globally integrated business

By having a single culture, brand and technology platform, we can drive significant synergies across our network. We can also deliver leading service to all our global clients. We are positioned to help clients and candidates globally, but also understand their needs and challenges locally. In most of our 32 countries, we still have significant scope to in-fill from our current 21 specialisms.

For example, our average RoW country has exposure to only nine specialisms, while Germany, where we are by some distance the market leader in white-collar recruitment, has only ten specialisms. We also have significant growth potential to develop exciting new sub-sectors in Technology recruitment in all our markets.

An important driver of our growth remains the first-time outsourcing of this 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.

Market-leading positions

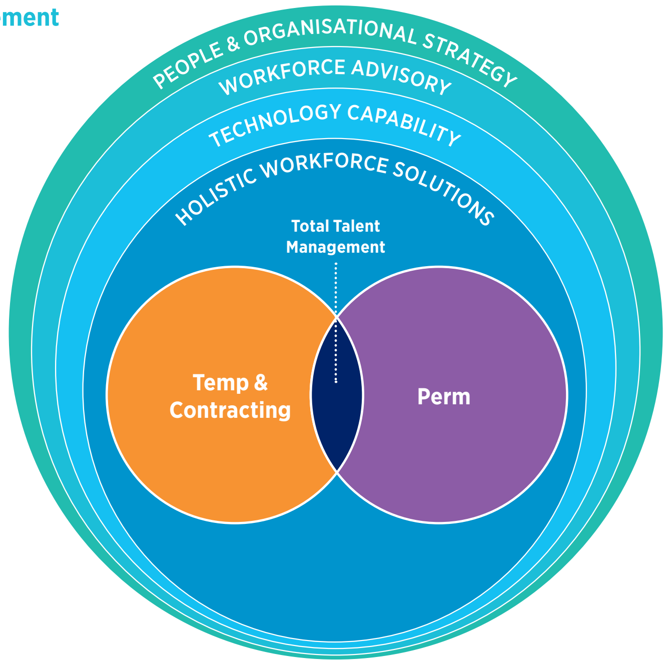
Over many years, we have purposely built leading businesses in attractive structural growth markets such as Technology, which now represents over £300 million in annual fees, large Enterprise clients and in Germany. We are market leaders in the UK&I and in ANZ, both of which present strong opportunities to grow despite their relative maturity. And we also 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 Hays consultants, which sit at the heart of our business. By becoming trusted advisors to talented people, helping them navigate their careers and fulfil their potential, we unlock significant new business opportunities.

By providing the highest quality of service, clients can count on us to provide them with unrivalled access to top talent, and to provide market insights to help them scale and flex their evolving workforces.

We provide total talent management solutions across Perm, Temp and Contracting



Our purpose is to benefit society by investing in lifelong partnerships that empower people and organisations to succeed

How we create value

We are focused on placing the right people into the right roles, identifying and nurturing talent and striving to do the right thing for our multiple stakeholders

Our people, candidates and society

We help hundreds of thousands of people each year in their career journey, and tens of thousands of organisations source the skills they need to grow. This all contributes to the wider growth and success of the economies and communities in which we operate, and helps maximise tax revenues.

Partnerships and collaborations

Our philosophy is not just to invest in our own technology solutions, but also to build strong collaborations with leading innovators and influential organisations. This creates mutually beneficial relationships which help us better understand and serve our clients and candidates, and enhances our ability to better respond to fast-moving market developments.

Technology and data

We have built a sector-leading global technology infrastructure which is able to interact with other applications and third-party technologies. This, together with our investment in data analytics and digital marketing, enables our consultants to source real-time, accurate information on their market and ultimately to get the best candidates to clients faster than our competitors.

Brand

Our reputation as a world leader in specialist recruitment is supported and reinforced by our newly refreshed, globally consistent brand. We constantly focus on building wider recognition of Hays as a market leader through partnerships with other organisations and by building a portfolio of high-quality, respected publications that demonstrate the thought leadership of Hays and our people.

Value for stakeholders

Employees

4,840 colleagues were promoted in FY22. We estimate that 20% of first-year consultant time is spent in training and development. We have set a target of 50% female out of our top managers by 2030 (FY22: 42.4%). The Group also undertakes regular global employee engagement surveys, and the results are analysed by regional and executive management and presented to the Board. In FY22, employee engagement increased to 80%, up from 78% in FY21

Candidates

We helped c.350,000 candidates secure their next role. Over 870k online learning courses were consumed on our portals, with over 27 million minutes of training undertaken

Clients

We worked with c.40,000 clients to help them find, retain and upskill the talented people they need to prosper.

Communities

The launch of Hays 'Helping for your Tomorrow' enables colleagues to volunteer time and resources to charities and initiatives that align with our Purpose. Over 10,000 volunteer hours took place in FY22

Natural environment

We are a carbon neutral company and our Science-Based Targets for reducing GHG emissions were approved by the SBTi

Shareholders

Our highly cash-generative business model is focused on creating superior value for shareholders through the cycle. The Board has proposed £168 million in core and special dividends in respect of FY22 and a £75 million buyback programme

Suppliers

Our Code of Conduct is designed to ensure high ethical standards and foster long-term relationships

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 education and community initiatives we support. During the year, Hays collected over £1.2bn of VAT and payroll taxes on behalf of governments globally, in addition to having borne and paid c.£0.3bn taxes itself (page 58 for more information)

OUR ESG STRATEGY IN ACTION

We are committed to making our business sustainable over the long run, including our Net Zero commitment. In support of our sustainability strategy, we have progressed many ESG-related initiatives through the year. We are making good progress, however, we recognise that this is a journey.

Enhanced and promoted flexible working policies

We strongly believe that equipping our consultants with an effective range of technology tools and trusting them with flexibility regarding work schedules improves their productivity. Our technology stack was instrumental in ensuring our seamless transition to remote working during the pandemic, with complete operational continuity, and continues to support scheduled flexible working within the Group. We work hard to foster our strong company culture through team events, virtual catch-ups and providing industry-leading training.

Furthered our candidate development programme

We are proud to have placed over one million people worldwide in their next job over the past four years. We continue to offer our free-to-use online training and wellbeing platform, Hays Thrive, to candidates. This gives them access to learning and development, designed to help them upskill and progress. Given many courses are free, MyLearning also supports marginalised groups to access labour markets.

Overall, over 870,000 individual training courses were undertaken on our web platforms in FY22, equating to around half a million hours of online learning.

Enhanced the client centricity of our business model

We have built deep trust with our clients over many years, underpinned by the reach and depth of our engagement with them. Our technology infrastructure, particularly Talent Networks, enhances consultant productivity by helping them to quickly find the most suitable candidate for each job. Our sophisticated in-house analytics are combined with best-in-class external tools to increase our understanding of a candidate's career journey. This enables us to support candidates with services such as learning pathways.

Expanded our 'Helping for your tomorrow' programme

The 'Helping for your tomorrow' programme grew substantially in FY22, with worldwide engagement and participation, cumulatively volunteering over 10,000 hours across the Group. The aim of the initiative remained to focus and align all of Hays' global volunteering and fundraising activities towards ensuring we are supporting the communities and societies we serve. We do this by helping to lift the employability of people who may not have the same opportunities as others and protecting the environments in which we are based.

Progressing from carbon neutrality towards Net Zero

Building on the progress we made to become a carbon neutral company in 2021, Hays had its Science-Based Targets approved by the Science-Based Targets initiative in February 2022. Our carbon emission reduction strategy and the initiatives to deliver on these decreases are framed by these targets, which see us committed to reducing absolute scope 1 and 2 GHG emissions by 50% by FY26 and reduce absolute scope 3 GHG emissions from purchased goods and services and capital goods by 50% by FY30.

Hosted our first Investor Day since 2017

Our 2022 Investor Day was attended by c.300 people (in-person and online), with 13 management team members setting out the reasons why we believe Hays will win in the new world of work, including:

- Our leading market positions in many of the fastest growing talent markets
- The breadth and depth of our candidate relationships and Talent Networks
- Our formidable client base, with strong relationships across organisation sizes
- Our clients' demands for Hays to provide a broader suite of HR services

We also set out our aspirations for the next five years. Achieving these will make us a more resilient and higher quality business, with stickier and more visible earnings.

Invested in Strategic Growth Initiatives (SGI)

Following the c.£15 million invested in FY21, we invested a further c.£20 million of additional operating expenditure to be focused on over 20 accelerated headcount investment projects in attractive structural growth markets such as Technology, large Corporate Accounts and Life Sciences in Australia, Germany, the USA, UK, Asia and France. SGI is positioning us to build much larger businesses in the most in-demand recruitment sectors of the future.

We have made very good progress in SGI, having added a cumulative c.800 people since the programme began, including c.550 in FY22.

Developed our Equity, Diversity & Inclusion strategy

Equity, Diversity & Inclusion (ED&I) has progressed from being an important, but locally-managed, matter into being a 'tier-one' priority issue for the whole business. It is a fixed item at the Executive Board meetings and every region globally is now committed to specific ED&I objectives with a plan of action to achieve them. We are committed to making Hays an equitable, diverse and inclusive workplace.

Our target, set in FY21, to be 50% female in our top senior leaders by 2030 remains our goal. In FY22 this increased slightly to 42.4% (FY21: 41.6%) (see page 9).

ESG strategy delivery

The table below provides examples of some of the initiatives which are helping us deliver on our ESG strategy across the business.

In addition, the Group has set a target to reduce air travel by c.40% by 2025, by promoting technology for virtual meetings (see page 61).

Region	Environmental	Community & Charity	Colleagues	Clients & Candidates
Australia & New Zealand	– Renewable energy supply across most of our offices – Enhanced policy whereby new joiners to the car scheme can only choose hybrid vehicles, and much greater availability of full electric vehicles	– Partnered with The Smith Family in Australia, who are helping young Australians to break the cycle of poverty by supporting them to succeed at school – Established ongoing local relationships with critical not-for-profit stakeholders across ANZ	– Developed ANZ ED&I strategy to ensure a cohesive approach to fostering an inclusive and equitable culture throughout ANZ – Developed an Indigenous Participation Plan to foster Indigenous entrepreneurship, business and economic development	– Launched an Aboriginal internship programme in Western Australia, offering internships for job seekers living with a disability. Aiming to expand this in FY23 – Launched partnership with Youthline in New Zealand to enable Hays staff to provide career mentoring services
Germany	– 92% of offices now on renewable energy tariffs – Future Mobility programme gives those who avoid car ownership or downsize their car a larger mobility budget, and provides those who switch to an electric vehicle with charging facilities	– Directly financed a paediatric oncology doctor in Heidelberg – Supported Action for Children with Cancer, which provides therapy for children with cancer – Worked with Das Macht Schule Forderverein, which promoted dialogue-based digital teaching for pupils during lockdown	– Supported and expanded several different employee resource groups, including: Hays Pride Network (LGBTQ+); Lioness Network (leading women); HaysD@ds (fathers) – Strategic Partnership with Impact of Diversity (Think Tank of Women's Career Index) in 2021 – Became an association member of the Charta der Vielfalt	– We offer financial scholarships to fellows from the universities of Mannheim, Bayreuth and Mainz. Students also receive support through lectures and workshops we provide in cooperation with mentoring programmes at universities
UK & Ireland	– 100% of offices now on renewable energy tariffs and data centre investment to reduce electricity usage – Partnered with Trees For Cities, with fundraising enabling the planting of c.3,000 new trees – Policy limiting new car purchases to electric, hybrid or ultra-low emission vehicles	– Supported End Youth Homelessness (EYH) to provide homeless young people with support to develop key skills and move into meaningful education, employment or training – Partnered with Camara Education to donate surplus IT equipment to schools in Africa, positively impacting the education of thousands of children	– Focused on engagement and talent attraction via networks (e.g. Parents@ Hays, UK&I Pride) and worked to support under-represented groups – Launched our REACH Recognising & Enabling All Colleagues and Conditions at Hays network, connecting colleagues and supporting idea-sharing – UK&I Wellbeing Steering Committee partnered with BUPA to deliver webinars on improving wellbeing	– Continued our partnership with the organisation Black Young Professionals to help us strengthen our own talent attraction and engagement offering in the black community – We furthered our partnership with Purple Space, the leading hub for disability network leaders, to help us shape how we attract and support people living with a disability – We partnered with Vercida, an inclusive job board and ED&I Consultancy

Rest of World	– All offices in France and Italy now on renewable energy tariffs
	– Exploring renewable energy with landlords in other regions
	– Increased electric vehicle availability in car schemes
	– The Americas business committed to stop using single-use plastics
		– Austria partnered with Big Brothers Big Sisters, providing coaching and mentoring for young adults looking to enter the workplace
		– Brazil launched an initiative to support vulnerable children, seeking to improve access to employment
			– Several ED&I initiatives underway, including:
			  – Supported colleagues' wellbeing through training and raising awareness about mental health
			  – Seeking to improve hiring practices related to those with disabilities
			  – Pride networks across markets
				– In the USA, our ED&I team worked with universities and professional organisations to improve engagement with under-represented communities
				– Advocated and supported inclusive hiring across the Rest of World business

More information in the Sustainability section **page 50**

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Board decision-making flowchart **page 85**

OUR PEOPLE AND CULTURE

Building lifelong partnerships with millions of people and thousands of organisations requires deep sector expertise, a strong reputation and a culture which fosters collaboration, inclusivity and doing the right thing.

The ultimate people business

Our people have always been at the heart of our business. Every day, our c.13,200 colleagues nurture lifelong partnerships that empower people and organisations to succeed. This is our purpose.

We achieve this by recruiting, training, supporting, developing and retaining the best talent in our industry. We also encourage our employees to reach their full potential through industry-leading training and development. Most of our new recruits join us straight out of university on our graduate scheme, or via a vocational career.

We train them in the 'art' of recruitment, helping them build the expertise and depths of insight required to find the best person for a role, both in terms of skills and cultural fit. We equip consultants with the best tools to do the job, embracing new technologies, and innovating the way we work – 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 unique, very special, and of great value to our stakeholders.

We often refer to the 'Hays Spirit'. When we ask people to define it, they use terms such as 'high energy', 'growth mindset', 'get great things achieved at pace and together', 'great people', and 'fun'.

We believe our culture is very precious. It is valuable, it continues to evolve, it is a pillar of our Employee Value Proposition (EVP), and a core component of why people want to work at Hays. We undertook a full review and update of our EVP during FY22, as we want to continually improve and recruit and retain the best talent in our market.

Our values

Underpinning our purpose is our core value that we must always strive to do the right thing. This enhances and protects our reputation, and builds trust with all our many stakeholders. As part of our brand relaunch in FY22 we updated our values as:

01 Build partnerships

02 Think beyond

03 Do the right thing

We 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 to build our social Purpose through our commitment to ED&I, Net Zero and our global volunteering and fundraising programme, 'Helping for your tomorrow'.

Nurturing our people via training and development

We believe deeply in investing to train and develop all our colleagues across the business. We have adapted our approaches to learning and development to thrive in flexible and hybrid ways of working. This includes increasingly blended learning solutions harnessing online technology with 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. And demonstrating the ability to progress a career at Hays, 4,840 colleagues were promoted in FY22, an 86% increase year-on-year.

The quality of our leadership has always been a key strength in our business performance. As the world of work changes, we recognise our leaders are leading evermore complex businesses. We have made a significant investment in our leadership programmes in recent years, designed to equip our leaders with the set of skills, mindset, and behaviours to drive the business.

Our leadership development strategy is based on:

- Building better strategic and operational thinking skills and deeper psychological safety and stronger relationships
- Expanding our ability to lead inclusively
- Developing stronger operational execution capability

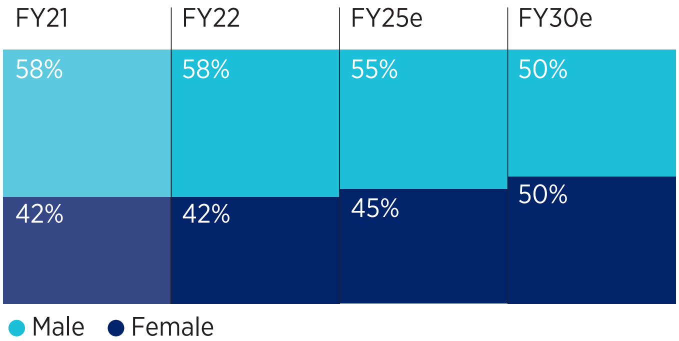
Intermediate managers

Building on the success of our global manager forums, which were launched to share our challenges and best practices in a hybrid working environment, we have designed new management development programmes. These include our International Leaders of the Future (ILF) programme, which launches in FY23 and will endeavour to focus on key skillsets and behaviours.

Managing Directors and Senior Managers: International Leadership & Management Programme (ILMP)

Our principal leadership course is our world-class International Leadership & Management Programme (ILMP). Our leaders face the challenge of leading increasingly complex business and increasingly diverse teams. Via an intense three-week residential course, in three stages over 12 months, ILMP develops the skills our leaders need to best position Hays to capitalise on rapid change in our markets.

People & Culture in focus #1: Female representation in senior leadership



We have made excellent progress in the Hampton Alexander review in recent years. However, we are further committed to improving the gender balance of our senior leadership. We start from a very strong position in our industry, with 42% women in our top 630 leaders, which represents the Executive Board and the three management levels below this. We are committed to getting that to 50% by 2030.

People & Culture in focus #2: ILMP Case Study – David Brown, CEO, USA

Hays has invested in equipping and enabling me to lead a more complex business; one that challenges the status quo and is ready to take on the ever-changing world of work. The ILMP has helped me look differently at the way I lead our business, for instance, by helping me see the power of asking a few simple yet profound questions:

"Is there a better way? Are we focused on challenging ourselves to be better, more efficient, and most importantly to provide better service to our customers."

"Am I focused on only the things that I can do? I trust my people to perform and focus on doing my job, not theirs."

"Have I fully empowered the people around me? Do they feel safe to offer their ideas, to take educated risks and to accept failure as part of becoming great?"

We are better, stronger and smarter when we allow for a diversity of thought, experiences and people. The best ideas and solutions can come from anyone in the business. ILMP has reinforced my belief that a key element of my job is to create a space where all our people feel their full potential is being unleashed.

David is responsible for leading Hays operations in the USA.

Putting ED&I at the centre of our culture

For Hays to continue to thrive in the new world of work, we need to maximise our people's potential and ensure we continue to attract diverse talent. Our commitment to ED&I is fundamental to unlocking that potential. As part of our deep commitment to ED&I, we partnered with an external specialist to help identify any barriers – real or perceived – to getting in and getting on at Hays.

Those insights have shaped both global and regional ED&I plans and are translated into real action, which has included us hiring ED&I specialists across the business, who have helped us establish diverse hiring strategies and inclusive recruitment practices.

By progressing our own ED&I agenda we in turn are better equipped to partner with our customers to help them address their ED&I challenges and to help solve increasingly complex problems in creative and innovative ways. Having diversity within our own business will drive a much broader range of solutions we provide to those customers.

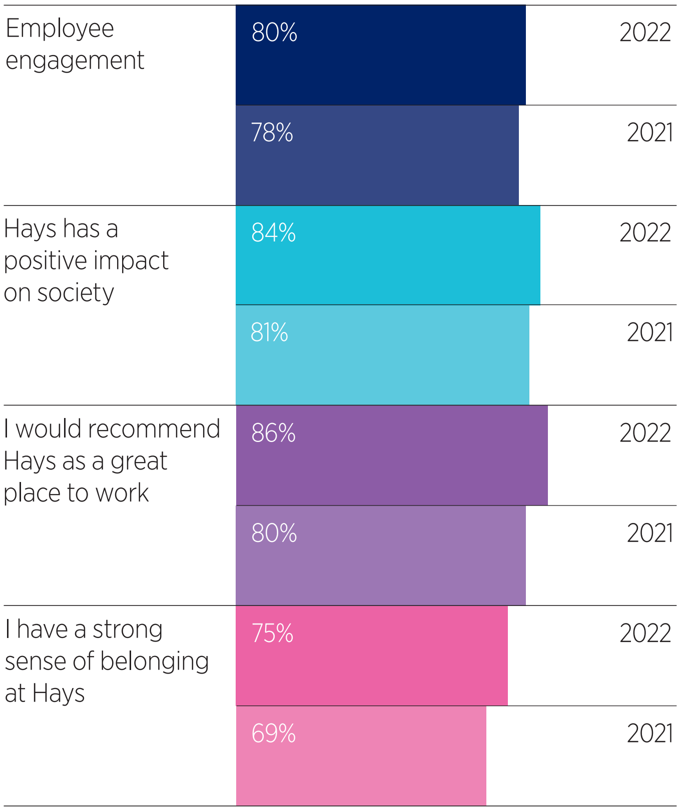
Board involvement and responsibility

The Board has overall responsibility for the welfare and interests of the workforce, and during the year 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. She participated in the design of the year's two Your Voice surveys, held consultations with the Group Head of People & Culture and reviewed the results.

Our actions are reflected in our employee engagement scores

We strive to develop an increasingly inclusive culture. Our various communication channels have enabled us to engage with a broader cross-section of our people and provided more opportunities to listen directly to their challenges, opinions and ideas.

You can read more about how our purpose and values help underpin our culture and our stakeholder relationships on pages 2 and 23.



CUSTOMER PARTNERSHIPS, POWERED BY OUR PEOPLE AND TECHNOLOGY

Given increased complexity in the world of work, our customers' expectations and needs have significantly increased. To meet these demands, we are building deeper partnerships, powered by our deep insights via our expert people and our technology. Additionally, customer demands are increasingly extending beyond recruitment to a wide array of related HR services.

Our clients and candidates are now looking for Leadership Partners – those who have the scale and capability to provide deep insights and value

Customer expectations and demands of our industry have significantly increased in recent years, moving away from traditional transactional relationships towards much deeper partnerships. Success is increasingly driven by our ability to help solve complex problems and provide valuable insights around clients' talent needs and solutions.

Clients want a partner who drives their thinking forward, and who provides the data and insights they need to make decisions for today and their future. They need a partner who can challenge and augment their strategy and who understands their business in detail, helping them improve and accelerate decision-making.

By becoming Leadership Partners we open a wealth of new opportunities to take market share and move up the value chain. This enables us to support our customers more effectively across an increasingly broad array of HR services, such as assessment & development, training, and workforce advisory consulting.

Three pillars of Leadership Partner status

We believe there are three pillars which enable us to become Leadership Partners. The process is also dynamic, with new services and criteria likely to be added over time:

Our clients & candidates now require a broader, more holistic partnering relationship that can provide deep insights and value

Transactional delivery partner

Leadership Partners

Characteristics sought by customers	Hays' delivery in practice
– A partner who drives my thinking forward in ways I could not have done alone – A partner with deep expertise and best practice of today – and tomorrow – A partner with clear knowledge of the issues affecting my business, and whose greatest impact is in how they tailor their understanding to help me make the right decisions, quickly	– Highly personalised services for both clients and candidates, driven using technology at scale to inform and enhance the human elements of the process – Deep expertise on the best practice of today and the future – Scale, breadth and depth of insights to drive better decision-making – Building very large, but highly focused and engaged Talent Network communities

Knowledge through scale

Broader Talent Networks

Provide valuable market insights and tools

Personalised marketing technology

Use of quality BI dashboards and applications

Deep understanding

Understanding challenges and solutions

Market trends and changes

Career pathways

Access to learning

Has a long-term relationship perspective

Meaningful innovation

Unique talent sources and solutions

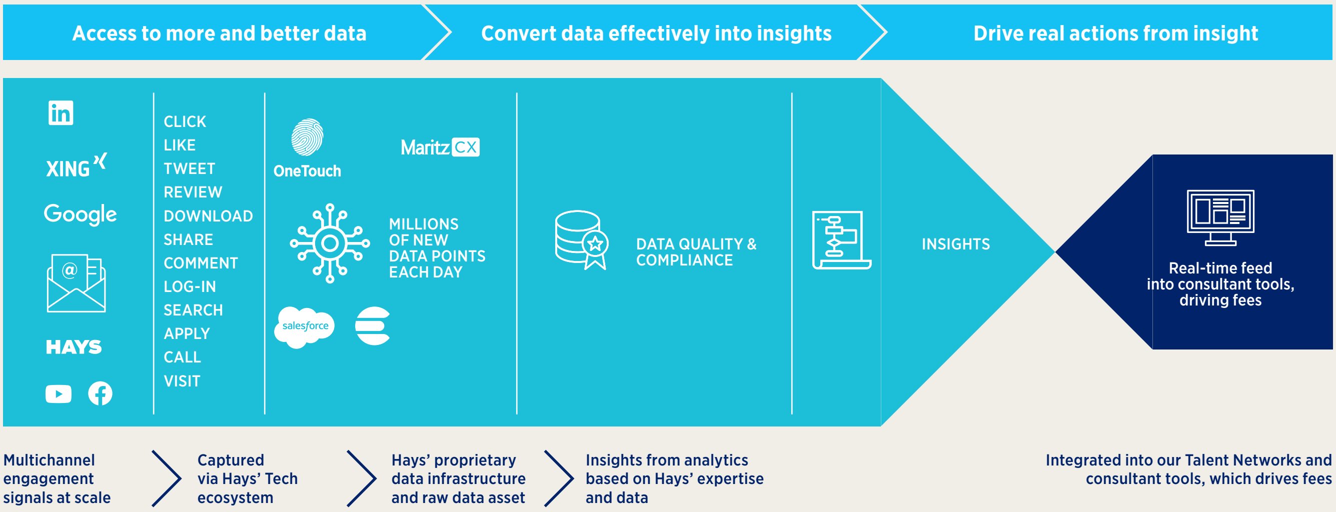
Hire-Train-Deploy

HR services' evolution

Hays Hub

In-house Hays portal

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



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

We have invested to build cutting-edge HR data systems for well over a decade. An earlier iteration of our strategy was our 'Find & Engage' recruitment marketing model, which over time evolved into our 'data funnel', which automatically captures millions of data points accurately across many channels each day. Our data ecosystem has been further enhanced. Today, we operate a highly automated solution designed to solve – and anticipate – the rapidly growing list of client needs.

This enables us to process these tens of millions of data points daily, turning them into meaningful signals and actionable insights for our clients and consultants, at a scale and depth previously impossible. These insights in turn drive our Talent Networks, which we believe are a major competitive advantage.

Talent Networks offer unique insights and solutions as well as delivering the right candidates to our clients

The transition from delivery excellence to Leadership Partner relies on us identifying and connecting with the right candidates at the right time, and ensuring we fully understand what's right for them and their careers. 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 key differentiating asset. We add real value, presenting customers with real-time information to significantly enhance their decision-making, and ultimately their ability to engage the right talent to grow. Consultants can also demonstrate to a customer, in real time, exactly where a particular role sits in terms of supply and demand, salary and local market knowledge.

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

Given remote working is more prevalent today, we can also look at alternative locations for sourcing candidates – something we provide that in-house HR departments and many competitors simply cannot.

Talent Networks also deliver substantial benefits to Hays

From launch just under a year ago, as at 30 June 2022 we have created c.35,000 individual Talent Networks. This has generated significant benefits for clients, candidates and of course our own consultants, and is supporting our pursuit of Leadership Partner status. In a skill-short market, having the right access to talent is a major advantage.

We believe Talent Networks are setting a new standard for customer service in our industry. We develop knowledge through scale, using technology as the enabler, and put our partnerships and relationships first.

A further significant benefit of Talent Networks is that we are now far less reliant on external job boards to find candidates in our major markets. Our alternative programme of digital engagement has a 'new to Hays' candidate rate that is 2-3x what we saw coming via traditional job board channels, enabling us to significantly reduce advertising spend across key traditional job boards, redeploying this investment to help deliver strong fee growth.

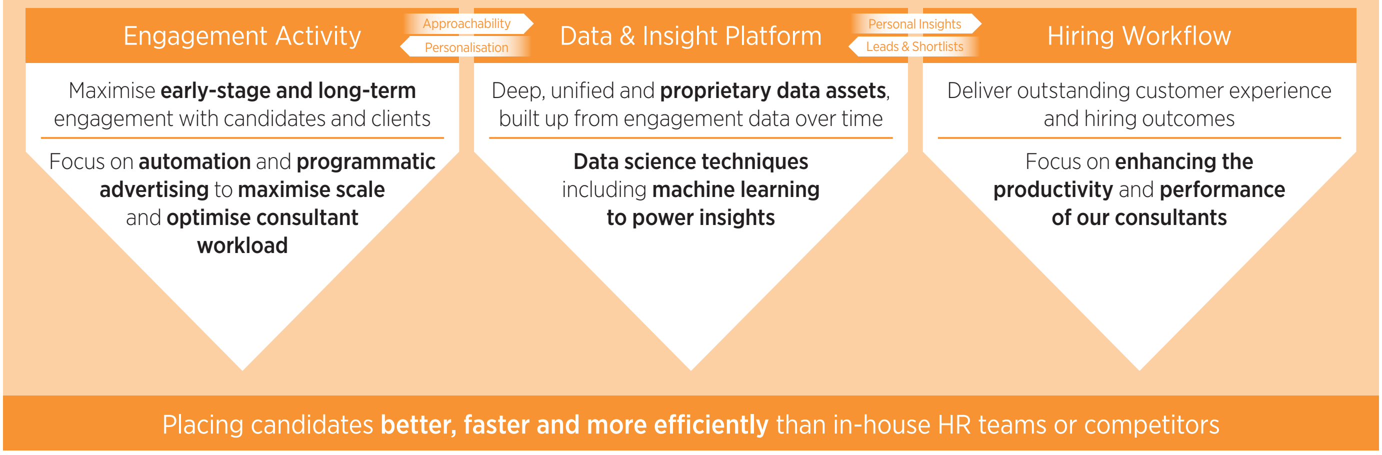
Our ecosystem has been in place at scale since September 2021, and we estimate that we have seen a reduction in the time it takes to fill a role of up to 15%. Productivity improvements such as this enable consultants to spend more time on the elements of supporting customers which only humans can do. This improved customer service is then part of driving further relationship stickiness and stickier revenue streams.

Technology in focus #1: Talent Network effectiveness

Talent Networks are a major competitive advantage, nurturing stickier relationships and enhancing productivity.

Factors		Output	
3.8m	Candidates in Talent Networks	73%	of placements from Talent Networks
35,000	Talent Networks created	2-3x	greater engagement vs. traditional job boards
>90%	Consultants have multiple Talent Networks	Up to 15%	reduction in time-to-fill

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



Talent Networks are enriched by continuous engagement, which in turn nurtures lifelong partnerships

A key part of our strategy has been the creation of a specific portal, MyLearning, to help candidates upskill. This has been made possible due to our deep understanding of specific career journeys made across hundreds of thousands of roles.

It is no longer enough just to offer candidates advice. Leadership Partnership means we need to demonstrate personalised insights on how they can develop the skills to thrive – better equipping themselves for future success.

Our complex ecosystem uses millions of data points amassed over many years, and our complex algorithm enables us to map skills against roles dynamically. We can offer candidates a range of pathways for their careers, based on the successful careers of others with similar skills.

Overall, Hays Talent Networks allow us to engage with more people, fill more roles and build stickier long-term customer relationships.

We have made substantial progress in improving our customer experience. However, these ecosystems are organic and dynamic. We continue to invest in them, framed by feedback from our customers and consultants, combined with market insight from our innovation team, who are constantly monitoring the technology landscape, identifying new trends, opportunities and threats.

Technology in focus #2: Training, upskilling & reskilling

Via Hays MyLearning, candidates can access training and upskilling resources, consuming it in the format best suited to their needs.

MyLearning enables us to identify the skills each candidate needs to progress in their career. We can then provide them with a bespoke playlist of learning content, curated for them, which helps them gain the necessary skills, whether they be technical skills or softer skills such as problem-solving, to advance.

They can then choose from a large array of content and consume it in their own time as a free value-added service. In FY22 over 27 million minutes of content was consumed on MyLearning.

27 million
minutes of training consumed

5,800
unique pieces of content available

"The reskilling of the workforces throughout the world is one of the biggest challenges facing every country. We intend to constantly evolve our ecosystem to be a leader in insight-driven reskilling – only possible because of our deep understanding of how the market is actually reacting."

Steve Weston
Chief Customer Officer

Conclusion: differentiating through customer service

Today, our customers rightly demand more than ever. However, these demands create major opportunities to win market share, and grow in related HR services, by delivering outstanding service.

We have significantly enhanced our customer offering by creating market leading ecosystems and communities which support deeper, more meaningful partnerships. This allows us to engage with millions of people, build stickier long-term client relationships and ultimately fill more skilled roles. Our Talent Networks also deliver significant benefits for candidates – automation ensures they are able to access every suitable role across Hays' global ecosystem.

Our networks work at speed and scale due to the breadth and depth of millions of data points we capture in real time globally. The investment to build these data points began many years ago – we believe it is simply not possible to short circuit that process, and that we have created a tangible competitive advantage for Hays.

Our mix of technology and expert people, in tandem with our Talent Networks, also means we can tailor service to the individual requirements of each customer, delivering the knowledge through scale, deep understanding and meaningful innovation they need to enable Hays to be their Leadership Partner.

Technology in focus #3: Building stickier and more meaningful partnerships with our clients

"We invest time, expertise and resources in these partnerships.

We view each partnership as a strategic alliance to reach reciprocal success. We fully commit ourselves to:

- Framing and scoping the needs, vision, and culture of our clients
- Co-designing innovative solutions to meet their demands
- Selecting and dedicating the best resources to deliver our services
- Keeping track of our performances, and looking for constant improvements
- Exchanging critical insights to keep our partnership alive and expand it

The more we learn about our clients and their needs, the better we can serve them and in turn move up their value chain. It can then become a virtuous circle."

Frédéric Béziers
Managing Director, France

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 Hundreds or 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 (note: all categories benefit from the positive impacts of wage inflation, and also in FY22 benefited from rising Temp and Perm margins)	New company formation Win new customers Scope to win increased market share with existing clients	Win new customers – many thousands of organisations we do not deal with Deliver recruitment across more specialisms Scope to convert multiple placements into a PSL arrangement Opportunities to offer selected HR 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 HR services	Win more outsourced contracts with c.80-90% of client spend. We currently have c.150 fully outsourced contracts with some of the largest employers globally Add new regions to existing contracts Add new, value-added HR services

IN FOCUS #1

HAYS IS IDEALLY POSITIONED TO **ACCELERATE GROWTH IN TECHNOLOGY RECRUITMENT**

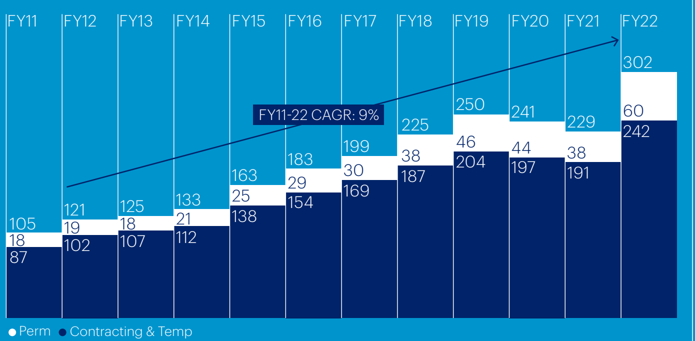
Our Technology business has grown net fees at c.9% CAGR since 2011, and is now a global leader. Yet our overall market share still remains very low. We have a highly scalable global platform and a clear strategy to drive fees to £500 million and beyond by 2027 in this rapidly growing market.

Our Technology business is a global leader in a market of limitless opportunity. As of today, the global technology recruitment market size by contract revenue and permanent fees according to SIA data is about $100 billion dollars. Hays has a c.3% share of this market.

The market has grown by more than 60% over the past 20 years, with significant growth to come. Most importantly, jobs are being created at a faster rate than candidates become skilled, meaning there is a growing talent gap in a market with c.62 million workers.

Over the past decade, Hays Technology net fees have increased from £100 million to over £300 million in FY22. To further accelerate our growth, in the past two years we have made a significant investment in scaling the business and established a clear global growth strategy, supported by a strong leadership team to ensure we have the management infrastructure in place for accelerated growth.

Hays Technology net fees* (£m)



* Net fees and fee growth shown on a constant currency basis. The Veredus acquisition in FY15 added c.£17m in Technology fees and is excluded from the CAGR, which is shown on an organic basis. Headline CAGR FY11-22: 10.1%.

We believe we are ideally placed to outperform the market and aim to increase Technology annual net fees to £500 million by 2027. Boosted by our strong brand, global scale, expertise and cutting-edge systems, our clear growth strategy has five pillars:

PILLAR 1	Grow fees in our core Tech sub-specialisms, capturing rapid structural growth trends
PILLAR 2	Invest to expand Hays' Tech capabilities geographically and infill existing areas of global expertise
PILLAR 3	Expand into new, structurally growing technologies
PILLAR 4	Win new clients and deepen our relationships with existing clients by broadening the services we offer beyond recruitment
PILLAR 5	Grow our Technology Project Services business in existing and new markets

Our growth strategy in action

We have a strong track record of growth within the Technology sector. There is virtually limitless further growth potential. We have a market-leading position in Germany, UK&I and ANZ and have experienced significant growth in countries where Hays has a footprint but hasn't historically focused on the Technology sector.

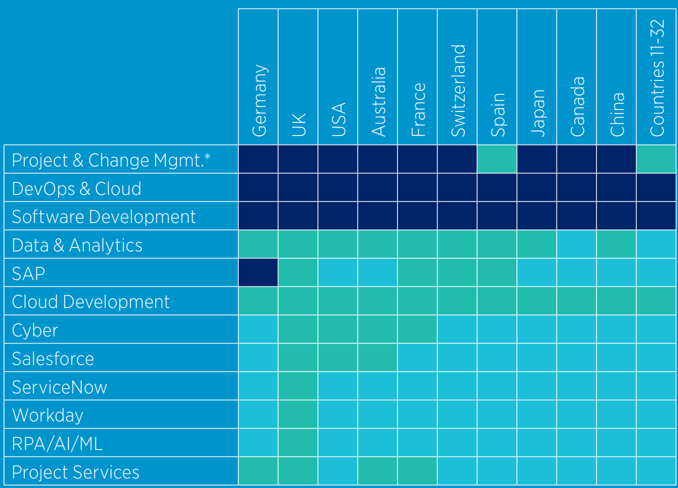
We believe we can outperform our competitors because:

- We have Talent Networks delivering the highest level of candidate engagement in the market
- We have the breadth of customers in Public and Private sectors from large Enterprises through to ambitious start-ups
- We have market-leading experts in each geography, sector, technology and service line
- We are collaborating with partners who are driving the most exciting growth technologies
- And finally, we have the global leadership team to deliver

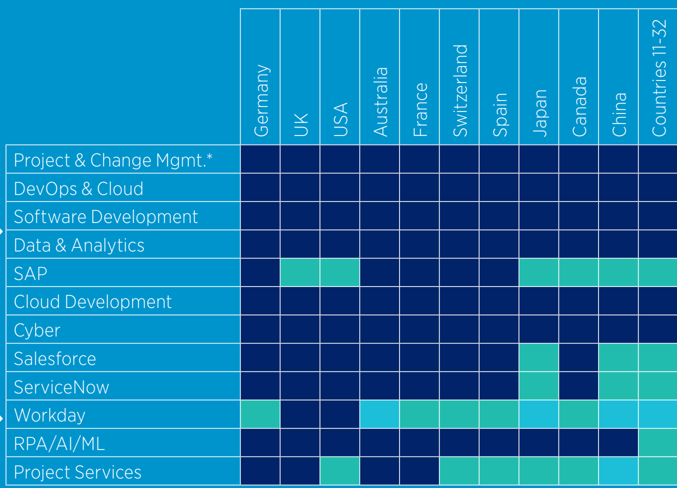
Sub-specialism coverage by geography

Core Scaling Greenfield

2022



2027



* Incorporating Product & Customer Success

THE EXPERTS' VIEW

"Our key focus has been to become global market leaders in Technology recruitment. We have embedded deep operational rigour across our Technology business, which gives us a strong platform upon which to both grow our core sub-specialisms and launch new sub-specialisms in exciting growth areas.

The strength of our leadership across my region will support the growth of our business, helping to enable new consultants to become experts in their niche areas as quickly as possible. This allows us to provide specialist, local advice to both candidates and clients, aiming to become their Leadership Partners. We have rolled out specialist Tech onboarding and training programmes across the globe to ensure we are constantly upskilling, keeping up with the ever-changing Tech market.

In addition, we are working closely with our large Strategic clients to ensure that the levels of service are consistently high in all regions. Our aim is ensure that our clients' goals and objectives become our own by looking at the bigger, long-term picture."

Jane Bamford
EMEA

"Our Cyber Security business in the US is a case study in how Hays' Technology business can grow. We have built out niches within Cyber which are anticipated to grow dramatically over the coming years. For example, we expect Application Security and Cloud Security hiring to more than double by 2025, with demand still outstripping supply.

These high-demand sub-specialisms have also experienced accelerating wage inflation. We are seeing this in real time, and monitor it closely giving us the ability to effectively communicate this with our clients and candidates.

Having proven the business model and Hays' capabilities in the USA, our Cyber strategy is now being replicated in Canada, UK&I, ANZ, Asia, EMEA and LatAm. This move early in the growth of the industry, and prior to Covid, has and will solidify Hays as the global leader in Cyber Security specialised recruitment. There is scope to replicate this strategy across other sub-specialisms."

Miguel Duran
& Christine Wright
USA

"We have doubled our Technology net fees over the past eight years to more than £300 million in FY22."

IN FOCUS #2

OUR CULTURE IS PART OF WHAT MAKES HAYS **A GREAT PLACE TO WORK**

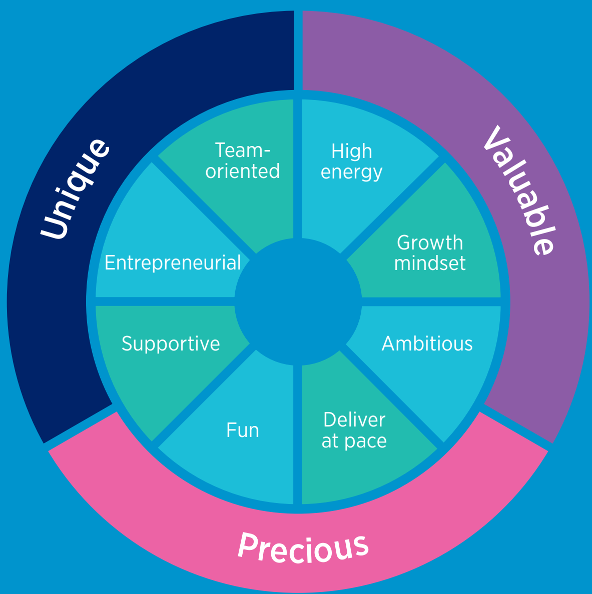
Attracting and retaining the best talent in the market is central to delivering for our clients and to growing Hays' business. We work hard at nurturing our unique culture, which underpins this attraction and retention.

We are proud of the culture we have nurtured, and how it frames the success of our business.

Although traditionally our strategy has been to hire mostly at entry-level and we continue to do so, we supplement this strategy by hiring more experienced talent in those parts of our business that require greater specialist and technical expertise. We have also seen a recent increase in the number of people choosing to re-join us.

Asking these three groups of talent why they chose to work for Hays identifies:

1. Our commitment to innovation for their sector
2. The energy and growth mindset of our leaders
3. Our systems and infrastructure which support our world-class delivery for clients



THE EXPERTS' VIEW

"Hays is an open, inclusive company that welcomes with open arms anyone who wants to make a difference in the lives of others. Hays cares about your professional growth by ensuring your development within the Company, and offers you the tools to reach your potential and achieve your goals. Also, at Hays you are part of a highly professional and friendly atmosphere. Your colleagues and manager will become part of your family."

Reyes Muñiz
Spain

"Hays is a company that is flexible and has a super-friendly environment. It has a modern, fresh ethos, which acknowledges what our generation really wants from their career."

Ludmila Vehovska
Czech Republic

"Hays challenges me to get the best out of myself. We set ambitious goals together and we ensure that we achieve them. It's never boring here. I can be my authentic self and I get the opportunity to grow into more complex positions with more responsibility. This really gives me energy to develop further and progress my career at Hays."

Hugo Driesen
The Netherlands

"People make Hays a great place to work. Everyone from management – particularly team leaders – through to our closest colleagues help build a dynamic, friendly, environment. This was demonstrated most overtly by the way Hays treated its people during the pandemic."

Vikas Gupta
India

"During my time at Hays, my needs of an employer have evolved. I have moved across three continents, and my job content and the hours worked have changed. Hays has adapted alongside me without limiting my opportunities. I have always been able to bring my genuine self to work and have a forum where I am able to express my opinion and be given the opportunity to have autonomy to allow for new failures and new ideas to happen with support and encouragement."

Neem Lock
Singapore

"The people and the opportunities are what makes Hays. I've recently been fortunate enough to be given the opportunity to change roles and develop my career in another area of the business. Being afforded this opportunity to learn a new skillset in projects, change and optimisation demonstrates Hays' commitment to supporting its employees in their careers."

Rhys Burton
Australia

"The Company's inclusive culture and the people that work here make it a great place to work. Hays is a people business with cheerful, ambitious and dynamic employees. We have a healthy work-life balance and have open and transparent communication from both top-down and bottom-up within the Company. We also have a culture of appreciation and employees get recognised for their work. As a result we are engaged, motivated and have a strong sense of purpose in our daily work."

Shogo Fujii
Japan

"Hays is a meritocratic company, but at the same time fosters a very collaborative environment. Through it all, colleagues receive the recognition they deserve."

Thiago Mariano
Brazil

"I like working at Hays mainly because of my Team and my Manager: We develop in an environment of collaboration, commitment, freedom to propose new ideas, closeness and trust. And we have a lot of fun! Hays is a great company, which is constantly updating, proposing new challenges and provides access to excellent clients and projects."

Lucia Sanchez
Spain

"Hays is a great place to work because I can be myself and I am supported by my leadership. To me, it is important to feel heard and see that leadership is willing to take steps in supporting my professional growth. I can bring my voice and ideas to the table and feel confident that my ideas will be heard and considered."

Oniel Delva
USA

IN FOCUS #3

BUILDING MORE **MEANINGFUL PARTNERSHIPS** WITH CLIENTS

We are building longer–term and stickier relationships with clients and candidates, moving up the value chain and focusing on structural growth opportunities. Our expert consultants share examples of how they are doing this.

THE EXPERTS' VIEW

How are you building stickier and more meaningful partnerships with your clients?

"Here in the US, a key part of our strategy has been growth in Enterprise clients, winning market share and moving into adjacent skill areas. We do this through a number of ways. We identify high value opportunities outside of our traditional recruitment services, and where we can demonstrate our skills we are increasingly seeing clients willing to pay additional retainers for our services.

We listen to our clients, both at a corporate and individual level, and try and understand the client's own language and culture. Where we find shared values and passions, we double-down by offering insights and consultancy, for example in ED&I. And we are also willing to challenge their status quo, sharing examples of what other clients have done to solve problems.

We have invested our time in establishing quarterly business reviews, even if the client doesn't yet require it as a service standard. By using this forum to share our data, insights and ideas we can move up the value chain and become their Leadership Partners.

And of course we have a suite of add-on services we can offer. These include our 3SS Vendor Management System, our bespoke reporting packs, helping to write tender documents and annual hiring forecasts, demonstrating the tangible cost savings of adopting a more flexible workforce and, where clients' volumes are appropriate, dedicated delivery teams."

Jodi Hon
USA

Meaningful partnerships

"When I became MD of our Enterprise Solutions business in Germany, I developed a strategy called ICI to drive partnerships with clients. This was based on Innovation, where we created processes, services and tools; C-Suite Engagement where we developed key stakeholder maps and added KPIs on levels of engagement, and introduced a Hays C-Suite magazine for clients; and Internationalisation, where we actively targeted 50 German companies we knew were pursuing global growth and linked them with the wider Hays network.

This has proven to be highly successful, and we estimate our Germany Enterprise Solutions business has increased its share of client wallet by 10% to c.30% overall.

Alex Heise
Germany

"We work to solve the bigger strategic people challenges our clients face as part of the recruitment solution. By being agile, and using our data and insights to inform decision-making, we can create solutions for our clients which are bespoke. These demonstrate how well we know their industry and their business, and deepen our relationship with them.

We also seek to remain close to them through their hiring cycles. For example, during the pandemic lockdowns we created small informal roundtable sessions with groups of no more than 10 clients. We did this initially because we knew none of them were recruiting but wanted to remain close to them. We'd facilitate an interactive session, where clients brought the challenges they were currently facing to the table, to gain insight and ideas from their peers.

We have continued elements of this initiative with great effect. it has undoubtedly given us a much greater appreciation and deeper understanding of the challenges our clients are facing. I believe this has resulted – and continues to result – in more meaningful partnerships."

Ryan Gardner
UK

How do Hays Talent Networks help you provide unique insights and solutions to our clients?

"The greatest advantage of using Talent Networks is the time saved in identifying relevant candidates for clients. It allows me to save and also rework a specific and dynamic search for each job, which in the current market is invaluable as it saves time and energy creating and recreating different searches. This can even be done while the client is still on the phone providing the brief.

In order to secure the best talent for our clients we have to contact new candidates immediately. The fact that the Talent Network shows how many new or updated candidates there are each day is invaluable. I save Talent Networks for each role so that I can quickly refer to them when I get a similar role with another client.

I also use Talent Networks to be very specific about location. I am able to quickly see who is in a certain area and further filter from there depending on the needs of the client. I can search both registered and holding candidates at the same time and quickly identify who is available so that in such a candidate-short market I'm able to call my clients to let them know about new talent coming available for roles that they regularly recruit for, giving them opportunities for proactive hiring and workforce planning."

Caroline Edwards
Australia

"Our Talent Networks enable us to support our clients more effectively, sourcing the talent they need exactly when they need it."

Talent Network

Our Talent Networks are the ecosystems we've built to dynamically and efficiently deliver the right candidates to our clients and the right opportunities to our candidates.

IN FOCUS #4

EMPOWERING CLIENTS **GLOBALLY**

Divisional operating review **page 44**

1 Bristol Myers Squibb

Hays began our relationship with Bristol Myers Squibb (BMS) in the UK, where we currently deploy 85 contractors annually. In 2022, that partnership extended into the US where Hays now supports BMS with a dedicated team in the skill areas of Technology and Life Sciences. Our trusted partnership helped BMS navigate the 'Great Resignation' and the heightened competition for talent. This allowed BMS to leverage market insights, connect on the importance of ED&I initiatives and broaden our alliance and explore new ways of working that will attract the best talent and address their most compelling skill shortages.

"Hays is a trusted partner to BMS and has provided a global account owner who supports us with evaluated account support and strategic insights which propel our relationship into the next level. We value a partner who shares our core values and is willing to invest in our business, provide candid market insights, has a broad range of solutions, and can help us navigate ever-changing market dynamics."

Wendy Wu
Procurement Category lead,
TA and Contingent Labor

2 SUNCORP

Hays' relationship with Suncorp began in 2014 in Australia and expanded to include New Zealand in 2017. Through the past year in Australia, Hays has filled 3,800 Perm jobs, up 12% on the prior year, and sourced 350 Temp and Contractors, while in New Zealand, we have filled 460 Perm jobs and the Temp and Contractor business is up 50%, with 80 placements made through the year. Hays has also supported Suncorp's graduate recruitment campaign, which reached over 3,500 graduates and saw 70 graduate and 48 intern offers, helping lift Suncorp to be #10 on the AFR Top-100 Graduate Employers list, up from #51 in 2021.

3 STADA Arzneimittel

STADA is a leading global pharmaceuticals manufacturer headquartered in Germany, with 12,520 people worldwide, whose products are sold in 120 countries and whose history stretches back more than 125 years. Hays has supported STADA's often complex needs regarding its people, built on Hays' good understanding of the business together with its expertise within the Healthcare and Life Sciences industries. So far this year, we have placed over 20 people across STADA's technical, sales and support functions.

"We have had a fruitful relationship with Hays for several years, having collaborated in filling talent needs in both technical and executive positions. I would highlight their agility and understanding of our priorities and values, which allows us to work together as a team efficiently. The collaboration has been particularly successful when it comes to building complete teams for new business lines, where the coincidence of different requirements and the participation of different consultants made them especially complex projects."

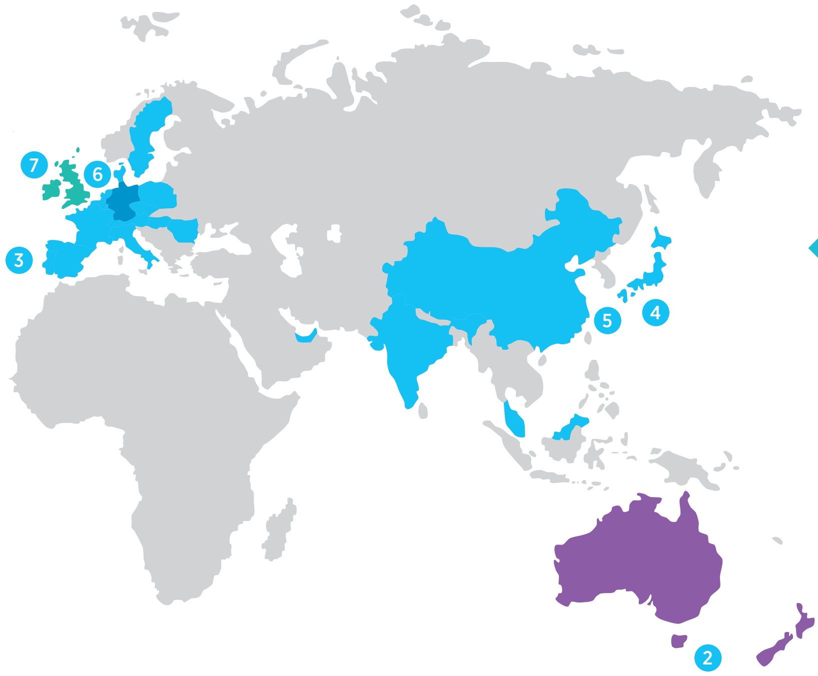
Arturo Ferrer
HR Director – Spain

4 NIPPON EXPRESS

Nippon Express is a leading global logistics business based in Japan, with 731 locations in 49 countries and regions. Hays has worked with Nippon Express in Japan since 2019, helping them to find the supply chain and logistics talent they need to grow. In the past 12 months we have helped to place eight candidates with Nippon Express in Perm roles.

"Our relationship with Hays has expanded in recent years and we view them as a trusted partner who understands our business model and culture, and can provide access to talent quickly across our locations. We look forward to continuing to work with Hays as we pursue our own growth strategies."

Satoshi Otsuji
Executive Officer



5 Tencent 腾讯

Tencent is a leading global internet and technology company which develops and delivers innovative products and services across cloud computing, advertising, FinTech, and other enterprise services. Hays and Tencent have built a relationship over the past decade, and Hays has supported Tencent's recruitment of important roles in seven offices in three countries across Asia. We have helped place senior talent across Tencent's Legal, Communications, Marketing and Strategy departments. Hays has provided consistent market insight and cultural expertise through what has been a period of significant growth for the business.

"Hays has been a crucial partner in our success by garnering exceptional talents across international markets. The partnership with Hays is honest, steadfast and trustworthy."

Danny Zhang
Senior Director,
Head of International Talent Acquisition

6 CARIAD A VOLKSWAGEN GROUP COMPANY

CARIAD is a 100% subsidiary of Volkswagen Group (VW) founded in 2020, whose 5,000 software developers and engineers are focused on transforming VW into a software-driven car company. Hays has supported CARIAD over the past couple of years, placing a substantial number of people into engineering and IT roles, which has helped the Group build out its automotive software development capability. Hays is ideally placed to help CARIAD with its accelerating demand for skilled talent as it seeks to increase the proportion of software code written in-house at VW to 60% from its current 10% level.

"The collaboration between CARIAD and Hays is characterised by mutual trust and a high degree of flexibility. Hays was able to structure the project using scrum-based management. Particularly noteworthy is the prioritisation in the sprint and the open, trusting communication. The reporting was very transparent and enabled a perfect cooperation at all times. Hays has proven to be a very reliable partner and we are very much looking forward to continue our successful journey."

Michael Lanzensberger
Head of Tech Recruiting

7 mitie

Founded in 1987, Mitie is the UK's leading facilities management and professional services company, offering core business services including: cleaning & hygiene services, integrated facilities management, and engineering maintenance. It employs c.72,000 colleagues and looks after 2.5 million assets for clients.

Hays has partnered with Mitie since 2019, initially on a transformation programme to create a best-in-class recruitment function. We support a large requirement for specialist and volume hires, and our Recruitment Process Outsourcing (RPO) service has become the provider of all permanent talent to Mitie within the UK.

"Hays is a trusted partner of Mitie and is integral to our workforce strategy. Hays provides an agile and scalable solution, and our partnership has seen it flex and evolve to meet the needs of our business. I am excited about our future together and appreciate the way Hays challenges and collaborates with us to achieve service excellence."

Jasmine Hudson
Chief People Officer

“

We have delivered **record annual net fees and material profit growth**. Our strong cash generation supports **£168 million in FY22 dividends** and our **£75 million share buyback** programme.”

Paul Venables
Group Finance Director

FINANCE DIRECTOR'S REVIEW

Growth in Group net fee income
32%
FY21: (8)%

Consultant headcount
9,037
FY21: 7,190

Increase in Group operating profit
128%
FY21: (31)%

Year-end net cash
£296.2m
FY21: £410.6m

Conversion rate
17.7%
FY21: 10.4%

Financial overview

We began the year with strong momentum, with our FY21 exit rate (June 2021) representing our strongest fee period since the start of the pandemic. Group year-on-year quarterly fee growth rates moderated from very high levels through the year as we annualised tougher growth comparators, although, encouragingly, September, November and March delivered all-time Group fee records, and both our third and fourth quarters produced fee records. Group fees and activity levels remained sequentially stable at high levels through the fourth quarter. As previously disclosed, the Group's net fee growth exit rate in June 2022 was 19%.

Our turnover(1) increased 19% and net fees(2) grew by 32%, helped by global economic recovery from the pandemic. Operating profit increased at its fastest rate ever, up 128% to £210.1 million, driven by the £291.7 million like-for-like increase in net fees, which was representing a drop-through rate of net fees to operating profit of 40%. This drove a 730 bps increase in the Group's conversation rate(3) to 17.7% (FY21: 10.4%), or 18.0% excluding one-off Russia closure costs of £4.2 million.

Our cash performance was strong, and we ended the year with net cash of £296.2 million. We converted 87%(8) of operating profit into operating cash flow(4), helped by another strong performance from our credit control teams, with debtor days remaining at last year's record level of 33 days.

(1) Net fees of £1,189.4 million (FY21: £918.1 million) are reconciled to statutory turnover of £6,588.9 million (FY21: £5,648.4 million) in note 6 to the Consolidated Financial Statements.
(2) Net fees comprise turnover less remuneration of temporary workers and other recruitment agencies.
(3) Conversion rate is the proportion of net fees converted into pre-exceptional operating profit.
(4) Cash generated by operations is stated after IFRS 16 lease payments. 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.

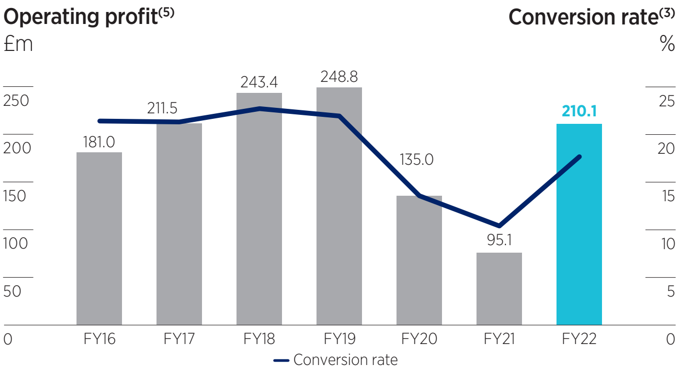
Operating performance

Year ended 30 June (£m)	2022	2021	Actual growth	LFL growth
Turnover(1)	6,588.9	5,648.4	17%	19%
Net fees(2)	1,189.4	918.1	30%	32%
Operating profit	210.1	95.1	121%	128%
Cash generated by operations(4)	182.9	130.8	39%	
Profit before tax	204.3	88.1	132%	
Basic earnings per share	9.22p	3.67p	151%	
Core dividend per share	2.85p	1.22p	134%	
Special dividend per share	7.34p	8.93p		

Note: unless otherwise stated all growth rates discussed in the Finance Director's Review are LFL (like-for-like) year-on-year net fees and profits, representing organic growth of operations at constant currency.

Our business model remains highly cash-generative and together with the Group's profitability and outlook, supports our FY22 core dividend of 2.85 pence per share (representing dividend cover of 3.0x our underlying EPS). The Board is also pleased to propose a special dividend of 7.34 pence per share, equating to £121.2 million.

As announced on 28 April 2022, the Group commenced a £75 million share buyback programme, to be completed over a 12-month period. By 30 June 2022 we had purchased and cancelled 15.4 million shares under this programme. The Board announces that it has increased this programme by a further c.£18 million, which means we began FY23 with £75 million available for buybacks during this financial year.



Foreign exchange

Overall, net currency movements versus sterling negatively impacted results in the year, decreasing net fees by £20.4 million, and operating profit by £2.8 million.

Fluctuations in the rates of the Group's key operating currencies versus sterling represent a significant sensitivity for the reported performance of our business. By way of illustration, each 1 cent movement in annual exchange rates of the Australian dollar and euro impacts net fees by c.£1.1 million and c.£4.1 million respectively per annum, and operating profits by c.£0.3 million and c.£1.1 million respectively per annum.

The rate of exchange between the Australian dollar and sterling over the year averaged AUD 1.8346 and closed at AUD 1.7613. As at 23 August 2022 the rate stood at AUD 1.7064. The rate of exchange between the euro and sterling over the year averaged €1.1808 and closed at €1.1619. As at 23 August 2022 the rate stood at €1.1877.

The weakening of sterling versus our main trading currencies of the euro and Australian dollar is currently a tailwind to Group operating profit in FY23. If we re-translate FY22 profits of £210.1m at 23 August 2022 exchange rates (AUD1.7064 and €1.1877), operating profit would increase by c.£6 million.

Increase in Group volumes, average Perm fee and Temp margin

Group Perm fees, which represented 45% of Group fees, increased by 49%, driven by a 42% increase in placement volumes and including a 5% increase in our average Perm fee. The increase in average Perm fee was driven both by rising Perm fee margins and higher average salaries, and our average Perm fee increased through the year, particularly in the second half. Overall, there remains clear evidence of wage inflation globally, particularly in the most skill-short markets.

Net fees in Temp, which incorporates our Contracting business and represented 55% of Group net fees, increased by 21%. This comprised a 10% increase in volume and a 7% fee increase arising from a 100 bps increase in underlying Temp margin(6) to 15.5% (FY21: 14.5%). Additionally, we saw a 4% benefit from mix and hours, with strong growth in higher paid specialisms such as Technology and Life Sciences, and wage inflation more generally, partially offset by a greater number of part-time Contracting assignments.

Movements in consultant headcount

Consultant headcount at 30 June 2022 was 9,037, up 26% year-on-year. Total Group headcount increased by 23% year-on-year.

Current trading

We have made a good start to our new financial year. While we are mindful of increasing macroeconomic uncertainty, client and candidate confidence remains good, supported by skill shortages and wage inflation.

(5) FY20 and FY19 operating profit and basic earnings per share are stated before exceptional charges. There were no exceptional charges in FY18, FY21 & FY22.
(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 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(3) to cash generated from operations(4).

Perm activity remains strong overall, with some normalisation in some of the previously most active markets. Temp volumes remain stable overall.

Globally, both Temp and Perm continue to benefit from improving fee margins and the broader impact of wage inflation, which we expect to continue across FY23.

Having made significant headcount investments in FY22, we have appropriate capacity for today's market opportunities. We expect consultant headcount growth will be minimal in H1, outside of our SGI programme, as we focus on driving consultant productivity and returns from our investments.

Australia & New Zealand

Conditions in Perm remain good, with markets supported by skill shortages and wage inflation, and Temp volumes are broadly stable.

Germany

Overall conditions are strong and Contractor numbers are at record levels. Due to the timing of public holidays, there are three fewer trading days in H1 FY23 versus the prior year (H2 FY23 trading days are unchanged YoY). We estimate this will have a profit impact of c.£5 million in H1 FY23.

United Kingdom & Ireland

Conditions in Perm are good, with markets supported by skill shortages and wage inflation. Temp volumes are sequentially stable.

Rest of World

Conditions across EMEA and Asia are good. In North America, Perm activity levels have decreased modestly, reflecting some reduced client confidence.

Net finance charge

The net finance charge for the year was £5.8 million (FY21: £7.0 million). Net bank interest payable (including amortisation of arrangement fees) was £0.4 million (FY21: £0.6 million). The interest charge on lease liabilities under IFRS 16 was £3.9 million (FY21: £5.0 million), and the charge on defined benefit pension scheme obligations was £1.4 million (FY21: £1.1 million). The Pension Protection Fund levy was £0.1 million (FY21: £0.2 million). We expect the net finance charge for the year ending 30 June 2023 to be around £6.0 million, of which c.£3.0 million is non-cash.

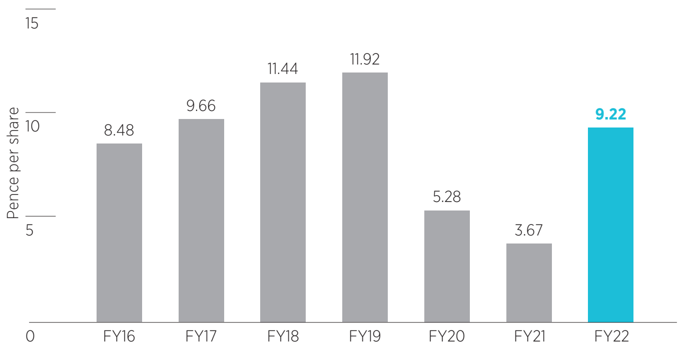
Taxation

Taxation for the year was £50.1 million (FY21: £26.6 million), representing an effective tax rate (ETR) of 24.5% (FY21: 30.2%). The decrease in the ETR in the year reflects positive one-off settlements with certain tax authorities, plus the recognition of deferred tax assets driven by the positive movement in the Group's defined benefit pension surplus. We expect the ETR will return to c.30% in FY23.

Earnings per share

Basic earnings per share increased by 151% to 9.22 pence (FY21: 3.67 pence), driven by the significant increase in Group operating profit and the effect of the lower Group ETR. On a normalised basis applying a 30% ETR, the Group's adjusted EPS would have been 8.55 pence, representing growth of 133%.

Earnings per share[5] p



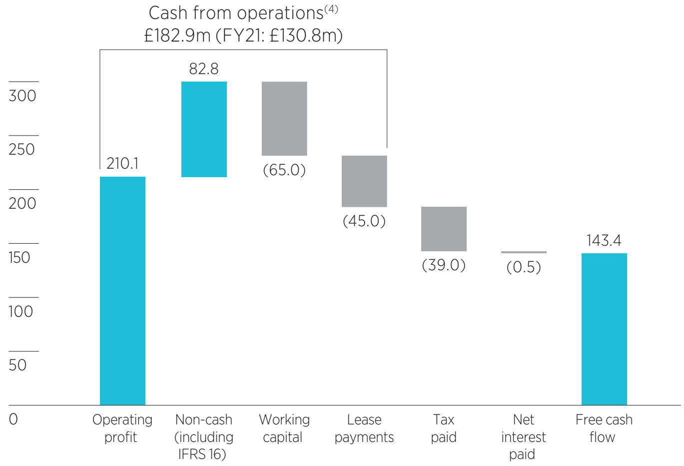
Cash flow and balance sheet

Conversion of operating profit into operating cash flow[4] was 87% (FY21: 138%[4]). This resulted from strong underlying profitability, partially offset by a c.£65 million cash outflow from working capital as our Temp debtors increased with Temp fee growth, lower than our initial expectations. We continued to see a strong performance by our credit control teams globally, with debtor days of 33 days (FY21: 33 days), versus 39 days pre-pandemic.

Net capital expenditure was £24.4 million (FY21: £18.8 million), with continued investments in technology infrastructure, cyber security and to support our SGI programme. We expect capital expenditure will be £25-30 million for the year to June 2023.

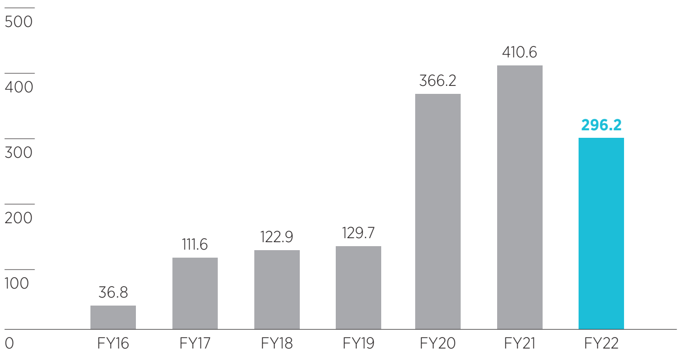
£186.4 million in core and special dividends was paid in the year (FY21: £nil) and pension deficit contributions were £17.2 million (FY21: £16.7 million). Net interest paid was £0.5 million (FY21: £0.9 million) and corporation tax payments were £39.0 million (FY21: £31.8 million). We ended the year with a net cash position of £296.2 million (FY21: £410.6 million).

Operating profit to free cash flow £m



During the year we purchased 14.2 million shares, at a cost of £19.8 million, as part of our treasury share purchase programme, at an average price of 138.4 pence per share. The shares will be held in treasury and utilised to satisfy employee share-based award obligations over the next two years. As previously noted, we also commenced a £75 million share buyback programme for cancellation on 28 April 2022, and between then and 30 June 2022 we purchased and cancelled 15.4 million shares, at a cost of £18.2 million (average price 118.2 pence per share).

Closing net cash/(net debt)[7] £m



Retirement benefits

The Group's defined benefit pension scheme position under IAS 19 at 30 June 2022 has resulted in a surplus of £102.0 million, compared to a surplus of £46.6 million at 30 June 2021. The increase in surplus of £55.4 million was driven by changes in financial assumptions, most notably an increase in the discount rate, and changes to the scheme's demographic assumptions, plus company contributions. These were partially offset by lower expected returns on scheme assets. In respect of IFRIC 14, the Schemes' Definitive Deeds and Rules are 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. Agreements to make funding contributions do not give rise to any additional liabilities in respect of the scheme.

During the year, the Group contributed £16.7 million of cash to the defined benefit scheme (FY21: £16.3 million), in line with the agreed deficit recovery plan. 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 buyout 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.

Capital structure and dividend

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 sustainable and appropriate core dividend and to return cash to shareholders in the most appropriate form.

Given the strong recovery in the Group's profitability, strong balance sheet and our confidence in our outlook, the Board has proposed a final dividend of 1.90 pence per share (FY21: 1.22 pence). When added to the interim dividend of 0.95 pence paid in April 2022, the Group's total FY22 core dividend is 2.85 pence per share (FY21: 1.22 pence), representing dividend cover of 3.0x our underlying EPS of 8.55 pence per share, when adjusted for a normalised tax rate of 30% excluding our one-off FY22 tax benefits. The final dividend payment date will be 11 November 2022, and the ex-dividend date is 29 September 2022 (record date 30 September). Our target core full year dividend cover range remains 2.0 to 3.0x earnings.

The Board is also pleased to propose a special dividend of 7.34 pence per share, equating to £121.2 million, to be paid alongside our core dividend. As previously noted, in April 2022 we announced the launch of a £75 million share buyback programme, and by 30 June 2022 we had bought back 15.4 million shares at a cost of £18.2 million, which were subsequently cancelled. The Board has increased our share buyback programme by a further £18.2 million, which means we began FY23 with £75 million available for buybacks.

Our policy for special dividends will be based on returning capital above our cash buffer at each financial year-end (30 June) of £100 million, plus any residual amounts outstanding on our share buyback programme and is subject to the Board having a positive economic outlook.

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. This provides considerable 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 as at 30 June 2022: not applicable, given that on a covenant basis, we received £0.1 million of net interest) and its leverage ratio (net debt to EBITDA) to be no greater than 2.5:1 (as at 30 June 2022 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%.

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.

The Group's cash management policy is to minimise interest payments by closely managing Group cash balances and external borrowings. Any Group surplus balance is used to repay any maturing loans under the Group's revolving credit facility or is invested in overnight money market deposits. 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. The Group does not use derivatives to hedge balance sheet and income statement translation exposure.

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 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. 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 that have an acceptable credit profile and limits its exposure to each institution accordingly.

As Alistair mentioned earlier in the annual report, after more than 16 years as Hays' Group Finance Director, I have decided to retire from full-time employment as at the end of September 2022. It has been an honour and a privilege to be your Finance Director over what has been such a transformational period for the Hays Group and against a backdrop of significant and sometimes volatile changes in global economic conditions. This business will always be in my heart, and I am confident that Alistair and his team will continue to deliver on the significant long-term structural opportunities available to Hays. Finally, I am delighted that the Board has selected James Hilton as my successor. James and I have worked together for 14 years in his various roles in the Group, and he will be an excellent Finance Director and has my full confidence.

Paul Venables
Group Finance Director
24 August 2022

DIVISIONAL OPERATING REVIEW

AUSTRALIA & NEW ZEALAND

Strong growth, led by Perm and the Technology sector

Net fees

£195.7m

Operating profit

£51.6m

Consultants

1,136

Offices

40

Share of Group net fees

Australia & New Zealand **16%**
Germany **26%**
UK & Ireland **22%**
Rest of World **36%**

In Australia & New Zealand (ANZ), net fees increased by 24% to £195.7 million, with operating profit up 32% to £51.6 million. This represented a conversion rate(1) of 26.4% (FY21: 24.8%). Currency impacts were negative in the year, decreasing net fees by £2.6 million and operating profit by £0.7 million.

Business confidence improved following the lifting of lockdown restrictions in October, although trading was negatively impacted in Q3 by high levels of Covid infections. Conditions were strong in Perm, with fees up an excellent 60%, although momentum moderated in the second half, with fourth quarter volumes and activity sequentially stable. Temp, which represented 62% of ANZ net fees and which was relatively resilient in the prior year, increased by 9%. We saw some signs of candidates shifting from the Temp to Perm markets, particularly in mid-salary roles, and Temp volumes were flat in the fourth quarter.

The Private sector, which represented 66% of ANZ net fees, grew by 29%, with Public sector fees up 17%.

Australia, 92% of ANZ, saw net fees increase by 23%. New South Wales and Victoria increased by 27% and 24% respectively. Queensland grew by 30%, with South Australia, Western Australia and ACT up 23%, 16% and 6% respectively. At the Australian specialism level, Construction & Property, 17% of Australia fees, increased by 13%, although Technology and Accountancy & Finance were much stronger, up 37% and 30% respectively. HR grew by 28% and Office Support grew by 28%.

New Zealand delivered a record performance, with fees up 49%.

ANZ consultant headcount increased by 20% year-on-year.

Net fees by specialism

Construction & Property	19%
Technology	15%
Banking	11%
Office Support	11%
Accountancy & Finance	10%
HR	5%
Sales & Marketing	4%
Other	25%

Net fees by country/sub-region

New South Wales	25%
Victoria	21%
Queensland	13%
Australian Capital Territory	9%
Western Australia	9%
New Zealand	8%
Other	15%

Net fees by contract type

Permanent	38%
Temporary	62%

Net fees by sector

Public	34%
Private	66%

Operating performance

Year ended 30 June	2022	2021	Actual growth	LFL growth
Net fees	£195.7m	£159.9m	22%	24%
Operating profit	£51.6m	£39.7m	30%	32%
Conversion rate(1)	26.4%	24.8%	+160bps	
Period-end consultant headcount(2)	1,136	945	20%	

Note: unless otherwise stated, all growth rates discussed on this page are LFL (like-for-like) year-on-year 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.
(2) Closing consultant headcount as at 30 June.

GERMANY

Record fees and excellent profit growth, driven by record contractor numbers

Net fees
£313.9m

Operating profit
£75.6m

Consultants
2,016

Offices
26

Share of Group net fees

Our largest market of Germany saw net fees increase by 34% to £313.9 million, with activity improving through the year and strong sequential fee and profit growth. Operating profit increased by 152% to £75.6 million, which represented a conversion rate(1) of 24.1% (FY21: 12.8%). Currency impacts were negative in the year, decreasing net fees by £10.7 million and operating profit by £1.4 million, and there were no material trading day impacts.

At the specialism level, our largest specialism of Technology, comprising 38% of Germany net fees, increased by 21%, with Engineering, our second largest, up an excellent 45%. Accountancy & Finance increased by 36%, while Life Sciences and Construction & Property increased by 14% and 16% respectively.

Net fees in our Temp and Contracting business, which represented 83% of Germany fees, increased by 31%. Within this, Contracting (57% of Germany net fees) grew by 28%, driven by record contractor volumes and increasing fee margins. This was partially offset by c.5% lower average weekly hours per contractor, as we saw a greater number of part-time assignments.

Our Temp business, 26% of Germany fees, which is mainly in Engineering & Manufacturing and where we employ temporary workers as required under German law, increased fees by 39%. Encouragingly, Temp volumes improved through the year, although given the slower recovery in the Automotive & Manufacturing sectors, average volumes remain below prior peak levels. Our comparative fees in the first half of FY21 included £6.2 million in Temp severance and under-utilisation costs and, excluding this, underlying FY22 Temp fees increased by 27%. As expected, we saw a return to more normal levels of sickness leave in both our Contracting and Temp businesses.

Perm, 17% of Germany fees and which continues to have excellent long-term structural outsourcing potential, increased by 51%.

Consultant headcount increased by 24% year-on-year.

Net fees by specialism

Technology	38%
Engineering	25%
Accountancy & Finance	16%
Life Sciences	5%
Sales & Marketing	5%
Construction & Property	4%
Other	7%

Net fees by contract type

17% Permanent
83% Temporary

Net fees by sector

13% Public
87% Private

Operating performance

Year ended 30 June	2022	2021	Actual growth	LFL growth
Net fees	**£313.9m**	£244.8m	28%	34%
Operating profit	**£75.6m**	£31.4m	141%	152%
Conversion rate(1)	**24.1%**	12.8%	+1,130bps	
Period-end consultant headcount(2)	**2,016**	1,620	24%	

Note: unless otherwise stated, all growth rates discussed on this page are LFL (like-for-like) year-on-year 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.
(2) Closing consultant headcount as at 30 June.

UK & IRELAND

Excellent fee and profit growth, driven by Perm and Technology

Net fees

£263.3m

Operating profit

£43.4m

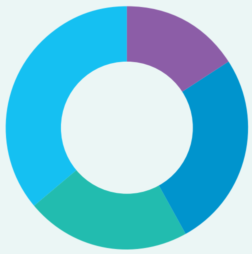
Consultants

2,175

Offices

87

Share of Group net fees



In the United Kingdom & Ireland (UK&I), net fees increased by 31% to £263.3 million, with good sequential growth in the first three quarters, and fees sequentially stable at high levels in the fourth quarter. Operating profit of £43.4 million represented excellent growth of 277% versus the prior year, delivering a strong increase in conversion rate(1) to 16.5% (FY21: 5.7%).

Our Perm business, which represented 45% of UK&I net fees, saw fees increase by an excellent 58%. Temp was strong overall and increased by 15%, although momentum moderated in the second half, and the 8% Temp fee growth in the fourth quarter was driven by higher margins, with Temp volumes slightly down.

The Private sector, which represented 72% of UK&I net fees, delivered excellent growth, up 42%. The Public sector, which was relatively resilient in the prior year, increased by 10%.

All UK regions traded broadly in line with the overall UK business, except for the East of England and the North West, up 41% and 39% respectively, and Northern Ireland, up 20%. Our largest region of London increased by 30%, while Ireland grew by an excellent 57%.

Technology fees increased by 56%. Accountancy & Finance, Office Support and HR were also excellent, up 38%, 50% and 81% respectively. Construction & Property increased by 15%, and Education and Life Sciences increased by 28% and 9% respectively.

Consultant headcount in the division increased by 24% year-on-year.

Net fees by specialism

Accountancy & Finance	19%
Technology	17%
Construction & Property	16%
Office Support	11%
Education	7%
Banking	3%
Other	27%

Net fees by region

London & South East	33%
North & Scotland	23%
Midlands & East Anglia	17%
South West & Wales	12%
Ireland	8%
Enterprise Solutions	7%

Net fees by contract type

45% Permanent	55% Temporary

Net fees by sector

28% Public	72% Private

Operating performance

Year ended 30 June	2022	2021	Actual growth	LFL growth
Net fees	£263.3m	£201.1m	31%	31%
Operating profit	£43.4m	£11.5m	277%	277%
Conversion rate(1)	16.5%	5.7%	+1,080bps	
Period-end consultant headcount(2)	2,175	1,759	24%	

Note: unless otherwise stated, all growth rates discussed on this page are LFL (like-for-like) year-on-year 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.
(2) Closing consultant headcount as at 30 June.

REST OF WORLD

Record fees in 22 countries and excellent profit growth

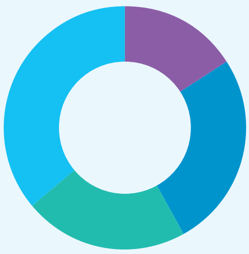
Net fees
£416.5m

Operating profit
£39.5m

Consultants
3,710

Offices
100

Share of Group net fees



- Australia & New Zealand **16%**
- Germany **26%**
- UK & Ireland **22%**
- Rest of World **36%**

Our Rest of World (RoW) division, which comprises 27 countries, delivered record fees, up 36%, including 22 individual country records. Operating profit increased to £39.5 million, representing excellent growth of 234% versus the prior year, and a conversion rate[1] of 9.5% (FY21: 4.0%). Excluding the £4.2 million of one-off costs of closing our Russian business (as noted on page 40), our RoW conversion rate[1] was 10.5%, up 650 basis points year on year. Currency impacts were negative in the year, decreasing net fees by £6.7 million and operating profit by £0.7 million.

Perm, which represented 68% of fees, increased by an excellent 43%. Temp fee growth was also strong, up 24%.

EMEA ex-Germany (56% of RoW) fees increased by 31%, including 12 country records. France, our largest RoW country, increased by 35%, and Poland and Spain were also very strong, up 42% and 34% respectively. The Netherlands and Belgium increased by 29% and 12% respectively, with Switzerland up 27%. Among our smaller markets, Hungary, up 64%, and Denmark, up 78%, each produced fee records.

The Americas (26% of RoW) fees increased by 51%. All of our six countries produced fee records, including the USA, our second-largest RoW country which increased by 43%, and Canada, up 63%. In Latin America, up 65%, Brazil net fees increased by 75%, and Mexico by 48%.

Asia (18% of RoW) fees increased by 35%, including four country records. Malaysia performed very strongly, up 47%, and Japan grew by an excellent 45%. China increased by 25%, with Mainland China underperforming Hong Kong. This said, given strict lockdown restrictions, conditions were weaker in the second half and fourth quarter fees in China declined by 5%.

Consultant headcount in the RoW division was up 29% year-on-year. In the year, EMEA ex-Germany increased by 18%, the Americas by 60% and Asia by 29%.

Net fees by specialism

Technology	26%
Accountancy & Finance	12%
Life Sciences	9%
Construction & Property	9%
Sales & Marketing	7%
Engineering	6%
Other	31%

Net fees by region

EMEA*	56%
The Americas	26%
Asia	18%

* excluding Germany.

Net fees by contract type

68% Permanent	32% Temporary

Net fees by sector

1% Public	99% Private

Operating performance

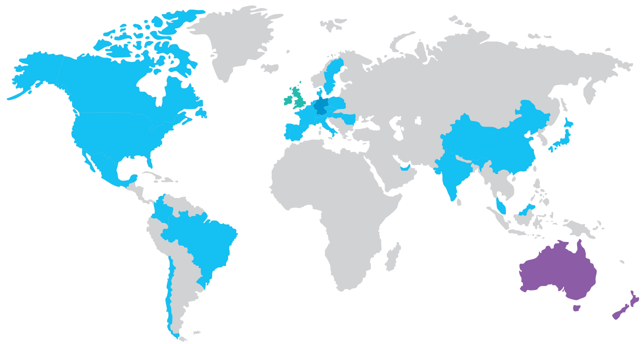
Year ended 30 June	2022	2021	Actual growth	LFL growth
Net fees	£416.5m	£312.3m	33%	36%
Operating profit	£39.5m	£12.5m	216%	234%
Conversion rate[1]	9.5%	4.0%	+550bps	
Period-end consultant headcount[2]	3,710	2,866	29%	

Note: unless otherwise stated, all growth rates discussed on this page are LFL (like-for-like) year-on-year net fees and profits, representing organic growth of operations at constant currency.

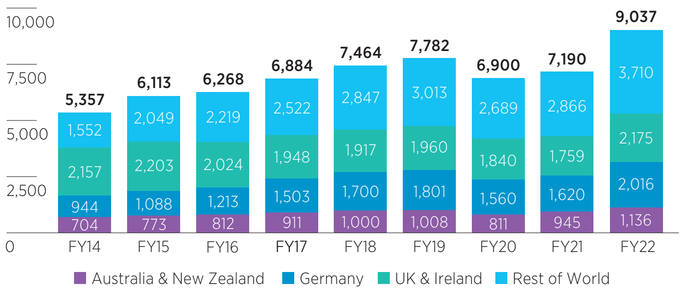
(1) Conversion rate is the proportion of net fees converted into operating profit.
(2) Closing consultant headcount as at 30 June.

HISTORICAL COMPARISONS FY14–22

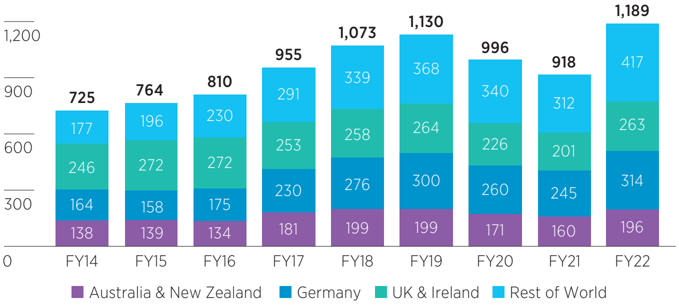
To assist investors in their analysis of Hays, we present our net fees, operating profit, headcount and conversion rate since FY14.



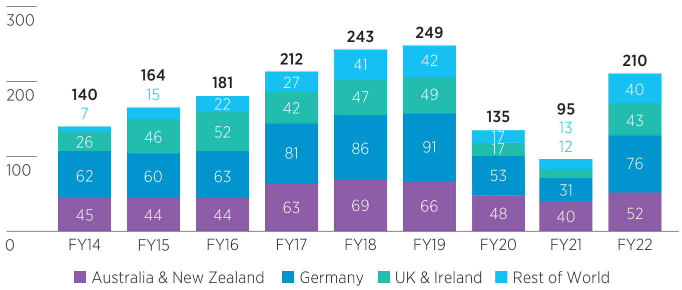
Consultant headcount



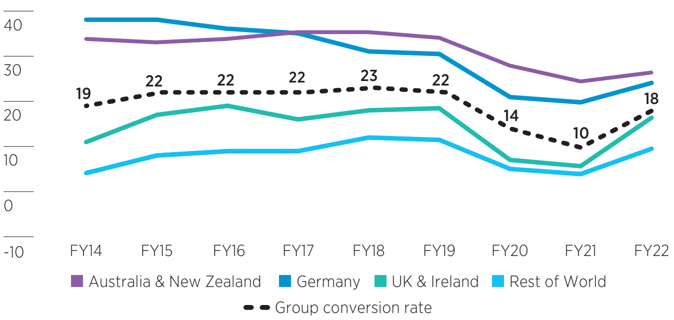
Net fees (£m)



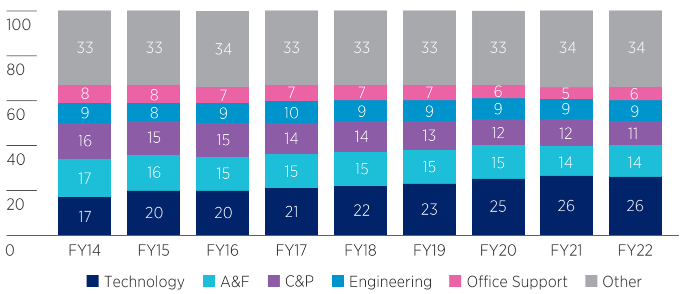
Operating profit(1) (£m)



Conversion rate(2) (%)



Net fees by specialism (%)



(1) There were no exceptional charges in FY22 or FY21. FY20 operating profit is stated before exceptional charges of £39.9 million. FY19 is stated before exceptional charges of £15.1 million.
(2) FY20 and FY19 conversion rates are shown on a pre-exceptional basis.

SUSTAINABILITY IN THE WORLD OF WORK

Our Purpose and Values help to underpin our culture, and our relationships with our stakeholders.

Non-financial performance reporting

Our purpose is to benefit society by investing in lifelong partnerships that empower people and organisations to succeed. Our values define how we do business and how we interact with our many stakeholders.

As our business grows and faces new challenges, our values guide our colleagues in the decisions and actions they take every day. Doing business 'the right way' is key to our new brand identity of 'Working for your tomorrow'. This helps to deliver a sustainable strategy which benefits all stakeholders, including our policies and actions to materially and permanently reduce our environmental impact, ensuring fair rates of tax are paid, nurturing an equitable and fair culture, and ensuring discrimination and labour exploitation are not tolerated. As a global recruiter, we are also in a position to help our clients in Equity, Diversity & Inclusion by building talent networks which reflect wider society.

The following table outlines where the key content requirements of the non-financial information statement (as required by Sections 414CA and 414CB of the Companies Act 2006) can be found in this document.

The information provided below is to help our stakeholders understand our position on key non-financial matters.

Reporting requirements	Policies or standards with which we govern our approach [1]	Due diligence, outcomes and additional information	Page
Environmental matters	Group Environmental and Sustainability Policy	Our approach to corporate responsibility and sustainability Our Net Zero Journey	20, 24, 59-61
Task Force on Climate-Related Financial Disclosures	TCFD Disclosure	Scenarios Summary Business response	62-67
Employees	Our Purpose and Values Health and Safety policy Internal HR policies including equal opportunities, ED&I Policy, flexible working policy, parental leave policy Directors' Remuneration Policy	Retention of key talent Creating a supportive workplace environment Equity, Diversity & Inclusion at Hays Employee survey results Remuneration Report	51-55, 97
Human rights	Modern Slavery Statement Supplier Code of Conduct	Human rights Our Suppliers Our Clients	58
Social matters	Helping for your tomorrow, our volunteering policy	Contributing to society and local communities Our clients and candidates	56, 57
Anti-bribery and anti-corruption	Code of Conduct Anti-bribery and Corruption policy Group Tax Strategy	Anti-bribery and corruption Whistleblowing Our approach to tax	58

Additional information	
Description of business model	Page 4-5
Non-financial key performance indicators	Page 9
Description and management of principal risks and impact of business activity	Page 68

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

Engaging with our stakeholders

There are various ways in which we engage with our stakeholders, who include our clients, candidates, employees, investors, suppliers, local communities, governments and regulatory bodies. A summary of this can information can be found on pages 20 to 23.

Clients and candidates

We are the leading global experts in qualified, professional and skilled recruitment. By building long-term relationships with candidates, we help drive their careers. We partner and consult with our clients, helping them find the talent they need to deliver their growth plans. Understanding their needs helps us achieve lasting impacts.

Although we use cutting-edge technology in areas such as data analytics and automation within our business, we firmly believe it is our human interaction with people that sets us apart and builds trust.

Our goal is to build lifelong partnerships with our clients and candidates and support them on their journey through the different phases of their business and career. Our engagement is multichannel, working through our website, social media, flagship publications such as the Hays Salary Guide, and Hays MyLearning, our free-to-use Training & Wellbeing platform. We also produce whitepaper reports, providing market analysis on important issues, including 'The Learning Mindset Report 2022' and 'Pandemic implications for the world of work.' These reports are often created via data we have gathered through surveying candidates and organisations across the world, or within a specific region.

We have a large and growing repository of content on Viewpoint, our global careers and workplace advice platform (social.hays.com), illustrating our deep expertise in the world of work. This pool of knowledge delivers ongoing insights to our clients and candidates. Examples of the insights we share across multiple digital channels include our 'How did you get that job?' series, Careers Advice and Leadership Insights podcasts, as well as a regular programme of LinkedIn Live events that generate many thousands of attendees.

Our Cookies and Privacy Policies are available on our websites and these govern practices concerning the use and disclosure of user data.

You can read more about our engagement with clients and candidates on pages 20 to 25.

Employees

Training

We strive to provide our people with attractive career paths and train them to be experts in their fields. In addition, we run annual compliance training globally which covers key topics including anti-bribery and corruption, protecting personal data and competition law. We also provide tailored training to consultants and leaders. These programmes are shaped for each region, but all share the common goal of improving our service and expertise.

Our highly successful International Leadership & Management Programme (ILMP) is designed to equip our top leaders with the skills and approach to lead our business in a time of change and increasing complexity. Over 120 senior leaders have completed this course, with two further cohorts running in FY23. Additionally, we are launching our 'International Leaders of the Future' course in FY23, aimed at mid-level managers, and we expect 120 people will complete it this year.

Measuring success

A key measurement tool is our global employee engagement survey called Your Voice. We administer two global employee surveys each year – a main engagement survey in May and a 'pulse' survey in November which allows us to explore key issues raised in May's main survey. These surveys are translated into 12 languages to give colleagues the option to respond in their local language. They include more opportunities for employees to share confidentially their comments and honest opinions, which we can analyse by category and sentiment using our survey platform. Feedback is reviewed closely by senior management to identify insights and inform action planning. Employee feedback on the survey process is extremely positive and the data shows that there is strong belief that action will result from the survey findings.

Where possible we also measure specific quantitative goals where we can set sensible measurements of success. In addition, we also seek employee views throughout the year via forums, networks and individual conversations.

We are conscious that our employee survey is one of the main ways of assessing our success in a number of areas. We are actively looking at other metrics to enable us to set measurable targets and analyse our progress in a quantitative as well as in a qualitative way.

Communicating with, and listening to, our employees

Our key result in FY22

Our Global Employee Engagement Score for FY22 was:

80% FY22

78% FY21

Why this is important to us

It is important to us that our employees understand our business, our strategy and the important role they play in the Company's success through partnering with our customers and internal and external stakeholders. We are a people business and our employees are key to adding value to our customers and to our overall success. This links to Group strategy by improving retention and driving growth.

MT Rainey is our designated Non-Executive Director for Workforce Engagement. She attends many of our Group and local forums, speaks to individual employees to hear their thoughts and feeds back to the Board directly.

Our Hays Promise to our people includes encouraging them "to speak up and speak out so that all voices can be heard".

We feel it is vitally important to create a culture in which our employees are comfortable to speak freely and safely. This way we not only learn how we can improve our business but can also understand the welfare needs of our employees. This ensures we put in place the right support and benefits so they can bring their whole, authentic selves to work and give their best.

How success in this area is measured

The global employee survey includes questions on communicating and listening. This is complemented with feedback from employee forums, committees and networks as well as individual suggestions and comments.

What we have done in FY22

Employees receive regular business performance updates from Alistair Cox, the Chief Executive, and from their respective Regional Managing Directors. Updates are published on our global and regional intranet sites.

Virtual 'town halls', which include live Q&A sessions with senior leaders, are a key internal communications initiative within regions, along with regular video messaging and blogs to keep our people informed and engaged.

We have several global and regional forums that meet virtually and in person focusing on workplace topics including ED&I, Learning & Development, Management Development, and Social Purpose.

Our special interest and resource groups include our Pride Network, Parents@Hays, Veterans Network, and REACH (Recognising & Enabling All Colleagues and Conditions at Hays).

We also survey new joiners to monitor the effectiveness of our employees' onboarding experiences and leavers are surveyed to obtain their feedback on working at Hays.

Results

Our Your Voice survey results show improvement over FY21.

I am encouraged to make suggestions and share my ideas.

86% FY22

83% FY21

I am sufficiently informed about the things that impact me at work.

75% FY22

71% FY21

Regional examples

Across many countries and regions the local MDs hold open forums for employees to ask questions on any subject. These are well attended.

There are many employee networks that allow employees to discuss issues that affect them. These include Parents@Hays, and BLAZE – a forum across many locations that allows employees to feedback to their MD and local Director of People & Culture on key themes or issues they are hearing on the ground.

Employee suggestion boxes have been introduced in some locations.

MT Rainey, designated Non-Executive Director for Workforce Engagement attends many of our committees and meets employees in groups or individually to hear their thoughts and views.

Employee wellbeing

Our key result in FY22

Our question in the employee survey: "Hays provides the programmes and initiatives to support my health and wellbeing".

75% FY22

65% FY21

Why this is important to us

We support our employees to be healthy and well by evaluating and finding solutions that can 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 have five pillars of wellbeing: my life, my health, my money, my work environment and my learning and development.

How success in this area is measured

Our employee survey Your Voice integrates questions on these pillars.

We also evaluate take-up of existing benefits and review feedback from employees on new benefits.

What we have done in FY22

During FY22, we embedded flexible working across the business globally, in response to employee requests to achieve a better work-life balance. Employees are working together with colleagues and managers to ensure this approach works for our clients and candidates.

Social connectivity has been important to our employees, especially regarding mental wellbeing, and therefore maintaining contacts and communication either through face-to-face sessions in the office or via Teams or other virtual networking is integral to our policy on flexible working. The option remains open for employees to come to the office full time.

Results

Our survey results show our flexible policies are welcome and our efforts to maintain communication and connectivity are working.

Hays supports flexible working practices so that I can balance my life and work commitments.

82% FY22

71% FY21

I feel connected to my team even when we are not all in the office together.

87% FY22

82% FY21

I am encouraged to actively develop my skills.

78% FY22

72% FY21

I have access to the learning and development I need to do my job successfully.

80% FY22

73% FY21

I would recommend Hays as a great place to work.

86% FY22

80% FY21

Regional examples

In the UK, free mortgage assistance has been introduced as a benefit to employees following feedback that obtaining a mortgage was a major concern amongst employees.

Wellbeing Ambassadors have been introduced in some locations to provide a focal point for employees to ask questions and to promote information about physical and mental health.

Following lockdown during the Covid pandemic, there has been a focus on mental health and ways of staying in touch with colleagues working remotely to ensure they feel included and communicated with to avoid any negative feelings of isolation.

Modules on the Hays Thrive training system cover aspects of physical and mental health and are available for employees to use.

Equity, Diversity & Inclusion at Hays

Our key result in FY22

Our question in the employee survey: "I can be my authentic self at work".

85% FY22

82% FY21

Why this is important to us

We believe it is vital that our employees reflect the communities and societies in which we operate, that we create an inclusive environment in which everyone is fully included, whether working at home or in the office, and that our employees can safely and comfortably bring their full selves to their working life. Ensuring we are inclusive allows us to recruit the best talent, understand differing viewpoints, leads to better business discussions and ultimately to improved decisions and results. This links to Group strategy by improving retention and driving growth.

Our Global ED&I Council provides a Group framework to enable greater coordination and sharing of best practices amongst Regional ED&I Committees. These are supported through various networks and confidential forums, where employees can speak freely and help shape the future of ED&I at Hays. These include the PRIDE network, REACH (Recognising & Enabling All Colleagues and Conditions at Hays), and the BIPOC Community (Black, Indigenous and People Of Colour).

How success in this area is measured

During FY21, our Global ED&I Council, supported by the work of a Gender Targets Advisory Group, set targets on female representation in Senior Leadership.

By 2025, we have committed to reach a level of 45% female leaders (FY21: 42% female) among our senior leadership of 630 individuals, and to reach 50% by 2030.

We recognise that diversity is far broader than gender, and that gender itself is not a binary issue; but addressing the imbalance in gender representation in Senior Leadership is the single biggest issue in terms of both impact on our whole employee population and as an opportunity for us as a business.

What we have done in FY22

During FY22 we have established a programme to support the achievement of our targets. This includes setting up a global mentoring and development programme specific to senior female leaders; reviewing the policies and practices relating to leave provision worldwide, including parental leave; reviewing the processes and policies on promotions at senior levels; and the creation of a blueprint for inclusive hiring at all levels.

While this work has started, the benefits will be incremental. We are pleased to see the first year's result moving us in the right direction. However, we recognise that there is much more to achieve and we will be looking at more ways we can really improve ED&I more quickly in FY23, how we can better set goals in different areas, and monitor and measure success.

Results

In June 2021 we had 41.6% female representation in our senior leaders and that has improved to 42.4% at June 2022.

Our employee survey also shows progression in our employee perspective of ED&I at Hays compared to FY21.

During FY23 we will be looking at other quantitative, as well as qualitative, measurements of our progress in this area.

Hays takes meaningful action to progress its ED&I agenda.

80% FY22

76% FY21

Hays creates an inclusive workplace, recognising and respecting every employee as an individual.

83% FY22

78% FY21

People from all backgrounds have an equal opportunity to succeed at Hays.

84% FY22

80% FY21

Regional examples

Globally, we have introduced a number of employee networks including for colleagues who may have a medical condition or who are caring for someone with a disability, female forums, and safe spaces to talk about neurodiversity and ethnicity. Some of these forums work together or network with each other across regions. A good example of this is our PRIDE network which welcomes any employee from the LGBTQ+ community as well as employee allies and has held a number of talks with members across different countries.

A new Hays Black Network was established in 2022, centred around four key objectives of generating an open and safe space to share personal experience, celebrate black culture, educate and raise awareness and promote allyship to further widen our talent pool and ensure we attract and retain the best people.

Hays Germany established three further employee focus groups: Physical and Mental Health, Cultural Diversity (now a network) and Age 55+. It is also a signatory and associate member of 'Charta der Vielfalt' (Diversity Charter); signalling its first mover status in the HR services industry, as an active supporter of diversity management in Germany.

Further, in Germany we have introduced Eye-Able assistance software, enabling visitors to Hays Germany's website to adapt content according to their needs.

In the USA we launched a women's mentor group and a speaker series. Our first event, Women Empowered in Leadership, centred on a Q&A around breaking the bias. We created a safe place for our neurodiverse employees to come together to support each other and share their personal stories. Conscious Inclusion training was extended to 124 individuals, comprising all senior leaders, the US Board and team leaders. US employees also received training on Unconscious Bias and Competency Based Interviewing aimed at mitigating bias for hiring people. In Florida, our ongoing commitment to non-discrimination and equal opportunities for all employees is recognised through our membership of the Equality Means Business (LGBTQ+) programme.

Split of Hays plc Board members

Male **63.0%**
Female **37.0%**

Split of senior management team members(1)

Male **65.0%**
Female **35.0%**

Split of senior leaders(2)

Male **57.6%**
Female **42.4%**

Split of employees

Male **39.0%**
Female **61.0%**

(1) As defined under the UK Corporate Governance Code.
(2) Comprises the top 630 senior leaders at Hays.

Social purpose

Our key result in FY22

Our question in the employee survey: "I believe that at Hays we positively impact organisations and people".

84%
FY22

81%
FY21

Why this is important to us

As the world's largest specialist recruiter, we feel we have a real obligation to enact change for the better. We are in a strong position to build a sustainable world of work for tomorrow.

We launched the Hays Helps programme in 2021 to focus and align all of our global volunteering and fundraising activities towards the aim of ensuring we are supporting the communities and societies we serve by both lifting the employability of people who may not have the same opportunities as others and protecting the environments where we are based in order to create a sustainable future world of work.

The seven areas on which we are focusing all our volunteering and charitable efforts are:

- **Workers living with a disability** – facilitating a level playing field for those living with a disability when it comes to creating opportunities in the world of work.
- **Ethnic minorities** – improving the working opportunities for ethnic minorities in the workplace.
- **Members of LGBTQ+ communities** – supporting people in these communities to overcome prejudice and bias and improve their opportunities in the world of work.
- **Underutilised talent** – identify and develop the pool of talent that may not be considered in the workplace for a range of reasons e.g. bringing talent out of poverty, supporting carers in their careers.
- **The mature age workforce** – supporting this demographic to either upskill/reskill to stay in the workforce or to re-enter the workforce where there is a skills shortage.
- **Youth engagement** – working across the education sector to support and build skills across all levels from school to trainees.
- **The environment** – working to improve the environment in the communities in which we operate and create a more sustainable future.

We believe that by helping those less advantaged into the workplace, we help our future clients, candidates, employees, suppliers and shareholders who will contribute to our future business success. By operating sustainably and responsibly, we also protect the communities in which we are based and our environment for future Hays' generations, as well as the economies of the countries in which we are situated.

How success in this area is measured

We have given every employee the ability to take at least one paid Volunteering Day each year to devote to the aims of Hays Helps.

What we have done in FY22

During FY22, every country in which we operate has formed a partnership with a suitable NGO or charity that aligns to the goals of Hays Helps.

We commissioned a report called 'Focusing on Employment Inequity: How We Can Help'. In it we highlight the employability challenges faced by individuals and showcase the areas that can be supported by our Hays Helps actions. Published in April 2022, you can download a copy of our report at haysplc.com.

One of the most overwhelming issues that has faced the world in 2022 is the war in Ukraine. Hays operates in Hungary, Poland and the Czech Republic, all of which have welcomed large numbers of Ukrainian refugees. Our employees across the world wanted to do their part to help. Our global programme expanded to include a special programme 'Hays Helps Ukraine' with a GoFundMe page set up especially for employees to make donations. Hays Group donated €100,000, with employees around the world quickly raising an additional €70,000. A small project team on the ground is ensuring that every cent of the money raised by employees is going directly to helping the refugees.

To date:

- The money raised has furnished a temporary school for Ukrainian children in Warsaw, provided transport to safety from the Hungarian border with Ukraine, bought mattresses for children to sleep on, purchased shoes, socks and underwear for children who fled with only the clothes they wore, and provided furniture, food and medical supplies for families of women and children in temporary accommodation.
- Our employees have volunteered their time regularly to meet and greet refugees, are helping at shelters, distributing food and essential hygiene products and have welcomed refugees to stay in their own homes.
- A quotation from one employee left on the Hays Helps Ukraine GoFundMe site said, "Doing nothing, not helping, is not an option. Donating makes sense, because even a small contribution can make a big difference".

Hays is about working in partnership and solving work issues for a better future. That is why, going forward, under our new brand, Hays Helps will now be known as Helping for your tomorrow – we want to help people who are disadvantaged in the world of work today, so that they can have a better tomorrow.

Results	Despite the ongoing challenges of Covid in many of the countries in which we operate, over 1,000 days (equating to nearly four years' of working days) were volunteered by our employees: – Arranging work experience opportunities for underprivileged young people. – Helping disadvantaged individuals from minority backgrounds match their skills with potential opportunities through CV and interview workshops. – Assisting mature-aged workers who require training with newer technologies during their job search.	Our employees are making a positive difference to people's lives. Their volunteering has included: – Advising organisations on creating more routes for workers living with disabilities into the workforce. – Discussing transferable skills with people looking to re-enter the world of work.
Regional examples	In Singapore, the team held a market fundraiser to raise money for Aidha, an organisation which aims to provide opportunities for foreign domestic workers and lower-income women. The team has also held workshops and English courses for foreign domestic workers in Singapore. In the Czech Republic, the team supported their partner Nadání & Dovednosti through delivering a workshop to 20 foster children about creating a CV for the first time. As a follow up, the team hosted one-to-one interview simulations to help them clearly understand their next steps in their career development. In Australia, Hays is involved in the LeadAbility course which aims to develop the potential of people living with a disability. A Hays volunteer spoke at the course and gave advice on hiring people with a disability and also job seeking when living with a disability, such as interview tips and using social media to build a network. The presentation included an opportunity for questions from the floor, making it a conversational affair which allowed participants to maximise their learning. In the USA, the team worked to diversify the US candidate pool by engaging directly with under-represented communities. These include historically black colleges and universities (HBCUs), Veterans, LGBTQ+, Women in Tech, etc. Members of the Hays team have attended 21 career fairs and led seven workshops on resume writing and building interview skills. In addition, 'Hays Achievement Scholarship' for the Black Leadership Network has been set up with the University of South Florida. The team also worked with Keep Tampa Bay Beautiful by helping to pick up trash along the Hillsborough River.	In LatAm, we started a collaboration with the Special Olympics, aiming to create inclusive work environments through different virtual experiences with participating athletes, including a series of webinars on inclusion and professional courses. The Special Olympics creates a new understanding of leadership inspired by the athletes and highlights the potential for leadership in people of all abilities. The partnership aims to change attitudes towards people with intellectual disabilities and raise awareness, as well as positively change perspectives on the importance of diversity and inclusion in the world of work and in our society. In the UK, Hays partners with charity End Youth Homelessness to specifically sponsor the Employability element of the Independent Future programme. This has enabled nearly 10,000 hours of specialist coaching and 190 young people have entered either employment or full-time training opportunities as a direct result of our partnership so far. Hays Switzerland has partnered with Pro Juventute, a charitable foundation committed to helping young people into the world of work, helping to prevent youth unemployment. As a volunteer in Pro Juventute's 'job application training' programme, Hays employees support students hoping to start apprenticeships. Hays Germany worked with JOBLINGE e.V. to support disadvantaged young people to prepare for the job market.

Governance

Human rights

Our relationships with clients, candidates, employees, business partners, suppliers and the communities within which we operate are based upon respect for individuals and their human rights. At Hays we are committed to our Code of Conduct and Ethics Policy, which reflects the way we operate. 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, with courtesy and respect, be responsible, respect diversity and communicate openly.

Whistleblowing

Raising concerns at work: we also offer employees a confidential reporting line, managed by an independent 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).

Anti-bribery and corruption

Hays has a zero-tolerance approach to bribery and corruption. All employees are required to comply with the Hays Anti-Bribery and Corruption Policy and undertake training on it annually. The policy prohibits the giving or receiving of bribes in any form. All employees are expected to act with honesty, integrity and fairness. 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 approach to bribery and corruption, Hays likewise has a zero tolerance approach to tax evasion and the facilitation of tax evasion.

We expect all Hays companies and employees to adhere to the highest ethical and legal standards in business dealings throughout the world. Conflicts of interest that interfere with proper performance or independent judgment are prohibited.

We expect our staff to communicate transparently and honestly with our clients, candidates, business partners, suppliers, governments and regulatory bodies, within the framework of privacy and confidentiality.

Supplier Code of Conduct

We expect our suppliers and potential suppliers to aim for high ethical standards and to operate in an ethical, legally-compliant and professional manner by adhering to our Supplier Code of Conduct. We also expect our suppliers to promote similar standards in their own supply chain.

Our approach to tax

Taxation is essential to fund vital public services and, when paid fairly, it ensures a level playing field for businesses, whether large or small.

We therefore manage our tax affairs to ensure the payment of the correct amount of tax 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. However, Hays also strives to remain competitive by seeking to mitigate tax costs through reviewing commercially motivated activities, whilst having full regard for Hays' reputation and its wider corporate responsibilities.

Hays does not condone the criminal evasion of tax nor the facilitation of tax evasion, whether undertaken by an employee or an associated business partner acting on behalf of Hays. Appropriate 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 just the tax we pay on our profits. We present below our total tax contribution for 2022 across the Group.

This includes taxes borne by the Group and taxes collected by the Group in relation to our economic and employment activities.

Taxes collected by Hays are not a cost to the Group but instead are collected by the Group from our customers and employees on behalf of the Government and 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.

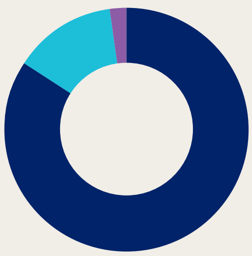
Taxes collected

- VAT/GST collected **£503m**
- Employment taxes collected **£773m**

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 and include 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 **£243m**
- Corporate taxes borne **£39m**
- Other taxes borne **£6m**

Our tax strategy is available at haysplc.com/sustainability.

FY22 awards for excellence

In Germany, Hays was awarded the ‘Top Employer 2022’ award, certifying that it demonstrates excellence across leadership development, talent acquisition, training & development, onboarding and offboarding, sustainability and ED&I.

Hays Germany has been indexed by the Women’s Career Index (FKi) for the third time and is pleased to be ranked third among the companies showing the greatest improvement.

Hays Germany also secured a ‘Best place to learn’ award. The award certifies AUBI-Plus employers who stand out due to their strong performance as training companies and in sustainable promotion of young talent. Hays Germany was also awarded ‘Superheldin’ status – a seal of quality given to family-friendly companies for their diversity initiatives.

Hays ANZ was the winner of the ‘2021 RPO Talent Solutions Company of the Year’ award at the TIARA Recruitment Awards. This award recognises Hays’ excellence and demonstration of best practice in talent acquisition services and delivery.

Hays Ireland was awarded the Silver accreditation with Investors In Diversity in March 2022, Ireland’s leading Diversity and Inclusion mark for business.

Hays Netherlands was awarded the Great Place to Work® Certification for its sustainable programme, with a score of 84% based on positive answers to the questions our employees were asked. For a third time, Hays Belgium was also recognised as a Great Place to Work.

For the second year in a row, Hays Spain is listed among the 100 best companies to work for in Spain and ranked first in the recruitment industry, according to El Mundo newspaper. Hays scored highly in talent management, remuneration and benefits, and training & development.

In China, Hays received 2022 Best HR service provider by HRoot and 2022 Extraordinary Hunter by Leipin, two of the largest talent community networks in China.

FTSE4Good Index

FTSE Russell (the trading name of FTSE International Limited and Frank 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 the global index provider FTSE Russell, the FTSE4Good Index Series is designed to measure the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices.

The FTSE4Good indices are used by a wide variety of market participants to create and assess responsible investment funds and other products.

FTSE4Good

Environmental matters

Climate considerations are a fundamental part of the way we operate. Hays is committed to providing sustainable solutions for our clients, candidates and communities as we deliver against our environmental ambitions. As an office-based company, our carbon footprint is smaller than other industries. However, we continually strive to strengthen our environmental practices and take action on climate change. We have put in place firm global and regional policies to reduce our environmental impact year on year.

During 2022, we’ve focused on laying the foundations for successful delivery against our targets:

Some highlights include:

Appointing a global lead for Sustainability	Linking sustainability to executive remuneration
Becoming carbon neutral for the first time	Validation of our Science-Based Targets by SBTi
Producing our first TCFD disclosure and scenario analysis	Increasing awareness through internal and external communications

Our Net Zero journey

We have made strong progress since February 2021, when we first committed our operational carbon footprint to be Net Zero. We have increased internal and external awareness of our environmental impact abatement strategy, established a Global Net Zero Working Group, become carbon neutral for the first time, and purchased a long-term supply of certified carbon offsets through our cooperation with climate action expert ClimatePartner.

During 2022, the Group set Science-Based Targets (SBTs) to reduce Hays’ GHG emissions. These have been validated by the Science-Based Targets initiative (SBTi) and ensure our strategy is consistent with the goals of the Paris Agreement to limit global warming to 1.5˚C.

Targets

- 50% reduction in scope 1, 2 and selected scope 3 emissions by 2026 (based on 2020 baseline), approved by SBTi
- 40% reduction in Group flights versus pre-pandemic levels by 2026
- 100% renewable energy (where we control the electricity supply and there is an available market solution)
- 50% reduction in Scope 3 emissions by 2030

Progress in 2022

Our target is for the Group’s scope 1 and 2 carbon emissions to at least halve to 6,046 tCO_2e by 2026. We have already made significant progress towards these targets.

- In 2022, we increased the proportion of renewable energy consumed across our offices by 80%, from a 13% share in 2021. This means 73% of our offices are now supplied by renewable energy, which represents a saving of 5,325 tCO_2e in 2022. We continue to work with landlords to transition our remaining offices to green energy.
- We reduced business travel by 79% from our base year via steps to embed video conferencing to interview clients and candidates, significantly reduced third-party travel, and mandated greater use of video for internal meetings. As an example, our regional Boards now meet virtually 50% of the time versus 100% in-person pre-pandemic. This equates to an annual saving of 867.41 tCO_2e in Australia alone.
- We significantly increased the proportion of our cars which are either EV or hybrid. This includes Hays UK&I where 75% of new cars were either hybrid or EV, equivalent to an annual saving of 95.75 tCO_2e.
- We are also moving from desktop PCs to laptops, which can use up to 65% less power and have automatic sleep modes to save energy. Our replacement policy for new laptops and phones means hardware is retained for longer and recycled.

Globally, our regional offices have their own initiatives to achieve our sustainability agenda and reduce our environmental impact year on year. Topics include car policies, availability of annual travel loans, recycling and waste disposal.

- Through Germany's mobility policy we offer annual train ticket loans and the option to switch to a hybrid or electric company car as a viable alternative to commuting or business travel by car/air. For employees who switch to an e-car a charger is installed.
- Hays UK&I's move to LED lighting has led to annual savings of 172.5tCO_2e and in January 2022 a new strategic partnership with the environmental charity Trees for Cities was launched.

Through our Net Zero Working Group we are working to share learnings from regions that have implemented proactive measures.

In FY22 we also expanded our scope 3 carbon reporting to include purchased goods and services, capital goods, waste and homeworking. We are committed to ensuring that we prioritise working with companies that have set Science-Based Targets. For example, Hays UK&I selected a new stationery supplier due to their commitment to sustainability and as the only major carbon neutral stationery supplier.

Carbon offsetting

To compensate for residual emissions that we are yet to reduce or can't avoid, we have decided to offset all aspects of our Scope 1 and 2 and selected aspects of our Scope 3 greenhouse gas emissions by supporting carbon offsetting projects. The certified carbon offset credits we have purchased are generated by an afforestation project in eastern Uruguay. This Guanare Afforestation project 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 United Nations Sustainable Development Goals, with around 10,000 local people benefitting from the afforestation efforts.

Carbon neutral
Company
ClimatePartner.com/16779-2106-1001

Climate reporting

Hays is committed to identifying climate change risks to the business and reporting on these in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

We have established our Climate Committee to enhance governance and Board oversight of climate-related risks and opportunities; integrated transition risk, in addition to physical risk, within Hays Enterprise Risk management framework; conducted a climate-related scenario analysis using the Network for Greening Financial Systems (NGFS) and published Hays' first TCFD statement on page 62. Through this work climate change is categorised as an emerging risk and is currently rated as low impact/materiality. However, Hays is exploring ways to expand the markets we operate in, globally, to capture the growing opportunities presented by the Green Economy and shift to a low-carbon world. The Group is already a large recruiter of skilled workers into low-carbon and social infrastructure roles, and is actively looking to grow talent pools, helping to solve skill and talent shortages globally. For example, in the UK&I, we have established a dedicated Sustainability specialism to assist with recruitment to ESG and sustainability roles, as well as placements linked to the Green Economy and upskilling of existing employees on the needs of this growing market.

We also participate in the Carbon Disclosure Project (CDP) Climate Change Survey which helps companies disclose their environmental impact and our most recent score improved significantly from D- in 2020 to B in 2021.

Carbon reporting

We are aware of our reporting obligations under The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 and report accordingly year-on-year. We are committed to transparent reporting and progress can be found on page 61.

Hays gathers data from every office globally to calculate our greenhouse gas emissions in accordance with the GHG Protocol Corporate Reporting Standard. Hays partners with Ecometrica, an external SaaS provider, to quantify our GHG emissions. All factors and assumptions come from recognised and reliable sources including, but not limited to, the IEA 2021 and DEFRA 2021 issue of the conversion factor repository.

We measure our annual emissions in relation to employees (our 'intensity ratio'). As a people business, employee numbers is a quantifiable factor associated with our activities.

Our reporting year for GHG emissions is 1 April 2021 to 31 March 2022. GHG emissions intensity reduced by 35% to 0.61tCO_2e (against 0.76 tCO_2e/FTE last year), reflecting a net reduction in our absolute scope 1 and 2 emissions while also increasing headcount. A proportion of the reduction was due to the closure of offices and restriction of travel due to the pandemic and continuing restrictions.

Energy consumption from office electricity (scope 2) was 18,984 MWh, an increase of 24%, driven by the return to our offices globally. Despite increasing our energy consumption, our scope 2 emissions reduced by 63% due to an increase in our share of renewable energy, rising from 13% to 80% of purchased electricity in 2022. We will continue to focus on working with our landlords to transition our remaining offices to renewable energy, as well as working with our employees to reduce our actual energy consumption.

Greenhouse gas emissions

Hays' total emissions follow an operational control approach. The figures summarised in the table below show the Group's scope 1, 2 and business travel/T&D loss scope 3 GHG emissions. This table is comparable to prior years. The figures reflect an overall reduction of 62% versus our base year to March 2020 (i.e. pre-pandemic), and a 9% year-on-year reduction to 7,039 tCO_2e from 7,720 tCO_2e.

Relative to the 2020 base year, our scope 1 emissions are down 33%, scope 2 down 77% and business travel (scope 3) down 75%. Hays is carbon neutral on this basis, using the certified carbon credits noted on the page opposite to offset all these emissions in FY21 and FY22.

Scope 1, 2 and scope 3 Business travel/T&D losses emissions (1 April-31 March reporting year)

	2022			2021				2020	
Emissions source (tCO_2e)	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 2021 year)	Global (including UK and offshore)	% change in total emissions (vs 2020 base year)
Scope 1	**594**	**3,395**	**3,989**	**372**	**2,871**	**3,243**	**23%**	**5,928**	**-33%**
Operational fuel	63	150	213	58	202	260	-18%	434	-51%
Vehicle fuel	531	3,245	3,776	314	2,669	2,983	27%	5,494	-31%
Scope 2 (market-based)	**9**	**1,381**	**1,390**	**188**	**3,569**	**3,757**	**-63%**	**6,165**	**-77%**
Purchased electricity & district heating	–	1,379	1,379	188	3,569	3,757	-63%	6,159	-78%
Electric vehicles	9	2	11	–	–	–	–	6	101%
Scope 3[(1)]	**184**	**1,476**	**1,660**	**77**	**643**	**720**	**131%**	**6,630**	**-75%**
Business travel	123	1,169	1,292	14	455	469	175%	6,196	-79%
T&D losses	61	307	368	63	188	251	47%	434	-15%
Total tonnes of CO_2e (market-based)	**788**	**6,251**	**7,039**	**637**	**7,083**	**7,720**	**-9%**	**18,722**	**-62%**
Carbon offset – S1, S2 and selected S3 emissions[(1)]	788	6,251	7,039	637	7,083	7,720	–	–	–
Scope 1 & 2 intensity ratio per FTE	**0.05**	**0.41**	**0.47**	**0.05**	**0.63**	**0.69**	**-32%**	**1.06**	**-56%**
Scope 1, 2 & 3 intensity ratio per FTE	**0.07**	**0.54**	**0.61**	**0.06**	**0.69**	**0.76**	**-19%**	**1.65**	**-63%**

(1) Selected scope 3 emissions includes business travel and T&D losses.

As part of our commitment to transparency on GHG emissions, we have expanded our scope 3 emission disclosures and reported additional categories below for the first time. This follows improvements made to our data collection systems. This includes purchased goods and services, capital goods, waste and employee commuting and homeworking. Like most companies, our scope 3 emissions are higher than our scope 1 & 2.

As part of our SBT submission, we have committed to reduce our scope 3 emissions by 50% by 2030. To achieve this, we will actively seek to work with suppliers that are on their own Net Zero journey, as well as seeking to extend the life of certain assets rather than replacing them, e.g. phones and laptops (note: consistent with FY21, our carbon offset programme only includes Business travel and T&D losses from the table below).

Hays' wider scope 3 emissions and energy consumption (1 April-31 March reporting year)

	2022			2021			
Emissions source (tCO_2e)	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 2021 year)
Scope 3[(1)]	**8,664**	**37,083**	**45,747**	**21,014**	**19,957**	**40,971**	**12%**
Business travel	123	1,169	1,292	14	455	469	175%
T&D losses	61	307	368	63	188	251	47%
Purchased goods and services[(2)]	3,432	22,910	26,342	17,534	9,211	26,744	-2%
Capital goods	1,651	5,744	7,395	891	4,514	5,405	37%
Waste[(3)]	881	1,631	2,512	401	1,018	1,418	77%
Employee commuting & homeworking[(4)]	2,516	5,322	7,838	2,112	4,571	6,684	17%
Total tonnes of CO_2e (market-based)	**8,664**	**37,083**	**45,747**	**21,014**	**19,957**	**40,971**	**12%**
Scope 1, 2 & 3 intensity ratio per FTE	**0.75**	**3.21**	**3.96**	**2.06**	**1.96**	**4.02**	**-1%**
Overall Group energy consumption (MWh)[(5)]	**5,775**	**32,134**	**37,908**	**4,704**	**21,907**	**26,611**	**42%**

(1) This is our first reporting of detailed Scope 3 emissions. Prior to 2022 we reported only travel, T&D losses and private car travel as Scope 3.
(2) Supplier specific data has been used to calculate emissions for the top 15 suppliers (which represent around 59% of Hays spend). For four of these top 15 suppliers no public data was available, so EPA supply chain factors were applied instead. Also for the rest of the suppliers (representing the remaining 41% of Hays spend) EPA factors have been applied. Group PG&S emissions fell slightly in 2022. In 2021 we gathered PG&S data from our supply chain centrally and applied it to the Group's Head Office in the UK, whereas in 2022 our enhanced systems have enabled greater analysis of PG&S by region.
(3) Waste was estimated using total FTEs by region, then allocated by % of people in the office to which assumptions on the disposal rate per FTE and emission factors for mixed commercial and industrial waste landfilled (BEIS factors) were applied.
(4) Homeworking only started to be calculated for 2021. Emissions have been calculated based on Ecometrica homeworking model as per above. Emissions from 2020 have been restated to include homeworking emissions.
(5) 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.

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

This statement contains the Group's first TCFD disclosure in accordance with FCA requirements of Premium 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.

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 Board. This group receives bi-annual climate-focused updates and has primary responsibility for the approach and actions for addressing climate-related matters.

The CEO, Alistair Cox, who sits on the plc Board and runs the Executive Board, has overall accountability for climate-related matters and risk appetite.

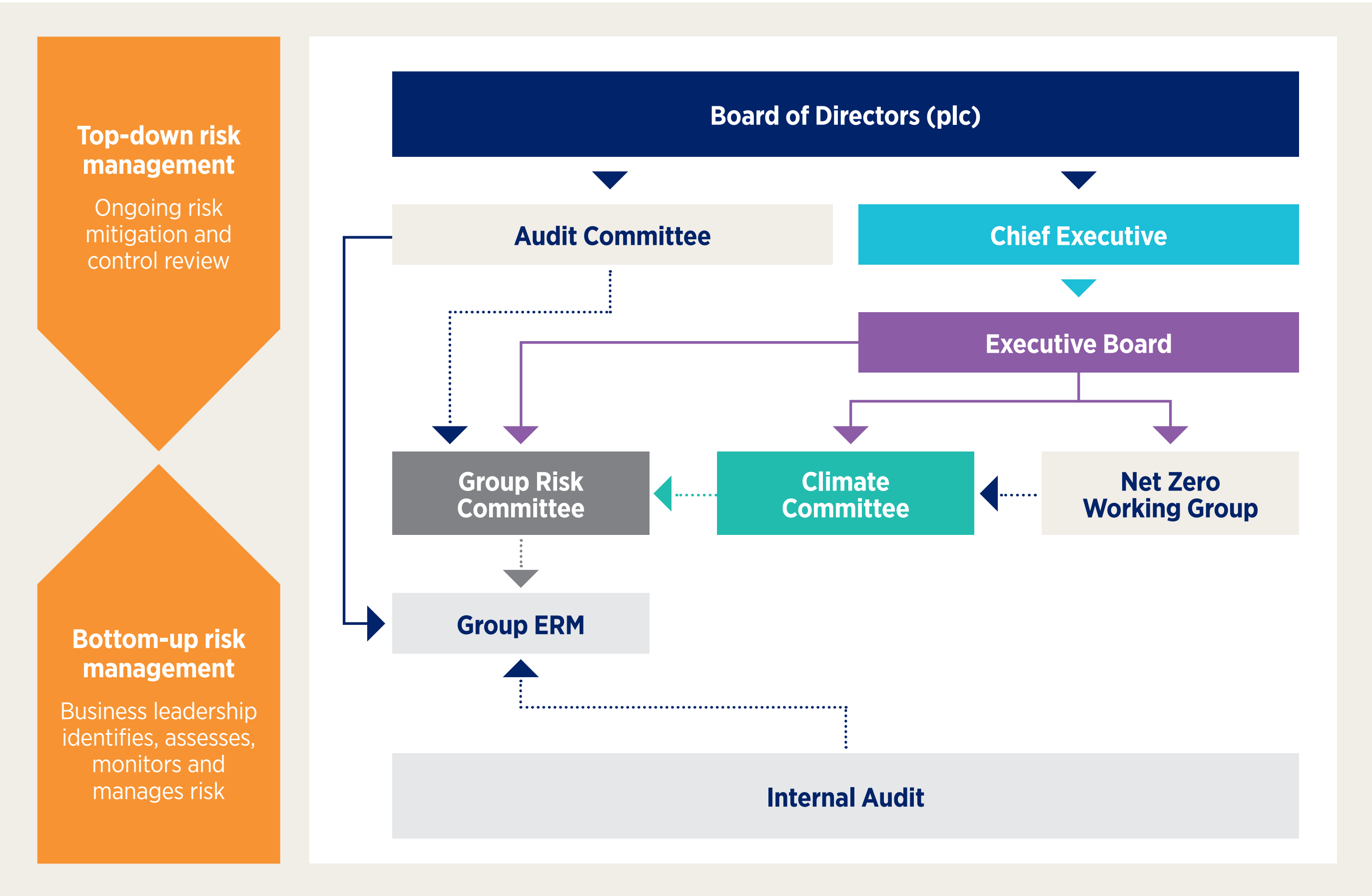
The Audit Committee assists in risk oversight (as described within Risk Management on page 95 of the 2022 Annual Report and Accounts). The Committee reviews the effectiveness of the risk management systems and process, including internal assurance of key controls to mitigate identified climate-related risks.

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

Recommendation 2: Assessment and management

The Climate Committee is responsible for identifying, reviewing, and assessing climate-related matters – including the likelihood and potential impact of each risk aligned to the risk appetite. The Committee meets quarterly and comprises the Group Financial Controller, senior managers and heads of department. It is also 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.

Internal Audit ensures that processes and controls to mitigate specific climate-related risks are monitored and any weaknesses identified and improved. This is supported by the Net Zero Working Group, comprising global senior managers, and department heads. Its principal activity is the day-to-day management of projects to deliver our Net Zero commitment. Projects cover actions to both mitigate climate risk and capture opportunity. Our 'Green Labs' initiative of senior operators identifies recruitment opportunities in the Green Economy – 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 material 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 since this would have the most immediate impact on our operating budget. Future carbon pricing and heavy 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 since they are considered 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 found a significant opportunity to develop and scale our service offerings in low-carbon markets, including jobs in low-carbon construction and infrastructure, and specifically by recruiting 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 a Net Zero pathway.

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 scenario framework.

Hays used the NGFS Climate Scenarios to stress-test key climate-related risks and opportunities. This publicly available set of scenarios was developed to show a range of higher and lower risk outcomes. NGFS uses integrated assessment modelling, which consider the interrelationships between physical and transition risks.

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
LOWEST TRANSITION RISKS**

This scenario, Current Policies, assumes that 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 arising from climate- and weather-related events. This includes irreversible changes like higher 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 areas of high physical 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.
- Continued 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 fuel sector) 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, including costs for additional purchasing of certified carbon offsets.

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 (Germany) is low.

R&O scenario summary

Risk (Timeframe)		Current Policies (3+°C)	Divergent Net Zero (1.5°C)
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 still increase due to non-climate-related drivers such as 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.
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.
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.
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.
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.
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)
Develop and scale services into low-carbon markets (0-5 years)	**Secure talent to deliver projects via e.g. new specialisms – sustainability, ESG; expansion into new and emerging sectors e.g. clean technology**	**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, resulting in significant potential expansion in low-carbon markets.
Commitment to GHG reduction targets and Net Zero pathway (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 still 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.
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.
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 4: Impact of climate-related risks on our business and strategy

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 (as discussed in note 3 to the Financial Statements). 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, the Directors do not consider there to be a material impact on the carrying value of goodwill, other intangibles or on property, plant and equipment.

Recommendation 5: Resilience of our strategy

In response to the identified transition R&Os, the Group has launched a sustainability recruitment practice to support talent needed for low-carbon and sustainability job growth.

In addition, we committed to Science-Based Targets and carbon reduction measures to reduce our exposure to future carbon pricing and energy cost increases. As part of our reduction planning we have started discussions with our landlords and suppliers to assess their commitment towards a journey to Net Zero emissions.

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).

Pillar 3: Risk management

Recommendation 6: Process for identifying risks

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

Recommendation 7: Process for managing risks

The Committee draws on the Group-wide enterprise risk management framework and other senior operational leaders drawn from across the business which allows for both 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.

Risks		Response strategy	Link to risks/opportunities
Energy supply costs	**Increase in utility costs and rental prices as a result of higher energy prices**	Hays has committed to Science-Based Targets, which will include measures to reduce energy consumption in office spaces. In addition, data centre refurbishments and cloud-based strategies have potential energy cost savings of c.50%.	1. Commitment to GHG reduction targets and Net Zero pathway 2. Reduce energy use: offices
Changes in market supply	**Portfolio revenue exposure and job losses to sectors and geographies with high levels of transition risk (e.g. fossil fuel sector)**	Hays will evaluate existing portfolio mix to ensure reliance on high-carbon industries is not significant. In addition, Hays will expand into emerging, low-carbon and sustainability-related industries to ensure that these sectors represent a larger percentage of portfolio mix.	Develop and scale services into low-carbon markets
Changes in market demand	**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 sustainability specialism was launched in FY22. This is designed to support organisations to secure the talent they need, including but not limited to electric transport, renewable energy, engineering and low-carbon construction/infrastructure sectors. Hays continues to evaluate its approach to bidding for contracts, especially where the ability to demonstrate its green credentials is vital to success. Hays is a carbon neutral Group and is committed to becoming Net Zero.	1. Develop and scale services into low-carbon markets 2. Commitment to GHG reduction targets and Net Zero pathway
Changes in behaviour	**Loss of market share due to a decrease in ability to attract and retain employees (talent) who prefer to work for companies with greener credentials**	Being able to attract and retain key talent is critical to serving Hays clients. The Group has committed to Science-Based Targets to support a pathway to a Net Zero economy and as part of our investment to find solutions to these challenges in line with our purpose.	1. Develop and scale services into low-carbon markets 2. Commitment to GHG reduction targets and Net Zero pathway
Corporate GHG emissions	**Carbon fee for GHG inventory, including costs for additional purchasing of certified carbon offsets**	Hays has committed to Science-Based Targets of a 50% reduction in Scope 1 and 2 emissions by 2026 and a 50% reduction in selected Scope 3 emissions by 2030 (based on 2020 baseline).	Commitment to GHG reduction targets and Net Zero pathway
Extreme weather events	**Extreme weather events (cyclones and flooding) disrupt data centres, impacting business operations, including fee generation**	To help mitigate physical risks to our data centres, Hays is 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.	Change in behaviour

Recommendation 8: Integrating climate-related risks

Top climate-related R&Os are integrated into regional-level risk registers, which are then reviewed by senior management and consolidated annually to inform the risk management process.

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

This process allows the Group to determine the relative significance of climate-related R&Os within the overall risk management process. Hays' risk governance and management processes are detailed within Principal Risks (on page 68).

Pillar 4: Metrics and targets

Recommendation 9: Metrics to assess risks and opportunities

Our internal metrics and targets help us measure and manage financial risks associated with potential future carbon-related risks and opportunities (R&Os).

Hays' scope 1, 2 and 3 emissions are summarised on page 61, giving comparative years.

Recommendation 10: Targets used to manage risks and opportunities

- 50% reduction in scope 1, 2 and selected scope 3 emissions by 2026 (based on 2020 baseline), approved by SBTi;
- 40% reduction in Group flights versus pre-pandemic levels by 2026;
- 100% renewable energy (where we control the electricity supply and there is an available market solution) in all offices by 2022.

Recommendation 11: Disclosure of GHG emissions

In 2022, we completed a full audit of our scope 3 emissions following improvements made to our data collection systems (see page 61). These now include purchased goods and services (PG&S), capital goods, and waste, as well as employee commuting and homeworking. We are committed to work with our suppliers to drive a 50% reduction. This includes a clear preference for working with suppliers that are on their own Net Zero journey.

In addition to internal metrics, we also track several external metrics, which act as key drivers for climate-related R&Os. These include future possible carbon pricing mechanisms, changes in policy ambition levels 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.

Opportunities		Response strategy	Link to risks/opportunities
Develop and scale services into low-carbon markets	**Securing talent to deliver projects via e.g. new specialisms – sustainability, ESG; expansion into new and emerging sectors e.g. clean-tech**	Our sustainability specialism, launched in FY22, is designed to support organisations to secure the talent they need, including but not limited to electric transport, renewable energy, engineering and low-carbon construction/infrastructure sectors.	1. Change in market supply 2. Change in market demand 3. Change in behaviour
Commitment to GHG reduction targets and Net Zero pathway	**1. Improve competitive position to attract and retain a motivated workforce** **2. Reduced risk of energy and carbon pricing and future reporting mandates**	Hays has committed to Science-Based Targets of a 50% reduction in Scope 1 and 2 emissions by 2026 and a 50% reduction in selected Scope 3 emissions by 2030 (2020 baseline).	1. Energy supply costs 2. Corporate GHG emissions
Reduce business travel	**Reduce GHG emissions and operating costs associated with Hays' business travel**	Hays has committed to reducing business travel by 40% by 2026 (2020 baseline), which will contribute to a reduction in Scope 3 emissions.	1. Corporate GHG emissions 2. Change in behaviour
Reduce energy use in office spaces	**Reducing costs and emissions associated with office energy consumption**	Hays will reduce energy costs and GHG emissions from office use through targeted efficiency programmes including a measure to replace conventional PCs with more energy-efficient laptops (with up to 65% energy savings). Energy cost savings will also be achieved as part of Hays' target of a £10 million per annum cost saving (2020 baseline), through a reduction in office space.	1. Energy supply costs 2. Corporate GHG emissions 3. 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 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 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, the Board and management need to rely on adequate line functions, including monitoring and assurance functions, within the Group.

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; and
- The third line of defence: functions that provide independent assurance.

How we monitor our progress – Three Lines of Defence

Board and Audit Committee

Executive Board

First line of defence:
- Management Controls
- Policies and Procedures
- Internal Control

Ownership & Management

Second line of defence:
- Financial Control
- Security
- Risk Management
- KPIs
- Compliance
- Group Risk Committee

Monitor & Oversight

Third line of defence:
- Internal Audit
- External Advisers
- Regulatory Reviews

Independent Assurance

The Group Risk Committee, chaired by the Chief Risk Officer and comprising senior operational, IT, legal and finance representatives including the Group Finance Director and Company Secretary & General Counsel, assists in the strategic management and development of risk across the Group.

The Group Risk Committee also allows the opportunity to review and discuss changes in the risk profile, either from an internal or external perspective, including emerging risks. The Board and management continued to consider emerging risks, to ensure appropriate internal processes are defined in order to confirm that emerging risks are re-considered and monitored across the Group.

Risk identification and impact – enterprise risk management

The Executive Board oversees a 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 or senior management and consolidated annually. These risks are reviewed in conjunction with the Group risk register, which is reviewed at least annually by the Executive Board 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. The ongoing impact of the Covid-19 pandemic was assessed within this framework and further information on that is provided later in this report.

Each risk on the risk register is assigned an 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 developed and maintained appropriately.

The enterprise risk management framework and emerging risk process is updated and presented to the Audit 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:

- Experienced and stable management team globally;
- Strong balance sheet, including the level of operational gearing; and
- 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 Hays plc Board and the principal risks have been mapped through our risk appetite process in order to identify the tolerance levels and target position per risk and to assess both the current and future mitigating actions required, should the net risk be greater than the risk appetite position.

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 a measured risk appetite position, resulting in a 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 and assess emerging risks to Hays. 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 a risk radar.

Emerging risk 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.

Viability statement

In accordance with the UK Corporate Governance Code 2018, the Directors have assessed the prospects of the Group over a period longer than the 12 months from the date of approval of the Financial Statements. In assessing viability, the Directors have considered a number of key factors, including our business model, our strategy and our principal risks and uncertainties (as set out on pages 70 to 73).

The Directors believe that a three-year period ending 30 June 2025 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. This allows the Directors to assess and conclude that the Group will be able to operate within its existing bank covenants and maintain appropriate bank facilities to meet its funding requirements over a three-year period.

This three-year period also reflects our three-year planning cycle, which covers the same period, and considers the fast-moving nature of the industry. As such, collectively these factors allow the Directors a reasonable expectation, predicated on the basis that there are no unforeseen events outside of the Group's control that inhibit the Group's ability to continue trading, and 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 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 70 to 73.

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 2022, the Group had cash of £296.2 million compared to cash of £410.6 million at 30 June 2021. In addition, the Group currently has an unsecured revolving credit facility of £210 million that reduces in November 2024 to £170 million, and expires in November 2025. The facility has remained undrawn throughout the current year. Despite the excellent growth achieved during the year, the Group had a strong working capital performance, with significant management focus on cash collection, average trade debtor days remained consistent in the year at 33 days (2021: 33 days).

Stress testing

The Board approves an annual budget and reviews monthly management reports and quarterly forecasts. The output of the planning and budgeting processes has been used to perform a sensitivity analysis of the Group's cash flow to model the potential effects should principal risks actually occur either individually or in unison.

The sensitivity analysis modelled scenarios in which the Group incurred a sustained loss of business arising from a prolonged global downturn, with a range of recovery scenarios considered. The Group's 'Stress Case' scenario assumes that the Group experiences another severe downturn similar in scale to the one caused by the Covid-19 pandemic in the year ended 30 June 2020, followed by a period of gradual recovery, as opposed to the significant recovery the Group experienced through the year ended 30 June 2021 and excellent growth achieved in the year ended 30 June 2022.

Our Stress Case scenario assumes a trough level of operating profit of £74 million in the year ending 30 June 2023 before gradually recovering to £118 million operating profit in the year to June 2025, which models the impact of a long-lasting economic global downturn.

In this scenario the Group is forecast to maintain a strong net cash position in excess of £140 million throughout the forecast period, with its revolving credit facility remaining undrawn and with significant headroom against its banking covenants. Set against these downside trading scenarios, the Board 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 significant working capital inflows which arise in periods of severe downturn, particularly in the Temporary recruitment business, thus protecting liquidity as was the case during the Global Financial Crisis of 2008/09 and which we again experienced in the Covid-19 pandemic.

The Group's history of strong cash generation, tight cost control and flexible workforce management provides further protection, and in addition the Group has an undrawn revolving credit facility of £210 million that reduces in November 2024 to £170 million, and expires in November 2025.

Confirmation of longer-term viability

Based on the above assessment, the Directors confirm that 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 three-year period to 30 June 2025.

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 18 to 20 to the Consolidated Financial Statements.

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.

Risk description	Risk trend and type	Risk mitigation

1. Macroeconomic/ cyclical business exposure/inflation

Following a strong economic recovery over the last 18 months after the restrictions brought on by the Covid-19 pandemic, the global economic outlook has deteriorated over the last six months with significant concerns on the impact of high levels of inflation and potential significant increases in interest rates on the horizon. This has led to increased concerns about a global recession in the next few years, which have been exacerbated by the invasion of Ukraine. As a result the levels of business confidence could be negatively impacted, as businesses consider Permanent and Temporary hiring decisions and candidate confidence may also reduce and their propensity to change jobs may also reduce, particularly in our three biggest businesses in Germany, the UK and Australia where growth in these markets is impacted by an increasing shortage of skilled candidates.

After c.20 years of low levels of inflation, the material increase in inflation over the last six months, together with the expectation that it will remain at higher than normal levels in FY23 and FY24, could lead to significant cost pressures on our business. While we expect to at least offset this by increases in our Perm fees and Temp margins and have been successful in achieving such increases in FY22 to date, we will need to continue with this strategy in FY23/FY24 to ensure that we protect our overall profitability.

In addition, the conflict between Ukraine and Russia and the resulting impact on energy supplies in Europe, the current geopolitical environment, with tensions between the west and Russia and the US and Greater China, together with supply chain issues impacting energy and food prices, could all individually and collectively further damage business confidence and the wider global economy.

Risk trend and type: ↑ Financial

Risk mitigation:

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 32 countries and 21 sector specialisms.

Progress is being made to further diversify the business to reduce the Group's reliance on Germany, the UK&I and ANZ, which currently represent 64% 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.

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 business has been undertaken.

Focus on cost management initiatives and efficiency projects in order to increase automation and reduce costs.

Hays is highly cash-generative, requiring low levels of asset investment.

Cash collection is a priority, and the Group has made appropriate investment in its credit control and working capital management processes over the years, resulting in maintaining the elimination of Group net debt and a continued year-end net cash positive position for the seventh consecutive year, excluding the impact from the equity placing in April 2020.

Relevant strategic priority

GROW

GROW – Materially increase core recruitment fees, particularly in Technology recruitment and with Enterprise clients

DIVERSIFY – Substantially grow new revenue streams and partnership-based areas such as HR services and Project Services globally

ENHANCE – Drive productivity to deliver significant profits and cash flows, funding reinvestment and enabling substantial returns to shareholders

PARTNER – Nurture lifelong client and candidate partnerships and build the deepest and most engaged Talent Networks worldwide

ENABLE – Our strategy is underpinned by our continuous investment in People, Culture, Technology and Sustainability

Risk trends

The ongoing review of the Group's principal risks includes how these risks evolve. Changes in the trend/direction of our principal risks are noted against each risk.

Risk description	Risk trend and type	Risk mitigation
2. Covid-19 pandemic **Whilst economies have rebounded strongly in FY22, following the significant reduction in the global levels of deaths and infections from the Covid-19 pandemic over the last year and the successful roll-out of vaccination programmes in most developed countries, there remains a residual risk that new and more harmful variants could occur. A significantly transmissible variant could reduce economic confidence and activity, especially if businesses are subject to government policies in terms of lockdowns, quarantine and social distancing restrictions in order to control the transmission of the virus, which has an impact on both the local and global economy.**	Operational Financial Strategic	Following the new reality that the pandemic has brought about our priority continues to be to look after the safety and wellbeing of our people and to support our business as it adjusted to new working practices. During this time the Executive Board closely monitors and reviews events, with Board oversight, to determine and assess the response strategies, coupled with being supported by experienced operational and finance teams, allowing early trends to be identified and adjustments to be implemented as we continue to identify and focus investment on key growth markets, sectors and specialisms in light of new and continually changing market conditions. Hays has established and tested IT Disaster Recovery capability, together with documented Business Continuity Planning processes in place to mitigate the risk of lockdown and the inability to access offices within the network, with working from home capacity and processes having been built and implemented across the Group. Hays has robust credit control procedures and a continuous monitoring of the aged debt position at both a Group and local level with robust cash and cost controls in place to protect both cash flow and profitability. As a result of the above actions and the significant improvement in trading in FY22, we ended FY22 with £296.2 million net cash, a very strong financial position to deal with any further uncertainty. **Relevant strategic priority**
3. Business model **The Group faces growing competition, especially in mature markets where recruitment methodologies and systems are more evolved and competitive, from the increasing use of digital technologies for recruitment services and an increasing trend towards insourced, outsourced and offshore recruitment models. 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 effectively.** **Social media and internet-enabled digital dynamics and recruitment value chain disintermediation, together with increased use of AI and machine learning, have continued to increase the risk to the business model over the course of recent years, albeit during the Covid-19 pandemic there was reduced investment in this area, with additional focus given to legislative changes such as statement of works and a greater move to automation.**	Operational Financial Strategic	Hays monitors 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 and Xing) increase our exposure to online professional networking and recruitment portals and enhance our value proposition to both clients and candidates and improving 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 to our clients. We continue to leverage our broad geographical and sectoral footprint to win and maintain a significant number of multispecialism contracts with large corporate organisations, which will strengthen our relationship with these 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 find and engage with candidates. The initiative is overseen by the Group Data Marketing Director. **Relevant strategic priority**

Risk description	Risk trend and type	Risk mitigation	
4. Talent **The Group is reliant on its ability to attract, train, develop, engage and retain sufficient high-quality talent in line with our long-term strategic growth plans and protect the business it has today and fulfil our growth plans of tomorrow. Over the past 18 months we have 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.** **Following the Covid-19 pandemic, whereby headcount investment stalled, there is an increased competition for talent in the market. Hays' strategy continues to grow and nurture talent internally into senior roles wherever possible, supported by external appointments of 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 Equity, Diversity & Inclusion (ED&I), green credentials, employee wellbeing, flexibility and corporate social responsibility, and has set clear global and regional ED&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 event of an employee leaving. **Relevant strategic priority**
5. Regulatory/compliance **The Group operates in 32 countries, with each operating its own legislative, regulatory, compliance 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 and Healthcare in the UK, Construction & Property in Australia and specialised corporate contracts for Enterprise clients. Employees receive training in respect of 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. **Relevant strategic priority**

GROW – Materially increase core recruitment fees, particularly in Technology recruitment and with Enterprise clients

DIVERSIFY – Substantially grow new revenue streams and partnership-based areas such as HR services and Project Services globally

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ENABLE – Our strategy is underpinned by our continuous investment in People, Culture, Technology and Sustainability

Risk trends

The ongoing review of the Group's principal risks includes how these risks evolve. Changes in the trend/direction of our principal risks are noted against each risk.

Risk description	Risk trend and type	Risk mitigation
6. Reliance on technology/ cyber security **Our dependence on technology in our day-to-day business means that systems failure due to technical issues or malicious cyber-attack may have a significant impact on our operations and ability to deliver our services if it continued for a number of days and, as such, could negatively impact our financial performance and reputation.** **Over the course of the year the threat of a cyber-attack continues to increase (both in sophistication and volume) and globally we have seen 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 it operates across the Group support its strategic direction. Ongoing asset life-cycle management programmes mitigate risks of hardware and software obsolescence. Technology systems are housed in various data centres across the Group and have 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. Robust due diligence on IT partners and products is undertaken. Across the regions we have established dedicated security teams in order to ensure that the systems are robustly protected from unauthorised access, both externally and internally, and ensuring monitoring systems 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 major sites, systems and operations, implementing required improvements resulting from such tests as part of continuous improvement processes. **Relevant strategic priority**
7. Data protection/privacy **The business works with confidential and personal data in all 32 countries on a daily basis under a variety of laws and regulations. Failure to process, store and transmit this data on a compliant basis or a material data breach 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 undertaken to address potential areas of concern, to best protect our confidential information and candidates' personal data. Further attention has been focused in this area, with the increased threat of cyber-attacks globally, and security vulnerability is 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 major sites, systems and operations, and implementing required improvements resulting from such tests as part of continuous improvement processes. Annual training programmes are also reviewed and updated to ensure the programmes reflect the new regulations, where relevant. **Relevant strategic priority**
8. Contracts **The Group enters into contractual arrangements with clients, some of which can be complex and on onerous terms and/or 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 contract negotiations management seeks to minimise risk and ensure that the nature of risks and their potential impact is 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. The Group Finance Director reviews all commercial contracts with onerous non-standard terms 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. **Relevant strategic priority**

Regulatory compliance

The Company's approach on the following matters can be found on our website, haysplc.com:

- UK Gender Pay Gap
- Supplier Code Of Conduct
- Modern Slavery Act
- Tax Strategy, compliant with the UK Finance Act 2016, Schedule 19.

Section 172

Section 172 of the Companies Act 2006 requires a director of a company to act in the way he or she considers, in good faith, would most likely promote the success of the company for the benefit of its members as a whole but having regard to a range of factors set out in Section 172(1) (a)-(f) in the Companies Act 2006.

Details on how the Board operates, including the matters discussed and debated during the year, the way in which it reaches decisions taking into account the likely consequences of decisions in the long term, the key stakeholder considerations that were central to those discussions and the way in which it has had regard to the need to foster the Company's business relationships with customers, suppliers and other stakeholders are set out on pages 80 to 88. More detail of the activity undertaken by the Board and its Committees' activities can be found on pages 80 to 125, together with the Strategic Report on pages 2 to 39. The aforesaid sections of this Report illustrate how the Directors, with the support of the wider business, consider the range of factors in the course of their Section 172 duties.

The discussion on Hays' exit from the Russia business on page 87 provides an illustrative example of how the Board takes stakeholder views, and the impact on stakeholders, into account in its decision-making.

This Strategic Report, including the non-financial reporting statement above, which has been prepared in accordance with the requirements of the Companies Act 2006, has been approved and signed on behalf of the Board.

By order of the Board

Doug Evans
Company Secretary
24 August 2022

GOVERNANCE

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

CHAIRMAN'S STATEMENT

"We have **developed an increasingly inclusive culture**, especially following our recent rebrand."

Andrew Martin
Chairman, Hays plc

Dear Shareholder

On behalf of the Board, I am pleased to introduce to you the Company's Corporate Governance Report. The past year continued to present us all with challenges both as a business and as a Board. However, we have remained vigilant and agile in our decision-making. I have been impressed with the Group's performance in continuing to deliver a strong financial performance, despite the setbacks of the Covid-19 pandemic and more recently the knock-on effect of the war in Ukraine and economic volatility.

Hays reports against the Financial Reporting Council's (FRC) UK Corporate Governance Code 2018 (the Code). The Board has applied all Principles, and complied with all Provisions, in the Code for the year ended 30 June 2022 with the exception of Provision 38.

In keeping with the demands made on the Board, circumstances have made it vital to maintain engagement with our stakeholders and workforce. The global pandemic presented challenges for travel and physical meetings that the Board would have expected to conduct during the year. However, I am delighted that physical meetings have now resumed following the lifting of travel restrictions.

We have developed an increasingly inclusive culture, especially following our recent rebrand. Our numerous channels and forums have enabled us to engage more than ever before with a broader cross-section of employees and provided the opportunity to listen directly to their challenges, opinions and ideas. Employee wellbeing has remained important to us, as well as continuing to provide appropriate support and a sense of connection. The Board believes firmly that when employees see, hear and feel the alignment between organisational purpose, strategy, values, culture and leadership behaviours, it has a positive effect on their engagement, performance and consequently our success and the interests of our stakeholders.

Following the Russian invasion of Ukraine, the Board quickly met, and after careful consideration, including of colleagues and clients within the region, agreed that business in Russia should cease immediately. The Board also agreed to donate and fundraise for charitable causes in support of Ukraine. A case study of the range of matters that the Board discussed in relation to this decision can be found on page 87.

We announced our commitment to a path to Net Zero last year and put in place permanent policies to ensure our Science-Based Targets (SBTs) of halving Group GHG emissions by 2025 and reducing air travel by 40% by 2026 are met.

Our registered SBTs were approved by the Science-Based Targets initiative (SBTi). These targets are a key part of the Group's ambition to be the first global specialist recruitment firm to reach Net Zero, an ambition of which I am very proud.

This year we commissioned an external Board and Committee evaluation. The results of the assessment established that the Board continues to operate effectively and seeks to both challenge and support management. The findings also show there are some changes we can make to further enhance our performance and I look forward to implementing various changes and seeing further progress. You can read more about this in my Nomination Committee Report.

In May we announced that Torsten Kreindl retired from the Board. During his nine years' service Torsten provided an invaluable contribution to the Company and I would like to thank him for his wise counsel and support. We welcomed Joe Hurd as a Non-Executive Director on 1 December 2021 and Joe brings valuable new and relevant skills and perspectives to our Board. I am pleased to report that we are well advanced in the appointment of an additional Non-Executive Director, details of which will be provided at the appropriate time. Details of the formal process can be found within the Nomination Committee Report. We will also be saying goodbye to Paul Venables and welcoming a new Finance Director later in the year and you can read more about that too in my Nomination Committee Report.

Appointments are always based on merit and relevant experience, while taking into account the broadest definition of diversity. Hays supports the principles of the Hampton-Alexander and Parker reviews on gender and ethnic diversity and maintains a diverse Board. Our Board currently includes 37% female directors and one director from an ethnic minority background.

As I sign off, I hope the following pages provide you with further understanding of our work on your behalf. We are always interested to hear your thoughts on all our activities and look forward to seeing you at our AGM this year. I would like to extend my thanks to all of our shareholders for your continued support. Finally, on behalf of the Board, I would again like to thank all of our amazing people and teams across the business for all of their commitment and hard work during the year.

Andrew Martin
Chairman

Our governance framework

Responsibility for good governance rests with the Board; this is underpinned by an effective governance framework which, the Board believes, fits the requirements of Hays' business. The Board retains certain matters for its own preserve; other specific responsibilities are delegated to its principal Committees, namely the Audit Committee, the Remuneration Committee and the Nomination Committee. Each of these Committees operates within defined terms of reference, which are available on the Company's website. The Board has also delegated to a subcommittee certain matters which are routine in nature, or which have been agreed in principle by the Board; these require a meeting of three directors, with an appropriate mix of executives and non-executives. Such matters are reported to the full Board.

The Chair of each Committee reports to the Board on its proceedings, and minutes of the meetings are available as appropriate.

Statement of Code Compliance

Hays plc is subject to the UK Corporate Governance Code (the Code) issued by the Financial Reporting Council (available at frc.org.uk), published in July 2018. As a listed company, Hays is required to report on how it has applied the principles of the Code and this is set out in the following pages. Hays plc has complied with all of the provisions of the Code throughout the year ended 30 June 2022 and to the date of this document, with the exception of Provision 38. The executive directors' pension provision was reduced by a third in the prior financial year and Hays has committed to alignment with workforce rates, as required by Provision 38, by December 2022.

Board of Directors

Responsible for the overall management of the organisation of our business

- Sets standards, policies and strategic aims
- Ensures we have the resources in place to meet our objectives
- Monitors and reviews material strategic issues, financial performance and risk management

More details **page 80**

Audit Committee

- Reviews and monitors Financial Statements
- Oversees external audit
- Reviews internal audit plans

More details **page 93**

Remuneration Committee

- Sets, reviews and recommends overall Remuneration Policy and strategy
- Reviews and approves remuneration arrangements for executive directors and senior management

More details **page 97**

Nomination Committee

- Makes recommendations to the Board on its composition and that of its Committees

More details **page 89**

Chief Executive

Executive Board

- Day-to-day management of our business and operations, responsibility for monitoring detailed performance of all aspects of our business

More details **page 83**

Group Risk Committee

- Provides strategic leadership, direction and oversight of risk

More details **page 81**

BOARD OF DIRECTORS: A BALANCED AND EFFECTIVE TEAM, FIT FOR PURPOSE

Executive Director   Non-Executive Director

Andrew Martin (62)
Non-Executive Chairman

Appointed:
12 July 2017

Committees:
Nomination (Chair)

Skills and experience:
Andrew trained as a Chartered Accountant at Peat Marwick before moving to Arthur Andersen where he became a partner. He was, until 2015, Group Chief Operating Officer, Europe and Japan, for Compass Group plc, having previously been their Group Finance Director from 2004 to 2012. Before joining Compass Group, Andrew was Group Finance Director at First Choice Holidays plc and prior to that held a number of Senior Finance roles at Granada Group plc. Andrew was, until August 2020, a Non-Executive Director of easyJet plc.

Principal external appointments:
Andrew has been a Non-Executive Director at Intertek Group plc since 2016 and was appointed Chairman in January 2021, and in July 2018 Andrew was appointed as a Non-Executive Director of the John Lewis Partnership Board and Chair of their Audit and Risk Committee.

Alistair Cox (61)
Chief Executive

Appointed:
1 September 2007

Skills and experience:
A Chartered Engineer with an MBA from Stanford University, Alistair's early career was in various field engineering, management and research science roles with British Aerospace and then Schlumberger. Following his MBA, Alistair worked for McKinsey & Company before joining Blue Circle Industries, where he was the Group Strategy Director and then the Regional Director for Asia. Prior to joining Hays, Alistair was Chief Executive of Xansa plc. Alistair has previously served as a non-executive director of 3i Group plc and Just Eat plc.

Paul Venables (60)
Group Finance Director

Appointed:
2 May 2006

Skills and experience:
A Chartered Accountant and also USA qualified, Paul started his career at Deloitte & Touche where he was a Senior Manager in its USA practice. This was followed by a 13-year career at Exel plc where he held a number of senior finance and operational roles including Deputy Group Finance Director and was a member of the Executive Board of Exel plc and Chairman of their Acquisitions and Project Review Board. Following the acquisition of Exel plc by Deutsche Post, Paul worked in its DHL Logistics division before joining Hays. Paul has previously held the position of senior independent non-executive director of Wincanton plc.

Principal external appointments:
Paul is a Non-Executive Director and Audit Committee Chair of Manchester Airports Group.

Joe Hurd (52)
Independent Non-Executive Director

Appointed:
1 December 2021

Committees:
Audit, Nomination and Remuneration

Skills and experience:
A US Lawyer, who has spent most of his career in consumer-facing technology businesses and has a broad global business experience, Joe began his career in corporate and securities law in London with Linklaters. Joe is an Operating Partner with SOSV, LLC, an early-stage venture capital firm, where he advises deep-tech CEOs on growth, sales and operational strategy. In addition, Joe is Chief Executive Officer and Managing Partner of Katama Group LLC, which he founded in 2004, where he advises start-ups on strategy and market positioning.

Principal external appointments:
Joe has been a non-executive director of Trustpilot Group plc since June 2021, and was, until its acquisition by Future plc in March 2021, a non-executive director of GoCo Group plc (GoCompare).

Cheryl Millington (56)
Independent Non-Executive Director

Appointed:
17 June 2019

Committees:
Audit, Nomination and Remuneration

Skills and experience:
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 previously served as a non-executive director of National Savings and Investments, Intu Properties plc and Equiniti Group plc.

Principal external appointments:
Cheryl is currently a non-executive director of Atom Bank plc and AXA Insurance UK plc.

Board diversity

- Male **63%**
- Female **37%**

Board tenure

- 0-3 years **25.0%**
- 3-6 years **37.5%**
- 6+ years **37.5%**

Board experience

- Finance **37%**
- Engineering/technology **25%**
- Media/marketing **25%**
- Operations **13%**

Board composition

- Non-Executive **63%**
- Chairman **12%**
- Executive **25%**

Susan Murray (65)
Independent Non-Executive Director

Appointed:
12 July 2017

Committees:
Audit, Nomination and Remuneration (Chair)

Skills and experience:
Susan's executive career was spent in consumer goods and retail, with organisations such as Colgate Palmolive, Kraft, Duracell and Diageo and, most recently, as CEO of Littlewoods Stores. Susan has served as a Non-Executive Director of Compass Group plc, Imperial Tobacco Group (now Imperial Brands plc) and Enterprise Inns (now EI Group plc) and was, until January 2022, Senior Independent Director of Mitchells & Butlers plc.

Principal external appointments:
Susan is a Non-Executive Director of Grafton Group plc, where she also chairs their Remuneration Committee.

MT Rainey (67)
Independent Non-Executive Director

Appointed:
14 December 2015

Committees:
Audit, Nomination and Remuneration. Designated NED for Workforce Engagement

Skills and experience:
An experienced media and advertising professional, MT Rainey has worked extensively in the UK and US. 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.

Principal external appointments:
MT is a non-executive director of Clear Channel Outdoor Holdings Inc., the NYSE-listed outdoor advertising company.

Peter Williams (69)
Senior Independent Director

Appointed:
24 February 2015

Committees:
Audit (Chair), Nomination and Remuneration

Skills and experience:
Peter has a law degree from Cambridge University and is a Chartered Accountant. He was, until 2011, Group Finance Director of Daily Mail & General Trust plc, a role he performed for 19 years, making him one of the longest serving CFOs in the FTSE. From 2011 to 2018 Peter was a non-executive director of Perform Group, a leading digital sports media company.

Principal external appointments:
Peter is a member of the Industrial Advisory Board of GVQ Investment Management, a UK equity management company.

Doug Evans (59)
Company Secretary & General Counsel

Appointed:
4 February 2013

Skills 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.

BOARD LEADERSHIP AND PURPOSE

The Hays plc Board is collectively responsible to the Company's shareholders for the long-term success of the Company.

Composition of the Board

The Board is currently made up of two executive directors and six non-executive directors, including the Chairman. Their biographies, including prior experience, are set out on pages 78 and 79. Torsten Kreindl stepped down from the Board on 16 May 2022. On 1 December 2021 Joe Hurd was appointed as a Non-Executive Director.

Election and re-election of directors at the 2022 AGM

In accordance with the Company's Articles of Association and the principles of the Code, all Directors of the Company will offer themselves for election or re-election at the 2022 AGM. 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.

The role of the Hays plc Board

The Hays plc Board is collectively responsible to the Company's shareholders for the long-term success of the Company. It sets the Group's strategic objectives and determines the risk appetite and control framework within which those objectives are achieved. The Board provides effective oversight of the Company and its businesses within a robust governance structure that helps achieve the long-term success of the Company and deliver sustainable shareholder value.

The Board also provides leadership of the Group and direction for management, ensuring that the necessary resources are in place for the Company to meet its objectives, and it keeps under review management's performance in regard to achieving those objectives.

Our aim is to be the world's pre-eminent specialist recruitment business. In pursuit of this aim, our employees across the globe work towards achieving our strategic priorities, set out on page 6. The Board closely monitors management and its delivery of a sustainable and profitable business, ensuring it continues to operate within the appropriate risk-reward culture. The Board has established a core set of values, which it promotes throughout the Group.

Our purpose, values and culture

Our purpose is to become a customer-centric business that benefits society by investing in lifelong partnerships that empower people and organisations to succeed. Our values aim to reflect this purpose and promote our strengths and capabilities as a global business as well as broaden our scope of opportunity in the present and future. Our values serve to act as a Leadership Partner to our clients and customers through knowledge, scale, deep understanding and our ability to meaningfully innovate our services for workforce solutions and opportunities.

Under our values, we:

- Build partnerships;
- Think beyond; and
- Do the right thing.

Our values enable us to protect our reputation and build trust with all our candidates, clients and other stakeholders. People are the heart of the business and we strive to recruit, train and develop the best talent in our industry and encourage our employees to reach their full potential. To support this culture we maintain an open style of communication, which is designed to both identify issues early, and also to recognise potential opportunities, so that in both cases appropriate action can be taken in terms of reducing any negative impact on the business whilst ensuring opportunities are exploited.

These characteristics and values are core to our Group culture and are supported via the following mediums and underpinned by the Hays Group Policies and Procedures:

- Corporate communications;
- Global intranet; and
- Hiring, induction, training and promotion criteria.

The Board remains focused on our culture, further information on which can be found elsewhere in this report.

Matters reserved for the Board

A schedule of formal matters reserved for the Board's decision and approval is available on our website, haysplc.com. These largely relate to matters of governance and business where independence from executive management is important, and include the following:

- Approving financial results and other financial, corporate and governance matters;
- Approving Group strategy;
- Approving appointments to the Board;
- Approving and recommending dividends as appropriate and deciding dividend policy;
- Reviewing material litigation;
- Responsibility for ensuring arrangements exist for employees to raise concerns;
- Approving major capital projects, acquisitions and disposals;
- Approving material contracts;
- Reviewing annually the effectiveness of internal control and the nature and extent of significant risks identified by management and associated mitigation strategies; and
- Approving the annual budget.

No changes to the schedule of matters were made during the year. Board decisions are usually by consensus at Board meetings. On occasion, decisions may be taken by a majority of Board members. In the case of an equality of votes, Hays' Articles of Association provide the Chairman with a second or casting vote.

Board commitment

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 they too have sufficient time commitment for the fulfilment of their Board responsibilities. Any changes to the directors' key external commitments during the year are also reviewed by the Board.

Key external commitments of the Board are included within their biographies on pages 78 and 79.

Conflicts of interest

Procedures are in place for the disclosure by directors of any interest that conflicts, or possibly may conflict, with the Company's interests and for the appropriate authorisation to be sought if a conflict arises, in accordance with the Company's Articles of Association.

In deciding whether to authorise a conflict or potential conflict of interest only those directors that have no interest in the matter under consideration will be able to take the relevant decision; in taking such a decision the directors must act in a way they consider, in good faith, will be most likely to promote the success of the Company and may impose such limits or conditions as they think fit.

The Board has reviewed the procedures in place and considers that they continue to operate effectively. There were no actual or potential conflicts of interest which were required to be authorised by the Board during the year under review or to the date of this report.

Risk management and internal control

The Board has overall responsibility for the Group's internal 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 policy on risk and control to management. Further support and assistance is provided by an independent Internal Audit function, details of which are provided in the Audit Committee Report. The Executive Board oversees an enterprise risk management system which allows for a holistic, top-down and bottom-up view of key risks facing the business.

These are recorded in a Group risk register, which is reviewed at least annually by the Executive Board and submitted to the Board thereafter for ratification to enable it to carry out its risk oversight responsibility. This exercise involves a current and forward-looking view at various risks affecting the business and prioritising them according to risk impact and likelihood. These risks are then also mapped through a risk appetite process to identify the tolerance level and target risk position for each risk.

Risks covered include strategic, operational and compliance risks, together with reputational, financial and people-related risks. Each risk is assigned an owner with current and future (if applicable) risk mitigation procedures detailed, with the continuing monitoring of these undertaken on an ongoing basis. The principal risks currently facing the business are detailed in the Strategic Report.

Following the requirements detailed in the 2018 Corporate Governance Code, the Board continues to undertake a formal horizon scanning exercise to identify emerging risks, being plotted by impact and time horizon on a risk radar, to ensure that emerging risks are being appropriately considered and monitored.

The Group Risk Committee assists the Executive 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 Committee is chaired by the Chief Risk Officer and membership includes representation across the global network and comprises operational, IT and finance functions including the Group Finance Director and Company Secretary & General Counsel. Resulting activities and recommendations are reported to the Executive Board, with the Board also having oversight of the Committee and its activities.

The Board reviews Group strategy and approves a budget each year, to ensure that the performance of the business is in line with the plan and financial and operational reporting procedures are in place. Comprehensive annual budgets and quarterly forecasts are approved by the Executive Board and business divisions. As part of the ongoing internal control process, monthly progress and variances are reported at each meeting to the Executive Board and subsequently to the Board.

Complementing these financial controls is a set of Group-wide policies and procedures addressing non-quantifiable risks. These include security policies, the Group's Code of Conduct and Ethics, Anti-Bribery and Corruption Policy, and whistleblowing arrangements (see 'Raising concerns at work', below, for further details on the Company's whistleblowing arrangements). The Board regularly receives management and Committee reports which also form part of the internal control system.

The Group's internal control procedures are subject to regular review and provide an ongoing process for identifying, evaluating and managing significant risks. This is in accordance with the Guidance on Risk Management and Internal Control and Related Financial and Business Reporting (September 2014). The Board recognises that such a system has its limitations in that risk management requires independent judgment on the part of directors and executive management. Internal controls are designed to identify and manage risks rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

In accordance with its regulatory obligations, the Board, with the assistance of the Audit Committee, carried out an annual assessment of the effectiveness of the Group's risk management and internal control system during the reporting period. During the course of its review, the Board did not identify or hear of any failings or weaknesses that it determined to be significant and it therefore concluded that they are operating effectively.

Raising concerns at work

The whistleblowing procedure in place across the Group ensures that employees are able to raise any concerns about any possible improprieties in business practices, or other matters, in confidence; this is managed and reported through an independent external third party. Reports are made in good faith and are done so without fear of recrimination, and calls cannot be traced and are not recorded. Reports to the independent external third party can be made in over 100 languages.

The disclosures under this arrangement are investigated promptly by the Company Secretary, with the support of Internal Audit, and escalated to the Executive Board and the Board as appropriate, with follow-up action being taken as soon as practicable thereafter.

The Board, as part of its overall review of the Group's system of internal control, reviewed the procedures in place during the reporting period and is satisfied that they are appropriate to the size and scale of the Group.

Our governance framework

Chairman and Chief Executive

The roles of the Chairman and Chief Executive are separate, with a clear division of responsibilities between them which is set out in writing; the responsibility for this separation of duties rests formally with the Board.

This separation of roles enhances the independent oversight of executive management by the Board and more closely aligns the Board with shareholders. It also means that no one individual within the Company has unfettered powers of decision-making.

Senior Independent Director

The Senior Independent Director provides shareholders with someone to whom they could turn if ever they had concerns which they could not address through the normal channels, for example, with the Chairman or executive directors. While there were no requests from directors or shareholders for access to the Senior Independent Director during the year, the role serves as an important check and balance in Hays' governance process. In the fulfilment of his role as Senior Independent Director, Peter Williams ensures he maintains a thorough understanding of the views of the Company's shareholders.

Independence of non-executive directors

The terms and conditions of appointment of non-executive directors, including the expected time commitment, are available for inspection at the Company's registered office, and a pro-forma letter of appointment is also available on the Company's website.

During the year, the Board considered the independence of each of the non-executive directors, save for the Chairman who was deemed independent by the Board at the date of his appointment. In doing so, it concluded that each non-executive director remained independent of management and free from any relationship that could interfere with the exercise of their independent judgment. As required by the Code, a majority of the Board of Directors of Hays plc are independent. All of Hays' directors are expected to act in the best interests of the Company. Key roles and responsibilities of these positions, and that of the Company Secretary, are provided on the right-hand page.

Role of the non-executive directors

- Provide strong, independent and external perspectives to Board discussions and robust and enhance robust and constructive debate and optimal decision-making.
- Scrutinise the executive management in meeting agreed objectives and monitoring the reporting of performance.
- Ensure that financial controls and systems of risk management are both rigorous and appropriate for the needs of the business.

Board and Committee attendance

The Board met a total of eight times during the year. In addition, the Board attended an annual Strategy Review meeting with the Executive Board. Board and Committee attendance for meetings during the year is shown below.

	Board	Audit Committee	Nomination Committee	Remuneration Committee
Alistair Cox	8 of 8	–	–	–
Paul Venables	8 of 8	–	–	–
Andrew Martin	8 of 8	–	8 of 8	–
Joe Hurd(1)	4 of 4	2 of 2	4 of 4	2 of 2
Torsten Kreindl(2)	7 of 8	3 of 4	6 of 7	6 of 6
Cheryl Millington	8 of 8	4 of 4	8 of 8	6 of 6
Susan Murray(3)	7 of 8	3 of 4	7 of 8	6 of 6
MT Rainey	8 of 8	4 of 4	8 of 8	6 of 6
Peter Williams(4)	8 of 8	4 of 4	8 of 8	5 of 6

(1) Joined the Board on 1 December 2021. Attendance shown is of those meetings which took place during tenure.
(2) Did not attend one Board meeting, one Audit Committee meeting and one Nomination Committee meeting due to a prior commitment. Stepped down from the Board on 16 May 2022. Attendance shown is of those meetings which took place during tenure.
(3) Did not attend one Board meeting, one Audit Committee meeting and one Nomination Committee meeting due to a prior commitment.
(4) Did not attend one Remuneration Committee meeting due to a prior commitment.

Our governance framework

Andrew Martin
Chairman
- Leadership and the effective operation of the Board
- Chairing the Board and Nomination Committee
- Setting the agenda, style and tone of Board discussions including promoting openness, debate and effective individual contribution
- Effective communications with shareholders
- Ensuring that all directors receive clear and accurate information on a timely basis
- Ensuring the effectiveness of the Board through induction, ongoing training and regular evaluations

Alistair Cox
Chief Executive
- Day-to-day management of the Group's business
- Formulating strategic business objectives for Board approval and implementing approved strategic objectives and policies
- Managing and optimising the operational and financial performance of the business in conjunction with the Group Finance Director
- Fostering a good working relationship with the Chairman
- Chairing the Executive Board and developing senior talent within the business for succession planning

Peter Williams
Senior Independent Director
- Acting as a sounding board for the Chairman
- Serving as an alternative contact and intermediary for other directors and shareholders
- Leading the Chairman's annual performance appraisal and ultimate succession

Doug Evans
Company Secretary & General Counsel
- Acting as Secretary to the Board, its Committees and the Executive Board
- Providing legal and governance support to the Board as a whole and directors individually
- Ensuring that the Group complies with all relevant legal, regulatory and governance requirements

Operational governance

Executive Board
- Day-to-day management of our business and operations, responsibility for monitoring detailed performance of all aspects of our business
- Meets monthly
- Each member has a clearly defined remit, business objectives and financial budget within which they operate

Chief Executive (Chairman of Executive Board)
Group Finance Director
Company Secretary & General Counsel
Chief Customer Officer
Group Director of People & Culture
Global Managing Director of Hays Enterprise

Managing Directors of Group's operating divisions: Australia & New Zealand, Germany, UK & Ireland and Rest of World

Operate their business through regional boards, which comprise key business and functional managers with specific responsibilities within those regions.

Each business is given operational autonomy, as far as possible, within a well-established internal control framework which consists of, amongst other things, a Group-wide set of policies and procedures, operational delegated authorities and policies on anti-bribery and corruption, competition compliance, conduct and ethics, Equity, Diversity & Inclusion and whistleblowing.

KEY ACTIVITIES OF THE BOARD DURING THE YEAR

Key areas of activity	Matters considered	Stakeholder impact
1. Developing a successful strategy	– Attended a Group strategy session with members of the Executive Board and other senior executives, to consider key strategic priorities and challenges faced across the business – Approved the Group strategy and reviewed associated performance – Approved new brand positioning for Hays – Deep-dive sessions on regional businesses, receiving presentations from senior management on business performance, the state of the market, strategy, succession planning and opportunities – Received updates on Strategic Growth Initiatives – Reviewed strategy plans and received reports on the operational performance for the Group's regions – Received regular updates on Environmental and Green Economy progress – Received reports on technology and innovation and related industry developments	Key focus areas Other considerations
2. Ensuring appropriate financial management	– Received and considered regular reports on the Group's financial performance – Approved financial announcements for publication – Approved the annual budget – Considered dividend policy in respect of FY22 – Considered and approved share buyback programme – Met with the Company's financial adviser and corporate brokers	Key focus areas Other considerations
3. Implementing governance and ethics and monitoring risk	– Performed the annual review of the effectiveness of internal control, risk identification and mitigation – Reviewed regular reports on legal and compliance matters from the Company Secretary, including from the Company's whistleblowing arrangements – Received formal training updates on corporate reporting, legal and regulatory matters – Received updates on Cybercrime – Reviewed Board and Committee effectiveness – Reviewed the terms of reference of the Board Committees – Reviewed the Directors' Conflicts of Interest procedures – Reviewed the Company's compliance with the Code (2018)	Key focus areas
4. Stakeholder engagement	– Received feedback from designated workforce engagement NED on matters pertaining to workforce engagement – Received updates on our Net Zero journey – Received updates on Helping for your tomorrow – Considered and approved invitations under the Company's all-employee share plans – Received updates on Customer Experience – Received regular updates on views and feedback from investors – Considered the Company's investor relations strategy – Considered and reviewed the leadership and development strategy – Reviewed the Group's succession plans and assessed risks and options	Key focus areas Other considerations

Communities
Host countries & governments
Employees
Suppliers
Shareholders
Natural environment
Clients
Candidates

BOARD AND STAKEHOLDER ENGAGEMENT

How the Board makes its decisions and considers stakeholder interests.

Board decision-making

The Board effectively uses its meetings as a mechanism for discharging its duties under Section 172 of the Companies Act 2006.

You will find examples of how the Board considered our stakeholders when making key decisions during the year below. The Board recognises its fiduciary duty to promote the success of the Company for the benefit of our shareholders. In doing so, however, the Board considers the impact of its decisions on all its stakeholders. These stakeholder considerations are woven throughout all Board discussions and decisions ensuring those impacted are treated fairly.

Employees, clients and candidates

With the continuation of Covid-19 and global travel and safety restrictions, the Hays plc Board was unable to visit office locations around the world during FY22 and the planned visits have been rescheduled. During the year, the Board used its time to have a 'deep-dive' into the Asia, Americas, Australia and New Zealand businesses, which allowed them to understand the opportunities and think about the challenges we face in these core regions. In addition to virtual meetings with the local management teams, the Board also heard how the regional teams were implementing the next chapter of 'Our Hays Story', and showcasing resilience and driving growth in conversations and the presentations they received.

The Board also had technology-focused and brand-positioning sessions which enabled them to have oversight of progress in enhancing the Customer Experience through the enhancement of brand value, and focusing on the customer and effective allocation and use of resources. This understanding is integral to how the Board allocates capital and invests to secure the long-term success of the Company.

MT's overview of employee engagement

Hays has appointed MT Rainey as its designated workforce engagement director. You can read more about her work during the year on page 88.

Board information for decision-making

A forward calendar of matters for discussion at each meeting is pre-determined.

Consists of certain standing items for each meeting, including operational, functional and financial reviews, and Committee updates.

Unplanned items such as commercial or property-related decisions are considered as and when required.

Agenda for each meeting planned by the Chairman, in conjunction with the Chief Executive and Company Secretary.

Management shares information in advance of any decision-making and any S.172 factors are highlighted for Board discussion in the Board papers or by the Company Secretary.

Board discussion

Based on the information provided, the Board holds a robust discussion, challenging the matters at hand, as necessary.

The Board considers the impact of its decisions on all its stakeholders, ensuring those who are impacted are treated fairly.

See pages 20 to 23 for how the Company continues to create value for stakeholders. Also, a summary of the Board's key activities and the topics covered and debated during the year is set out on page 84.

All Board directors have access to the Company Secretary who advises them on Board and governance matters.

Any director can take independent professional advice at the Company's expense in the furtherance of their duties, where considered necessary.

Board decision

The Company Secretary records all decisions.

Board decisions are cascaded for implementation and the Board is kept updated on the progress at future meetings.

The Board or management engages with stakeholders who are impacted because of Board decisions.

Any material Board decisions are disclosed via the Annual Report. An example of the process in action is provided on page 87 regarding the Company's decision to withdraw from Russia.

Shareholders

Responsibility for shareholder relations rests with the Chairman, Chief Executive and Group Finance Director. They ensure there is effective communication with shareholders on matters such as governance, sustainability and strategy, and are responsible for ensuring that the Board understands the views of major shareholders on such matters.

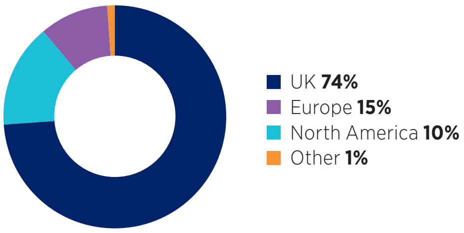
The Company's investor relations programme is supported by a dedicated Investor Relations team, which acts as the primary point of contact with the investor community. It is responsible for managing ongoing relations with investors and shareholders.

The Board receives regular reports from the Investor Relations team. Feedback from meetings held between executive management, or the Investor Relations team, and institutional shareholders is also reported to the Board.

As a part of a comprehensive investor relations programme, formal meetings are scheduled with investors and analysts to discuss the Group's half- and full-year results.

In the intervening periods, Hays continues its dialogue with the investor community by meeting key investor representatives, holding investor roadshows and participating in conferences. Meetings with debt providers, principally the Company's banks, also take place on a regular basis. During the year, the executive directors and senior management met with approximately 61 institutions around the world, interacting with shareholders and potential shareholders. The Chairman also held meetings with investors during the year.

Geographical breakdown of investors met



Major shareholders

As at 30 June 2022, the following shareholders held an interest of 3% or more of the Company's issued share capital:

	% of total voting rights attached to shares(1)
Silchester International	11.03%
Ameriprise Financial, Inc.	10.00%
BlackRock, Inc.	6.55%
Marathon Asset MGNT Limited	5.95%
Baillie Gifford & Co	5.00%
Majedie Asset Management	3.39%
M&G Investment Management	3.16%
Evenlode Investment	3.14%

(1) On 18 August 2022, Silchester International notified the Company that their notifiable interest was 12.03%.

The Chairman and the Executive Directors attended the Investor Day held in April 2022 in London, engaging with 35 investors across the day, setting out growth plans and what they will deliver for shareholders. You can read more about the Investor Day on page 7 in the Strategic Report.

Results presentations are posted on the Company's website at haysplc.com/investors and if you would like to know more about our relations with shareholders please contact ir@hays.com.

Annual General Meeting

The Board uses the Company's AGM to communicate with investors and views it as a good opportunity to meet with its smaller, private shareholders. The Company's 2021 AGM represented a welcome return to a physical, in-person meeting.

All shareholders are entitled to attend the AGM, at which the Board members are present. A summary presentation of results is given by the Chief Executive before the formal business of the meeting is conducted. All shareholders present can question the Chairman, the Committee Chairs and the rest of the Board both during the meeting and informally afterwards.

The Notice of AGM and related papers are sent to shareholders at least 20 working days before the meeting. Voting on all resolutions at the AGM is by means of a poll, which, reflecting the number of voting rights exercisable by each member, is considered by the Board to be a more democratic method of voting. As soon as practicable following the conclusion of the AGM, the proxy votes cast, including details of votes withheld, are announced to the London Stock Exchange via the Regulatory News Service and published on our website.

Communities and environment

The Board continued its focus on Environmental, Social and Governance (ESG) matters during the year. Throughout the year, the CEO met with investors and discussed our ESG agenda. In taking into account various stakeholder views, the Board further reviewed a proposal for the Company's Net Zero strategy and sought to understand the infrastructure and activity required. You can read about our Net Zero journey on page 21.

Employee and community wellbeing has remained on the mind of the Board following the challenges of Covid-19 and its effects within the workplace. The Board has also shown continued support for the 'Helping for your tomorrow' programme which supports employees to take up volunteering opportunities. The Board fully endorses this scheme which allows employees across Hays to take one paid day each year to volunteer for a charitable cause.

The Board recognises the importance of diversity and encourages the Company's approaches in addressing this subject matter. As such, the Board has been supportive of the strategies suggested by the Equity, Diversity & Inclusion (ED&I) Council and continues to closely monitor the progress made in this area.

You can read more about our work on communities and the environment on pages 24-25 and 56-61.

BOARD CASE STUDY
S.172 IN ACTION

With the onset of the Russia-Ukraine crisis during the year, the Hays' Russian business was considered as a high geo-political risk. The Russian business had performed well during the years and Hays had many colleagues employed in the region, whose welfare was a primary consideration. The situation remained under constant review by the Executive Board, led by the Chief Executive.

In February 2022, the matter was discussed by the Hays plc Board. The Board considered all options for the Russian business, including ceasing trading in Russia at short notice in addition to ancillary matters such as cyber security risk, the increasing cost of insurance, where available, and challenges to normal treasury activity due to increasing sanctions. The Board was cognisant of the broad range of stakeholder groups that were impacted by the crisis, and that would be impacted by any decisions taken by the Company with regard to its future in the region. Steps were taken initially to mitigate cyber risk as the wider interests of clients and candidates and their data security and privacy is at the heart of everything we do at Hays.

The Board debated how the Russian business could be separated efficiently, including separation of the corporate structure while also considering the impact on corporate functions, including employees.

An initial plan to liquidate the business was developed, in case suitable and viable alternatives were not forthcoming and in view of the potential time scale for completion of such an exercise. Members of the Executive Board remained engaged with their Russian colleagues and kept the plc Board informed throughout this process, from which a management buyout (MBO) proposal was forthcoming. The financial stability of the business within Russia was such that, without any additional financial support from the Group, the business remained viable for some time, enabling a proper due diligence exercise to be undertaken for the MBO proposal. The Board ensured protection for the employees through provisions in the draft sale and purchase agreement, and undertook a full evaluation of the accounting impact. To facilitate the complicated, sensitive and time-critical nature of the process involved with maintaining the liquidation option while thoroughly considering and validating the MBO proposal, the plc Board delegated authority to complete the Group's exit from Russia to members of the Executive Board.

In June 2022, having considered the interests of stakeholders, both short- and long-term consequences and the impact of operations on the host countries, governments and communities in their decision-making processes, while acting in a way that promotes the success of the Company for the benefit of its shareholders, the Board concluded the cessation of our operations in Russia through a management buyout, the transfer of the business receiving final registration in Russia in July 2022.

STAKEHOLDER IMPACT

Key focus areas

Other considerations

OVERVIEW OF WORKFORCE ENGAGEMENT

As Board Director for Workforce Engagement, my role serves to ensure that a deeper and more applied understanding of the workforce is being brought to bear in our strategic discussions at the Board, beneath the research headlines and beyond the more managed interactions and as part of our commitment to the Code.

After all, people are Hays' principal asset as well as its stock in trade, and the Company's investment in people, their capabilities, their wellbeing and their progress, is a core strategic priority for our Board.

This role seems more important than ever as the war for talent intensifies and patterns in the world of work are shifting.

As a technology-enabled people business, Hays was well positioned for the swift transitions mandated by the pandemic. The Company has a well-established range of virtual tools, techniques, mechanisms and forums for engaging with its employees both within and across geographies, disciplines and themes. Partly this is driven by a strong sales culture in which motivational communication and town hall meetings are part of 'business as usual' but also because Hays employees are at the frontline in the world of work and their insight into market trends and transformations is a critical feedback channel for the leaders of the Company. This two-way interaction has always been critical to Hays and it has stood the Company in very good stead in the sudden transition to virtual working.

The Company was able to successfully establish and maintain new networks and channels as the pandemic progressed in different waves across our geographies, to ensure the transition to hybrid and remote working was safe, efficient and fast. At all times the safety and wellbeing of Hays employees in this transition was paramount to management and a preoccupation of the Board.

A number of special forums were set up Company-wide to encourage people to connect and support each other on a range of issues outside of their immediate job role. I was able to participate regularly in a number of these meetings. They included the LGBTQ+ forum, Hays Pride, a Parents@Hays group and a programme called Hays Boost, designed to build on the existing Hays Thrive programme with tools and training to help employees maintain their mental wellbeing and develop new skills for remote working. In the UK&I this has been established as an ongoing programme called Wellbeing@Hays.

With 13,000 staff over a global geography, my involvement with employees over the period of the pandemic has inevitably been largely virtual, but in the second half of the year we are able to return to in-person meetings with some of these groups and with key individuals, principally in the UK.

At the Annual Strategy Meeting of the Board in May this year I made a formal report to the Board on Employee Engagement from the work I had been doing over the year, principally drawing on three main inputs.

1. Your Voice

One of the principal tools Hays uses to gauge employee sentiment and engagement is the Your Voice survey, covering a wide range of areas including reward, leadership, culture and development. The extensive survey is fielded once a year to all employees, who complete it anonymously. The survey is conducted online and allows free text comments yielding both qualitative and quantitative data. Results of the Your Voice survey are shared with the Executive Board and accessible to regional and country leaders on an internal platform to view specific data for their region. Additionally, a tapered pulse survey was conducted within the year to analyse Company culture and connectedness in hybrid and lockdown conditions.

I was given free and open access to the platform which allowed me to look at the data and free text responses among sub-populations, cross-referencing different questions and issues. This additional and ongoing insight has been extremely valuable to me in my role, lending weight, colour and nuance to Board discussions around employee wellbeing, diversity and inclusion as well as to operational issues like pay, fairness and progression.

2. The Global ED&I Council

This was set up at Hays in 2019, led by one of our Regional Managing Directors, to aid in defining the purpose and objectives of Hays internal and external ED&I policies. The principle is that operators themselves own the ED&I agenda and not leave it to the domain of People & Culture. I have been able to participate as an observer in meetings that have been exclusively virtual and are held every six weeks. There are also several sub-groups, regional groups and groups that focus on specific issues. A focal point during the year has been centred around protocol setting, data gathering and commissioning and the setting of gender targets for the leadership cohort.

Research commissioned by an external specialist consultancy, Hatch, was conducted looking into the realities of ED&I at Hays, which provided insight around specific employee groups. Actions from the research were shared with the ED&I Council and developed by specific regions. Hatch was also commissioned to undergo an exercise regarding 'Women In Leadership' at Hays, as there is a task force addressing action plans supporting our gender targets. The ED&I Council also has a working group to deliver a best practice blueprint for inclusive hiring. I was able to provide a more nuanced narrative around theses issues having participated in the process.

3. Helping for your tomorrow

This was set up from a grassroots employee initiative to be a Company-wide branded programme, both inward and outward facing, that represents the Company's social purpose. It serves to align all global and volunteering activity towards the aim of ensuring we support the communities we serve around employability and specifically making the world of work more equitable.

This was a major internal marketing campaign to guide and inspire local and individual efforts around disabled workers, ethnic minorities, the LGBTQ+ community, neurodiversity, mature workers, excluded youth and women returners. A clever and easy-to-use app was developed with social and sharing features to encourage usage and take up. This programme really helped employees feel they were "giving something back" in a way that was relevant to their jobs and professional skills, and was a major boost to morale in difficult and disconnected times.

As travel restrictions ease and we are now returning to in-person meetings and Board travel, I will be reverting to the original plan of conducting one or two focus groups of employees alongside one other Board member in each region or office that we visit. The intention is for this to create an additional layer of immersive qualitative insight to these Board visits, on a range of issues and across different functions and geographies.

This will be supplemental to my ongoing involvement with and access to Your Voice, the ED&I Council and other employee groups that are in train.

In the third year of this role it seems more important than ever that the workforce stakeholder is heard and understood.

MT Rainey
Workforce Engagement Director

NOMINATION COMMITTEE REPORT

“The **Committee continues to support the Board** and the wider business with the ED&I agenda.”

Andrew Martin
Chair of the Nomination Committee, Hays plc

Dear Shareholder

Much of the planning and what you might call business as usual for the Nomination Committee came to fruition in a busy year for the Committee, with the appointment of an excellent new NED, Joe Hurd, as well as the culmination of succession planning activity relating to our Finance Director, Paul Venables, who decided to serve notice in February of his intention to retire from full-time employment at the end of September 2022, after 16 years within the Group.

The Committee continues to plan for the addition of one or more non-executive directors, over the short and medium term, to ensure the key roles on the Board have continuity and coverage. We do not presently have a female holding one of the ‘senior board positions’, as prescribed by the new Listing Rule that will apply to Hays from next year. The Committee hopes to address this as the relevant roles become vacant.

Diversity was very much at the forefront of my mind and the Committee’s thinking during the process undertaken to appoint James Hilton as Paul Venables’ successor. James’s breadth of experience and fit for the role were critical to that appointment. However, the Committee is wholeheartedly supportive of the aims of the changes to the Listing Rules. I hope shareholders take comfort from the rigour the Committee brings to its deliberations and its decision-making at the most senior levels.

There continues to be strong commitment within the business around ED&I and the Committee continues to support the Board and the wider business with this agenda. Targets have been set internally for levels of female representation in senior management, and I am most encouraged that this issue is getting the attention it deserves. It is important to note that these are targets not quotas, and the business will use these to drive behaviours to achieve the appropriate and reflective representation of females further up within the organisation. Although gender is a key aspect of ensuring diversity, we are also conscious of ensuring wider diversity across the organisation. The Committee also has the subject firmly in focus when it comes to the profile of the Board and senior management, and while we have strong female representation on our Board, we need to do more to advance diversity at the most senior executive level.

The Committee continually looks at the skills, experience and diversity required at the Board level to ensure it can discharge its duties and properly reflect stakeholder interests, which themselves cover a broad spectrum. Joe’s appointment strengthened our knowledge and understanding with regard to the digital agenda, having spent much of his career in consumer-facing technology businesses; alongside that Joe also brings a broad global business experience. As previously mentioned, the Committee continues to plan for an increase to its number and Spencer Stuart continues to assist with this.

Our annual Board Evaluation, conducted externally this year, proved as always to be an exceptionally useful lens through which we can look at ourselves and our performance as a Board, and individually as directors, and I will ensure that the relevant action points described further in this Committee report are implemented with the objective of helping to improve the overall performance.

Andrew Martin
Chair of the Nomination Committee
24 August 2022

Role of the Nomination 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 (haysplc.com) under Governance.

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; and
- Keep under review the time commitment expected from the Chairman and the non-executive directors.

Membership and meetings

The Committee is appointed by the Board. It is chaired by the Chairman of the Board and comprises the Non-Executive Directors, all of whom are independent, save for the Chairman who was independent on appointment. The names and qualifications of the Committee's current members are set out in the directors' biographies on pages 78 and 79.

The Committee meets as required and did so on eight occasions during the year, and attendance by members can be seen on page 82. Other regular attendees at Committee meetings include the Company Secretary and, on invitation, the Chief Executive and Group Finance Director.

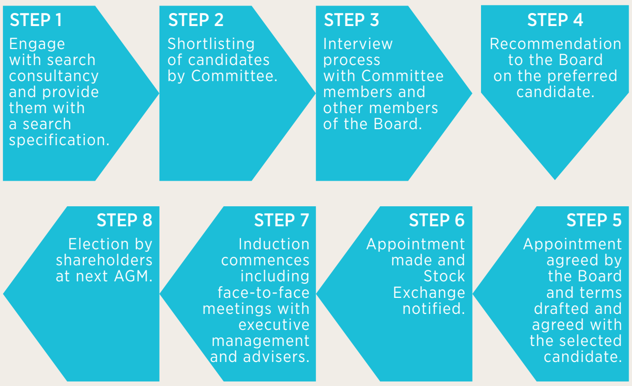
Main Committee activities during the financial year

- Considered Board and senior management succession plans
- Reviewed the composition of the Board and its Committees
- Considered and recommended to the Board the appointment of a Finance Director and a new non-executive director
- Reviewed the Committee's Terms of Reference
- Considered and approved the appointment of an independent leadership services and executive search consultancy

Non-executive director appointment process

When recruiting new members of the Board, the Committee adopts a formal and transparent procedure with due regard to the diversity, skills, knowledge and level of experience.

An overview of the steps leading to non-executive director election and the induction process can be found below:



Spencer Stuart was used in respect of Joe Hurd's appointment which occurred in the year under review. Spencer Stuart is an independent executive search consultancy and it has no other connection with the Company.

The Committee identified the need for a non-executive director with consumer-facing technology businesses experience. Joe, having the recent broad global experience across the public, private and not-for-profit sectors, as well as experience of investment in early-stage technology companies, was appointed following a rigorous interview process.

In the year ahead, the Committee will continue to assess the Board's composition and how it may be enhanced and will consider diversity (including, but not limited to, gender, race and experience) and geographic representation. Spencer Stuart has been retained as the independent consultant to the Committee to ensure a broad search for suitable candidates, where required. The Board will keep under review the ongoing suitability of its current complement of eight members.

Board composition is routinely reviewed to ensure that the balance of skills, knowledge and experience of the Hays Board remains appropriate to its business.

The Board has not set any specific aspirations in respect of diversity at Board level and supports fully the Code principles in respect of diversity. The Board recognises the benefits of diversity, but is of the view that diversity is not about quotas. It will continue to ensure that diversity is taken into account when considering any particular appointment, whilst ensuring appointments are made to enhance the performance of the business.

We believe that a culture built on trust, respect, equity and inclusivity will enable us to live our values, achieve our ambitions and deliver our purpose. We believe that diversity must be evident at all levels of our business and reflect the markets and communities we serve and this is central to the Nomination Committee's succession planning considerations. The Committee welcomes the work being undertaken within the business regarding diversity targets, which will complement other Group initiatives to build a strong pipeline of talent across the Company.

Succession planning

A key task of the Committee is to keep under review the Company's succession plans for members of the Board and Executive Board over the short, medium and longer term, to ensure the Board in particular remains appropriately balanced between new and innovative thinking and longer-term stability.

Board appointment criteria are considered automatically as part of the Committee's approach on succession planning. The Committee believes that limited tenure and the subsequent enforced retirement of directors is not always appropriate for sound business leadership. Accordingly, matters of director tenure are viewed on a case-by-case basis. The Committee will monitor the balance of skills, knowledge, experience and diversity of the Hays plc Board, and lead succession planning for appointments to the Board and the Executive Board; it will promote diversity of gender, social and ethnic backgrounds, cognitive and personal strengths as part of succession planning, recruitment and promotion.

When Paul Venables notified the Company of his intention to retire from full-time employment, the Committee began the process for the identification of a new Group Finance Director. A candidate profile was developed to ensure any potential candidate would have the required balance of skills and experience relevant to Hays plc.

As part of its ongoing succession planning, the Committee was aware of the strength of an internal candidate, James Hilton, Group Financial Controller, who had previously been European Finance Director, UK&I Financial Controller and Head of Investor Relations within Hays. As a consequence, Odgers Berndtson, which has no other connection with the Group, was engaged to put James through a thorough and rigorous assessment process. In addition, a review of external candidates was undertaken and a list provided to the Committee. In parallel with the external assessment process, James underwent interviews with the Chairman, Chief Executive and Audit Committee Chair. Following conclusion of the interviews and the assessment process, feedback was provided to and discussed by the Committee. A final meeting was held in February 2022 for the Committee to discuss their views and agree a recommendation to the Board.

Following approval by the Board, on 24 February 2022 it was announced that James Hilton would be appointed as the Company's new Group Finance Director from 1 October 2022. Paul and James are working closely on a thorough handover process ahead of James's formal succession to the role. More information about James, his experience and previous roles can be found at haysplc.com.

Tenure of non-executive directors

Appointments to the Board are made for initial terms not exceeding three years and are ordinarily limited to three such terms in office. Each director stands for re-election annually.

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 2022 AGM continues to be effective and demonstrates commitment to their roles, including independence of judgment, commitment of time for Board and Committee meetings and any other duties.

Accordingly, the Committee has recommended to the Board that all current directors of the Company be proposed for election/re-election at the forthcoming AGM.

Board induction and development

On appointment, each director takes part in a tailored and comprehensive induction programme which is designed to give him or her a deep understanding of the Group's business, governance and stakeholders. You can read more about Joe Hurd's thoughts on his induction programme on page 92.

The Chairman, in conjunction with the 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 Chairman also keeps under review the individual training needs of Board members. 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. The Company Secretary presents corporate governance reports to the Board as appropriate, together with any relevant technical directives issued by the Group's auditor. In this way, each director keeps their skills and knowledge current so they remain competent in fulfilling their role both on the Board and on any Committee of which they are a member.

Board evaluation

During FY22, in accordance with Code Provision 21, the effectiveness of the Board was assessed through a Board evaluation process, conducted externally.

The evaluation was conducted by EquityCulture Ltd, which has no other connection with the Company. One-to-one meetings were held between the evaluators (the Evaluator) and the Directors and the Company Secretary. During the meetings, six broad topic areas were considered, and the Evaluator ensured that pre-defined constituent elements of each topic were covered to ensure consistency in the evaluation. The topic areas covered included Board meetings, Board composition, diversity and culture, succession planning, strategy, and risk. Committee effectiveness was also assessed in accordance with Code requirements.

Results were reported to the Board by the Evaluator and areas for improved operation identified (Action Points). The outcome of the evaluation indicated that the Board appears to be a good one and is both well led and well supported, and members enjoy being part of it.

The report noted that the relationship between the executive and non-executive members was stronger now than perhaps it had been during the Covid lockdown period but could be further improved with greater contact between members outside of the Board meeting schedule. Unanimously there was a strong sense of wanting to achieve the best for the Company in how the Board functions.

The Board has a clear understanding of its role, relative to the business, and is alive to the growing responsibilities placed upon it and the landscape within which they are framed, in areas such as ESG and Equity, Diversity & Inclusion, and certain Action Points around this aspect were identified to further enhance the Board's performance.

While the profile of the Board was felt to contain a reasonable mix of gender, ethnicity, and diversity of experience, it was acknowledged that it could perhaps be further enhanced by greater non-UK experience; the merits of a female in a senior Board position were also acknowledged and are already feeding into conversations around succession plans.

Encouragingly, as part of the evaluation process, some good practice within certain parts of the business and the merits of replicating such models elsewhere were identified by respondents. The benefits of data-driven decision-making, around diversity in particular, are something the Board is keen to work with the business on to enhance what is in place already, for example around gender targets.

While not without some minor related Action Points, Risk and Strategy were considered to be well managed generally. Similarly, the operation of the Board Committees was felt to be effective, with an acceptance of the model of all non-executives sitting on all Committees (with the exception of the Company Chair), but also an acknowledgement that such a model can place an increased burden on the Committee Chairs.

Other Action Points not already noted were identified and agreed including the engagement of greater external input when succession planning, consideration of the establishment of an ESG Committee, some improvements to the conduct of Board meetings, principally around gaining the most value from the attendance by presenters who are external to the Board membership and other time management matters, and whether the Board would benefit from adding to its (non-executive) number.

In addition to the evaluation of the Board and Committees, the Company Chair evaluated the individual performance and effectiveness of each Director. During FY22, the Senior Independent Director led a separate appraisal of the Company Chair's performance with his fellow Non-Executive Directors, which took into consideration both the Executive and Non-Executive Directors' views.

In addition to the formal evaluation, the Non-Executive members of the Board met at various times during the year without the Executive Directors present, from which huge value was derived and the merits of which were brought out in the evaluation. Further, during FY22 the Non-Executives met without the Company Chair present.

Q&A WITH JOE HURD

Q1.
How have you found your first few months as a Director of Hays plc?

A. I joined Hays at a time when the world was still coming out of the global pandemic, and whilst macroeconomic (e.g., recession risk) and geopolitical uncertainties (e.g., Russia's invasion of Ukraine) prevail, client and candidate confidence remains strong. As a Non-Executive Director, it is my role to provide constructive challenge and I am impressed with how the Board is attuned to today's fast-paced digital world and holds enhancing customer experience with the help of technology at the heart of its strategy. I have also been impressed by the willingness of Hays employees worldwide to share their knowledge with me as I onboard. All this, together with the investment in Strategic Growth Initiatives, have made it a promising start for me as a Director.

Q2.
Having recently attended the induction programme, what were your impressions of the programme?

A. The induction programme was tailored, highly valuable and provided a useful insight into the Company's operations. I am grateful to my colleagues on the Board, particularly the Chair, for their support and have already enjoyed meeting people from many areas of our business since my appointment. I've been fortunate to visit and meet with employees in the Tampa, Atlanta, London, Amsterdam and Hamburg offices already – so we are off to a fast start!

A part of my planned induction was rescheduled, and our London-based meetings were held online as a Covid-19 lockdown and travel ban loomed in December. I have met with members of the Executive Board and their teams to gain an understanding of the current opportunities and challenges facing their areas of responsibility. This has also included briefing sessions with key business regions.

I have also met with Company's auditors, brokers, and external legal and remuneration advisers. The Group General Counsel and Company Secretary and I have met often to understand the risk management framework and the lines of defence. These meetings are vital while performing my role as a member of the Audit, Nomination and Remuneration Committees.

Q3.
How would you describe the Hays culture?

A. Customer-centricity and doing the right thing are the values which I witnessed during my interactions with colleagues at Hays. Our consultants are a trusted adviser to their clients and candidates and true experts in their fields. I am impressed by their passion and integrity and applaud them for this and what they achieve, often in very challenging circumstances. I have also attended two company-wide ED&I events hosted by Hays US and have been very impressed by the level of attendance and participation by allies across the Company. That type of allyship and support is indicative of Hays' culture.

Q4.
What is your key focus for the year ahead?

A. Meeting Hays employees and customers locally is an important component of understanding the Company's operations and culture, and I look forward to additional in-person office visits as we continue to emerge, hopefully permanently, from the pandemic era.

Another key focus of mine is to assist in strengthening and challenging the technology, digital and data agendas and the investment in technology transformation. Being based in the United States, I plan to pay particular attention to the growth opportunities for Hays US, and I look forward to interacting with the US-based management team in this regard. Finally, our genuine desire to fulfil ED&I commitments across the business is heartfelt, and I look forward to working with the entire Board and Executive Board to drive this forward.

AUDIT COMMITTEE REPORT

"The **Committee is watching with interest the unfolding regulatory landscape** and the outcome of the BEIS consultation."

Peter Williams
Chair of the Audit Committee

Dear Shareholder

I am pleased to present the Audit Committee Report for the year ended 30 June 2022 on behalf of the Board, prepared in accordance with the 2018 Code.

The Report provides an oversight of the Committee's deliberations and activities over the year. Our principal responsibilities remain unchanged. We have reviewed the Committee's Terms of Reference and minor amendments were made to ensure they track the Code.

The Committee has continued to play a key role within the Company's governance framework to support the Board in matters relating to financial reporting, internal control, the assurance framework and risk management.

During the year, the Committee had an engaging discussion with management on compliance with the Task Force on Climate-related Financial Disclosures (TCFD) reporting requirements and had an overview of the steps taken to fulfil our reporting obligations.

Regular updates around cybercrime and data governance are now a feature for Audit Committees around the world. The Committee receives regular updates from the Chief Information Officer on the robustness of the Company's IT controls in addressing these additional technology challenges.

The Committee is watching with interest the unfolding regulatory landscape and the outcome of the Department for Business, Energy, and Industrial Strategy (BEIS) consultation on audit and corporate governance reform.

Lastly, I am pleased to welcome Joe Hurd who joined the Committee in December 2021 and I am grateful to Torsten Kreindl for his substantial contribution over the years.

I hope the following report will provide you with the necessary support in your assessment of the Company's performance, business model and strategy.

Peter Williams
Chair of the Audit Committee
24 August 2022

Role of the Audit Committee

The Committee's Terms of Reference are available on the Company's website (haysplc.com) under Governance.

The key responsibilities of the Committee are to:

- Monitor the integrity of the Financial Statements of the Company, including annual and half-year reports, interim management statements, and other formal announcements relating to its financial performance, and reviewing and reporting to the Board on significant financial reporting issues and judgments;
- Where requested by the Board, 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 to assess the Company's performance, business model and strategy;
- Recommend to the Board for approval by shareholders, the appointment, reappointment or removal of the external Auditor;
- Monitor the relationship with the Company's external Auditor, including consideration of fees, audit scope and terms of engagement;
- Review the effectiveness and objectivity of the external audit and the Auditor's independence;
- 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; and
- Ensure compliance with laws, regulations, ethical and other issues.

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 78 and 79.

The Chair of the Committee, Peter Williams, is a Chartered Accountant and its financial expert. All Committee members are financially literate.

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 82.

The Committee commissions reports, either from external advisers, the Head of Internal Audit or Group management, as required, to enable it to discharge its duties. The Group Finance Director attends its meetings, as do the external Auditor and the Head of Internal Audit, both of whom have the opportunity to meet privately with the Committee Chair, in the absence of Group management. The Chairman of the Board and the Chief Executive are also invited to, and regularly attend, Committee meetings. The Deputy Company Secretary acted as Committee Secretary.

Main Committee activities during the financial year

- Approved the annual Committee programme
- Reviewed financial results for publication
- Considered the external audit plan and reviewed the results of the audit
- Approved the internal audit plan and reviewed its findings
- Reviewed the non-audit services provided by the external Auditor
- Reviewed the risk management and controls framework and its effectiveness, together with the Group's principal risks
- Considered all aspects of IT operations and risks
- Considered the continuing threat of cyber-related attacks and the related controls in place across the business
- Reviewed the performance and effectiveness of the external Auditor
- Considered all aspects of fraud and ethics matters
- Reviewed the performance and effectiveness of the Internal Audit function
- Reviewed the material litigation report
- Considered and reviewed the steps undertaken for compliance with TCFD
- Carried out a review of the Committee's effectiveness and reviewed progress on matters arising from previous assessments
- Considered the Code requirements concerning fair, balanced and understandable reporting
- Considered the Company's long-term viability
- Recommended the Audit Committee Report for approval by the Board
- Held discussions with the external Auditor and the Head of Internal Audit without management being present

Fair, balanced and understandable

In addition to its work described here, the Committee has reviewed the financial and narrative disclosures in this year's Annual Report. It has advised the Board that, in its view, taken as a whole, the Annual Report is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's performance, business model and strategy.

In making its recommendation to the Board, the Committee's robust governance approach included:

- Comprehensive Group and subsidiary accounts process, with written confirmations provided by the regional senior management teams on the health of the financial control environment;
- Reviews of the Annual Report undertaken at different levels of the Group and by the senior management team that aim to ensure consistency and overall balance;
- External audit review;
- Clear guidance and instruction of the requirement provided to contributors;
- Written confirmation that information provided has been done so on a fair and balanced basis;
- Additional scrutiny by senior management; and
- Additional reviews by the Committee Chair of the draft Annual Report in advance of the final sign-off in the context of the Code provision.

Final sign-off is provided by the Board, on the recommendation of the Committee.

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.

Debtor recoverability

The recoverability of trade debtors and the level of provisions for bad debts are considered to be areas of significant judgment 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 judgments 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 were appropriate.

Pension accounting

Pension accounting is complex and contains areas of significant judgment, most notably those in respect of the discount and inflation rates used in the valuation of the net surplus disclosed in note 22. The Committee reviewed the pension items and questioned management around assumptions used in the calculation of the surplus and related pension accounting issues. The Committee also considered the work performed by PwC in testing the assumptions and was satisfied that the assumptions used and the disclosures in the Financial Statements are appropriate.

External Auditor

Both the Committee and the Board keep the external Auditor's independence and objectivity under close scrutiny, particularly with regard to its reporting to shareholders. PwC was appointed external Auditor of the Group at the 2016 AGM. Professional rules require that the Company's audit partner at PwC be rotated every five years; accordingly, Andrew Paynter was succeeded by Jon Sturges, for whom the FY22 Audit was his first.

As previously reported, following a detailed tender process, PricewaterhouseCoopers LLP was first appointed as the Company's external Auditor in 2016. While the Company has no current retendering plans, in accordance with The Statutory Audit Services for Large Companies Market Investigation (Mandatory Use of Competitive Tender Processes and Audit Committee Responsibilities) Order 2014 (CMA Order), the Company will be required to put the external audit contract out to tender by 2026. Accordingly, the Company confirms that it has complied with the provisions of the CMA Order for the 2022 financial year.

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; and
- 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
Group Finance Director	Up to £100,000
Audit Committee	Above £100,000

The three-year average audit fee was £1.5 million. Accordingly, the maximum value of non-audit services that PwC could have been engaged by Hays to provide during the financial year 2022 was £1.0 million. The total fee for non-audit services provided by PwC during the 2022 financial year was £0.2 million (2021: £0.1 million), largely reflecting the FY22 half-year review fee of £0.1 million (2021: £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 £76k (2021: £35k). 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 6 to the Consolidated Financial Statements.

Having reviewed Hays' non-audit services policy this year, including the Authority level of the Group Finance Director, the Committee is satisfied that adequate procedures are in place to safeguard the external Auditor's objectivity and independence.

Effectiveness of the external Auditor

The annual effectiveness review in respect of financial year 2021 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 the same overall rating versus prior year; minor improvement areas were suggested in relation to specific country feedback and primarily centred around improvements in requests and/or queries being dealt with more promptly and effectively, which PwC has taken into account for the FY22 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 FY21. Consequently, the Committee recommended to the Board that PwC be reappointed as external Auditor at the AGM.

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, which 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 to consider whether significant process and control weaknesses are identified, subsequently improved and monitored and that risks have been identified, evaluated and managed.

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.

Internal Audit

The Committee oversees and monitors the work of the Internal Audit function, which reviews key controls and processes throughout the Group on a rolling basis, including resources, scope and effectiveness of the function. 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 the 2022 financial year, which continues to focus on addressing both financial and overall risk management objectives across the Group.

During the year, 28 Internal Audit reviews were undertaken, with the findings reported to both the Executive Board and the Committee, with recommendations tracked and progress subsequently 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.

The Committee believes that the Group's enterprise risk management framework and emerging risk process need to continue to evolve in accordance with the growth of the Hays business around the world. Throughout the financial year the Internal Audit team continues to review and enhance the enterprise risk management framework and work with the Group Finance Director and the operating divisions across the Group to further embed the framework methodology at both a regional and local country level. The Group Risk Committee, chaired by the Chief Risk Officer and comprising senior operators from each region across the Group, together with representation from IT and finance, assists in the management and communication of risk in the Group.

Anti-bribery and corruption

Hays has a zero-tolerance approach to bribery and corruption. The Group Anti-Bribery and Corruption Policy (with specific reference to the UK Bribery Act 2010) is issued to all employees. Overall responsibility for, and oversight of, the Policy lies with the plc Board. Training is provided to all employees annually in local languages and ongoing support is provided when and where necessary. In addition, risk assessments are carried out on an ad hoc basis, for example when new countries are under consideration (whether they are considered to be low or high risk) or prior to entry into new public sector markets. The Committee reviewed the effectiveness of the Policy during the year and concluded that it was sufficient for managing the anti-bribery and corruption risks faced by the Group.

Audit Committee effectiveness

The Committee's effectiveness in discharging its duties during the year was assessed as part of the Board-commissioned external 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 terms of reference and general audit committee best practice.

Details of the main activities of the Committee and its role and responsibilities have been detailed earlier in this Report.

REMUNERATION REPORT – CHAIR'S ANNUAL STATEMENT AND SUMMARY

"The Committee continues to be cognisant of the ongoing external economic landscape. In assessing any remuneration outcomes, it has taken into account **underlying business performance and any impact on all stakeholders, to ensure they reflect appropriate reward.**"

Susan Murray
Chair of the Remuneration Committee

Dear Shareholder

FY22 was the second year under the operation of our Remuneration Policy (the Policy) as approved by shareholders at the 2020 AGM with a favourable vote of 91.47%. The implementation of our Policy in FY21 received a favourable advisory vote of 98.37%.

Backdrop to FY22 targets and FY22 business review

The financial impact of the Covid-19 global pandemic materially reduced our profitability in FY20 and in FY21, versus pre-pandemic levels. The backdrop to the setting of FY22 targets was both the strong profit recovery we had seen in the second half of FY21 and our strategic objective to capitalise on that recovery and accelerate our long-term opportunities via our Strategic Growth Initiatives, especially in the Technology sector, which meant that FY22 would be a year of significant revenue investment. Finally, we entered the financial year with large parts of our business operating under Covid-19 restrictions and this was likely to continue in some form for much of the year.

The Committee carefully considered the targets it should apply to the profit-related incentive awards (i.e., both annual bonus and PSP awards) for FY22. As in FY21, the Committee decided to widen the range around the profit targets for the FY22 annual bonus to reflect the higher than normal level of uncertainty on FY22 earnings and to ensure that any maximum bonus target would require a level of profit achievement well above the then external consensus forecast.

Against this background, we delivered a strong trading performance in FY22, with record fees, material profit growth and a strong cash performance, all of which has led to significant cash returns being proposed to our shareholders in the form of core and special dividends and a targeted share buyback programme.

The financial performance delivered was significantly in excess of both the Board's expectations and that of the market when the targets were set. In fact, our EBIT of £210.1 million was more than 25% above consensus and 10% above the top of the range when we set the targets, and this led to three profit upgrades during the year despite the increasing economic and geopolitical uncertainty after Russia's invasion of Ukraine. There was also continued focus on our long-term strategic priorities with material investment into our growth agenda. Finally, cash performance was also strong, with DSOs maintained at a record low level leading to a year-end net cash position of c.£296.2 million, and this, allied to the strong rebound in profitability, led to £168.5 million of dividend payments being proposed to shareholders for FY22.

Clearly the material reduction in profitability in FY20 and FY21 from that expected pre-pandemic has heavily impacted the three-year cumulative EPS performance in the long-term PSP ending in FY22. Contrastingly, cash performance over the same three years was very strong.

Our approach to executive reward for FY22 has been carefully considered and reflects the business results.

FY22 Annual Bonus

With levels of profitability expected to return to more normal levels, the FY22 Annual Bonus metrics both for EPS and Cash Conversion calculations returned to their normal methodology that we used in the years up to the pandemic. As mentioned in the previous section, in setting the EPS targets, a wider than normal range was put around the on-target levels to ensure that there was an additional stretch to achieve maximum target. As in the past years, Annual Bonus targets have been retrospectively disclosed on pages 106 to 108.

The shape and extent of the business' recovery post-pandemic, especially in the Permanent recruitment market, has been much stronger than expected and, whilst the cash performance in FY22 was in line with our expectations, the Committee is cognisant that what were felt to be very challenging annual profit bonus targets at the time they were set and which were ahead of consensus at the time, have ultimately been significantly exceeded, with the actual results far exceeding any reasonable forecasts when the targets were originally set. The Committee therefore took appropriate time to carefully consider the outcomes of the Annual Bonus, underlying business results and the contributions towards that performance of the executive directors. The Committee wished to ensure that the bonus out-turn was merited.

The Committee feels that, overall, the business performance in FY22 was strong, with actual profit results well above the top of the range when we set the targets, record fee numbers, significant investment in the future productive capacity of the business and delivering significant cash returns to shareholders with c.£168.5 million of core and special dividends being proposed, despite much of the business operating under Covid-related restrictions during the year. Thus, we have concluded that the outcomes of the FY22 Annual Bonus are appropriate.

The 2021 (FY22) PSP target setting

The Committee awarded PSP grants of 200% of salary to the executive directors for the first time under the 2020 Policy. As stated in the FY21 Remuneration Report, given the complex challenges of the economy, the 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 Committee published the final targets on the website prior to the AGM.

The Committee is satisfied that the target range for EPS is challenging, with full vesting requiring very significant growth when compared to results for both FY20 and FY21. The target range for Cash Conversion was increased to 80% to 110% in comparison to the range applicable to prior awards (previously 71% to 101%). An award of 45% of the cash element is payable for cash conversion of 85%, with straight-line vesting for interim levels of performance.

Full details of the awards to the executive directors, together with their associated targets, can be seen on page 114 of this report.

As with all incentive plans, the Committee will consider the final outcomes at the end of the performance period and weigh them against the context of overall business performance and market conditions to ensure they are a fair and appropriate reflection of performance.

The 2019 (FY20) Performance Share Plan (PSP) vesting

The 2019 PSP vested at 50% reflecting the three-year Performance Period that ended on 30 June 2022.

The Cash performance over the last three years has been outstanding and this is reflected in the vesting outcome. The working capital position achieved at year end will in practice increase the stretch of cash targets for future years. As explained in the backdrop section, the EPS targets were set in a different economic environment and therefore proved to be unrealistic given the impact of the pandemic and thus the pay-out was zero. The TSR element also lapsed.

The Committee is satisfied that the overall PSP outcome fairly reflects, and is aligned with, the performance achieved.

Shares that vest under the 2019 PSP will now be held for a further two years before release in 2024. During this Holding Period they will be subject to Clawback conditions.

Full details of the executive directors' remuneration for FY22 can be found in the Single Figure on page 104 and the full Annual Report on Remuneration on pages 104 to 125.

Remuneration for FY23

FY23 Salary review

Reflecting the economic environment and business results, the Committee felt it appropriate to award a pay increase for FY23. The CEO has received a 5% increase effective from 1 July 2022 in line with the pay budget for other employees in the UK. It is recognised that this is a higher increase than in many previous years but is below the level of inflation in the UK and aligned with the approach taken for senior executives across the business. The CFO, Paul Venables, did not receive a pay increase for FY23 as he will retire from the Company on 30 September 2022.

Pension

In line with the Policy approved at the November 2020 AGM, the pension contribution for the CEO remains at 20% of salary, (reduced from 30% at the start of FY21) until 31 December 2022 when it will reduce to that of the majority of employees in the UK. The pension contribution for Paul Venables remains at 20% (reduced from 30% at the start of FY21) until his departure on 30 September 2022.

Annual Bonus for FY23

Annual Bonus potential is 150% of salary. Annual Bonus targets will be retrospectively disclosed in the FY23 report. There will be no bonus in relation to FY23 for Paul Venables as he leaves on 30 September 2022.

2022 (FY23) PSP grant

Under the 2020 Policy, the PSP is granted at 200% of salary. There will be no award for Paul Venables who retires on 30 September 2022.

For the FY23 award, the performance metrics and weightings will remain consistent with the approach taken last year. In the context of the uncertain economic backdrop, the Remuneration Committee is still in the process of calibrating and finalising the financial targets for the FY23 award, with a focus on ensuring that targets are sufficiently robust and stretching. We currently intend to publish details of the targets for the FY23 PSP on the Company website. We intend to publish these targets well in advance of the 2022 AGM.

Any shares that vest under the 2022 (FY23) grant would be subject to a further two-year Holding Period. The PSP is subject to both Malus and Clawback conditions.

Departure terms for CFO Paul Venables

During the year, the Committee reviewed the departure terms for the outgoing CFO, Paul Venables who will leave the Company on 30 September 2022. The terms fully comply with the Remuneration Policy and are summarised in section 2.6.

CFO designate – James Hilton

The Committee also approved the remuneration for James Hilton, CFO designate, who will join the Board on 1 October 2022. His remuneration is in line with the Remuneration Policy for new executive directors and his remuneration is summarised in Section 4.1. His salary is lower than the outgoing CFO and will be kept under review as he builds experience in the role. His pension will align with that of the majority of the UK workforce in line with the Policy. Following appointment, he will participate in the Annual Bonus and FY23 PSP at the same level as the CEO.

Other Committee activities in FY22

In addition to the consideration of salary, bonus and PSP for the executive directors, the Committee also reviewed the annual fee for the Chairman.

It was determined that there would be a 5% increase to the Chairman's fee for FY23 in line with the pay review budget for UK employees. For information, the non-executive directors also have had their base fee increased by 5% for FY23. The SID and Committee Chair fees have remained the same. Fee levels for FY23 can be seen on page 123.

The Committee also published the results for the Gender Pay Gap in April 2022 and has continued to monitor actions being taken within the Company to close the gap.

Clear reporting and transparency

We aim to make the Directors' Remuneration Report clear, concise and easy to follow. We have included a Remuneration At A Glance page. Our 2020 Remuneration Policy can be found on our website haysplc.com. However, to help with understanding, we have summarised the Policy above each remuneration outcome. We hope that readers will find this helpful.

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 and as people adjust to new and flexible working practices.

Susan Murray
Chair of the Remuneration Committee
24 August 2022

See the Committee's Terms of Reference online at haysplc.com

Membership and meetings

Six formal meetings were held during FY22 – one in each of July, August, September and October 2021 then one in each of January and May 2022. Attendance is shown on page 82. In addition, members participated in other discussions as required.

This report is structured as follows:

REMUNERATION AT A GLANCE

Summary of our current Remuneration Policy

Key reward component	Key features
Base salary and core benefits	– Competitive salary and benefits to attract right calibre of executive. – The CEO's salary for FY23 is £822,274, an increase of 5% in line with the budget set for UK employees. – The incoming CFO's salary has been set at £420,000.
Annual Bonus – 60% EPS – 20% Cash Conversion – 20% Personal	– Maximum potential 150% of salary. – Key financial KPIs and personal objectives.
Performance Share Plan – 30% EPS – 50% Cash Conversion – 20% Relative TSR	– Maximum potential 200% of salary. – KPIs focused on long-term sustainability and shareholder returns. – Five-year lifespan: three-year Performance Period plus two-year Holding Period.
Shareholding requirements	– 200% of salary. – Ensure material personal stake in the business. – Post-employment shareholding policy in place.

- Strong link of performance with reward.
- Takes into account risk management and Annual Bonus and PSP incorporate Malus and Clawback.

Reward linked to performance – what did we do?

More details **pages 104 to 111**

Reward component	What we have done
Base salary	– Salary increases for the CEO and CFO were 2% with effect from 1 July 2021. This was in line with other employees in the UK. – CEO: £783,118 – CFO: £564,627

Bonus	– Bonus payments in relation to FY22 equated to:
	  – CEO: 88.56% of maximum i.e. 132.84% of salary equating to £1,040,317
	  – CFO: 89.56% of maximum i.e. 134.34% of salary equating to £758,537
	  – 50% of the above awards deferred into shares for three years

PSP	– 200% of salary awarded.
Shareholdings at 30 June 2022 (Beneficial Ownership)	– CEO: 306% of base salary (requirement 200%) – CFO: 313% of base salary (requirement 200%)

The Single Figure can be found on page 104.

How have we performed?

More details **pages 106 to 111**

Bonus

Metrics reverted to EPS and Cash Conversion for FY22. Results are shown below.

Metric	Target range	Actual	% of max paid
EPS: 60%	4.79p – 6.87p	**9.26p***	100.00%
Cash Conversion: 20%	63.50% – 101.00%	**87.10%**	63.00%
CEO Personal: 20%		**16/20**	80.00%
CFO Personal: 20%		**17/20**	85.00%
Total: CEO			88.56%
Total: CFO			89.56%

* Both the targets and actual performance were based on Budget exchange rates. Therefore actual performance differs from the reported performance due to movements in exchange rates during the year.

September 2019 PSP award – grant 150% of base salary

Metrics measure success in delivering strong results through the three-year cycle.

Metric	Threshold	Maximum	Actual	% of max achieved
EPS – 30%	33.59p	39.34p	**18.17p**	0%
Cash Conversion – 50%	71%	101%	**127.46%**	100%
Relative TSR – 20%	Median of comparator group	Upper quartile of comparator group	**Below median**	0%
Total % of award vesting				50%

Key general business highlights

- Strong overall performance with record fees, material profit growth, and improved margins despite significant organic revenue investment.
- As a result, like-for-like fees grew by 32% and operating profit by £115.0 million or 128%.
- Strong cash performance both in FY22 and across FY20-22 driven by record low debtor days.
- Improved profit performance and strong balance sheet supports significant returns to shareholders with £168.5 million of core and special dividends and the announcement of a targeted £75 million share buyback programme.

More details **page 40**

What changes were made to the Remuneration Policy in FY22?

- FY22 is the second year of the Remuneration Policy approved at the November 2020 AGM. The Policy continues to operate as intended.
- Support of 91.47% in favour of the Policy at the November 2020 AGM indicating strong support for our approach.
- No changes were made to the Policy during the year but FY22 was the first year that the full PSP grant of 200% was used.
- Our full Remuneration Policy can be found on pages 85 to 97 of the FY20 Annual Report and on our website, haysplc.com.
- A summary of the Policy can be found in the explanation of the Single Figure of Remuneration on pages 104 to 111.

REMUNERATION POLICY AND HOW IT LINKS TO STRATEGIC OBJECTIVES

Competitive salary and benefits to attract, motivate and retain executives plus variable pay that aligns to strategy and focuses on performance

The incentive plans support our key strategic priorities:

GROW – Materially increase core recruitment fees, particularly in Technology recruitment and with Enterprise clients

ENHANCE – Drive productivity to deliver significant profits and cash flows, funding reinvestment and enabling substantial returns to shareholders

DIVERSIFY – Substantially grow new revenue streams and partnership-based areas such as HR services and Project Services globally

PARTNER – Nurture lifelong client and candidate partnerships and build the deepest and most engaged Talent Networks worldwide

ENABLE – Our strategy is underpinned by our continuous investment in People, Culture, Technology and Sustainability

- 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.
- 50% of any award is deferred into shares for three years to ensure a long-term focus.
- Malus and Clawback apply.
- Our approach to pay continues to meet Provision 40 of the 2018 UK Corporate Governance Code. Further detail is provided on page 97 of the 2020 Report & Accounts.

SHORT-TERM AGILITY

Annual Bonus

Financial (Profit and Cash) 80%

Personal 20%

Performance Period 1 year
50% deferred into shares

150% of base salary

Focus on

Shareholding

PSP

EPS 30%
Cash Conversion 50%
TSR 20%
Performance Period 3 years + 2 year Holding Period

Up to 200% of base salary

long term

200% of base salary

Although Hays faces many structural growth opportunities, our markets are highly cyclical. Hays has built a diversified portfolio designed to try and best mitigate this by:

- Balancing the business between permanent and temporary/contractor candidate placements;
- Having a wide range of business specialisms covering 21 professional and technical sectors; and
- Having a global geographic footprint in 32 countries.

Nevertheless, the Group is subject to the volatility and vagaries of the economic markets which can create sudden changes within the recruitment market and industry. In this environment, where it is extremely difficult to give an accurate, robust, long-term prediction of the economy, the Committee believes it is important that the executives' reward is consistent with the need to be agile in managing the business. The Committee feels this is best addressed by having a short-term focus on profit and a long-term focus on cash generation.

- The following factors are taken into account when setting EPS targets:
  - Budget (the setting of which is a robust and transparent process);
  - Strategic direction of the business over the period covered by the PSP;
  - Market conditions and visibility of future trading; and
  - Analysts' forecasts.
- The cash element focuses on the long-term business efficiency and return to shareholders through dividend payments.
- The TSR element directly measures shareholder returns relative to industry peers.
- The five-year term of the plan together with shareholding requirements ensure that the CEO and CFO have a material, personal stake in the business and align to shareholders.
- Malus and Clawback apply.

LONG-TERM SUSTAINABILITY AND FOCUS

ANNUAL REPORT ON REMUNERATION

Section 1 – Total reward for FY22

In this section:

Section 1 – Total Reward for FY22

1.1 FY22 Single Figure for executive directors

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 FY22. Comparative figures for FY21 have also been provided. Details of non-executive directors' (NEDs') fees are set out in Section 1.2 on page 111.

£000s Executive director	Salary Note 1	Benefits Note 2	Pension Note 3	Other Note 4	Total Fixed Remuneration	Annual Bonus Note 5	Total Remuneration excluding PSP(a)	PSP Note 6 and(b)	Total Variable Pay(c)	Total Remuneration(b)
FY22										
Alistair Cox **Chief Executive**	783	34	157	0	974	1,040	2,014	509	1,549	2,523
Paul Venables **Group Finance Director**	565	40	113	0	718	759	1,477	367	1,126	1,844
FY21										
Alistair Cox	768	42	154	0	964	1,117	2,081	509	1,626	2,590
Paul Venables	554	39	111	0	704	805	1,509	367	1,172	1,876

(a) This column includes Salary, Benefits, Pension, Other and Annual Bonus.

(b) The PSP figures for the award that was granted in 2018 (FY19) and vested in 2021 now reflect the actual vesting price on 12 September 2021 of £1.67 (the price on 10 September 2021 was used as 12 September 2021 was a Sunday). No shares were released but moved into their Holding Period. More detail is shown on page 110. It is coincidental that the PSP values for FY21 and FY22 are the same – the number of shares vesting in FY21 was lower but the share price higher; the number of shares vesting in FY22 was higher but the share price, using the average for the final quarter of FY22, was lower.

(c) Sum of Annual Bonus and PSP.

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)

Policy summary

- Set annually from 1 July.
- Broadly aligned with salary increases for relevant UK employees.

What has happened

As disclosed in last year's Report, salaries were increased by 2.0% with effect from 1 July 2021 for FY22. The increase was the same as the wider budget set for relevant UK employees.

Executive director	Salary for FY22	Increase over FY21	Salary for FY21
Alistair Cox	£783,118	2.0%	£767,763
Paul Venables	£564,627	2.0%	£553,556

1.1.2 Benefits – note 2 (audited)

Policy summary

- Core benefits align with those for other UK employees.

What has happened

There were no changes in FY22.

£000s Executive director	Private Medical Insurance (PMI)[1]	Life assurance[1]	Income protection[1]	Car/ Car allowance	Other[2]	Total
FY22						
Alistair Cox	3	14	16	1	0	34
Paul Venables	2	5	15	18	0	40
FY21						
Alistair Cox	2	12	15	13	0	42
Paul Venables	2	4	15	18	0	39

(1) PMI, Life assurance and Income protection figures represent the annual premiums. Alistair Cox has an electric car and Paul Venables a car allowance, hence the difference in values

(2) FY21 Other – Both Alistair Cox and Paul Venables purchased shares as part of the equity raise in 2020. As the amount paid was marginally lower than the share price on the day, Alistair and Paul were deemed to have received a taxable benefit. This represented £281 each. As the above table represents £000s, the amount is shown as zero.

1.1.3 Pension – note 3 (audited)

Policy summary

- Other than a cash payment in lieu of pension at the rate of 20% of base salary, there are no other pension arrangements for the directors.
- For the sake of clarity, neither executive director has any defined benefit pension provision.

What has happened

The Remuneration Committee reviewed the approach on retirement benefits as part of the Policy renewal approved at the November 2020 AGM. As a result, pension reduced from 30% of base salary in FY20 to 20% of base salary for FY21 and FY22. It will move to the level of the majority of Hays' UK employees on 1 January 2023.

£000s Executive director	Pension
FY22	
Alistair Cox	157
Paul Venables	113
FY21	
Alistair Cox	154
Paul Venables	111

1.1.4 Other benefits – note 4 (audited)

Policy summary

- The executive directors are able to participate in the Hays UK Sharesave Scheme in the same way as other eligible employees.

What has happened

Alistair Cox participated in the April 2021 Hays Sharesave Scheme and Paul Venables participated in the March 2019 and April 2021 Hays Sharesave. Details are shown on page 112.

£000s Executive director	Other
FY22	
Alistair Cox	0
Paul Venables	0
FY21	
Alistair Cox	0
Paul Venables	0

Notes:
Paul participated in the 2019 plan which matured in May 2022. At that time the share price was below the option price and Paul did not exercise his shares. There is therefore no gain. He retained the options and has six months until end of October 2022 to exercise or else the options lapse.
Other plans have not yet reached maturity and therefore there are no gains.

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1.1.5 Annual Bonus – note 5 (audited)

Policy summary

- Maximum bonus potential for FY22 under the 2020 Policy is 150% of base salary, of which 50% of any award is paid in cash and 50% is deferred into shares.
- Bonus is based on financial KPIs and personal objectives.

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.

For bonus awarded in relation to FY22 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.

Summary

£000s Executive director	Annual Bonus actually awarded	Of which cash	Of which deferred
FY22 – 50% deferred into shares			
Alistair Cox	1,040	520	520
Paul Venables	759	379	380
FY21 – 50% deferred into shares			
Alistair Cox	1,117	558	559
Paul Venables	805	402	403

Details of the FY22 Annual Bonus

The performance metrics and objectives	Assessment	Achievement and what happens now
Due to the uncertainty of the market as a result of the Covid pandemic, the financial metrics were changed for FY21. For FY22 they reverted back to the usual metrics. – 60% on Group EPS (FY21 was Group EBIT); – 20% on Group Cash Conversion (FY21 was Group Operating Cash); and – 20% on personal objectives. Overall, the CEO achieved 80% and the CFO 85% of their personal objectives.	The Committee reviews both the Group's results and executive directors' performance against their personal objectives. The basic EPS targets and actual performance were measured at budget exchange rates. Cash Conversion is the Company's cash generated by operations less the IFRS 16 lease liability repayment for the financial year, stated as a percentage of operating profit. In addition to the assessment of the individual executives' overall performance against key objectives, the Committee also takes into account its views of the directors' regulatory compliance and approach to risk (including Environmental, Social and Governance (ESG) risks). **Use of discretion** As stated in the Chair's letter, when setting the financial targets for FY22, the Committee took into account the continued uncertainty and unpredictability of the market as the world began to emerge from the Covid pandemic. Against this backdrop, 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. Consideration included the fact that there will be a dividend payment, a share buyback was made and that no external support has been sought regarding Covid. After careful reflection, the Committee feels that the formulaic outcome of the FY22 bonus is fair and justified and has exercised no discretion.	**Alistair Cox** Achieved 132.84% of salary (out of 150% maximum potential) i.e. 88.56% of maximum. This equates to a bonus of £1,040,317 (as stated in the Single Figure) of which: – 50% or £520,158 will be paid as cash; and – 50% or £520,159 will be deferred into shares for three years. There are no further performance conditions. **Paul Venables** Achieved 134.34% of salary (out of 150% maximum potential) i.e. 89.56% of maximum. This equates to a bonus of £758,537 (as stated in the Single Figure) of which: – 50% or £379,268 will be paid as cash; and – 50% or £379,269 will be deferred into shares for three years. There are no further performance conditions. **Clawback and Malus** The cash element of the bonus is subject to Clawback for three years from the date of award. The deferred element is subject to Malus for the three-year deferral period.

Calculation of actual results (audited)

Annual Bonus FY22 outcome						Alistair Cox		Paul Venables	
Performance condition	Weighting	Threshold performance required (25% of element vests)	Maximum performance required (100% of element vests)	Actual performance	Annual Bonus value for meeting threshold and maximum performance % salary	Achievement % salary	Bonus value £000s	Achievement % salary	Bonus value £000s
EPS*	60%	4.79p	6.87p	9.26p	18 – 90	90.00%	705	90.00%	508
Cash Conversion	20%	63.5%	101.0%	87.1%	6 – 30	18.84%	148	18.84%	107
Personal CEO	20%	–	100%	80%	0 – 30	24.00%	187	–	
Personal CFO	20%	–	100%	85%	0 – 30	–		25.50%	144
Total FY22	**100%**				**These totals are in the FY22 Single Figure**	**132.84%**	**1,040**	**134.34%**	**759**
* 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%	520	Of which cash – 50%	379
						Of which deferred – 50%	520	Of which deferred – 50%	380

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Personal objectives

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.

CEO – Alistair Cox

Broad themes	Summary of progress	Score
Continuation of Strategic Growth Initiatives	Good progress across a wide range of countries and business areas. Incremental growth delivered in areas including Technology and Engineering. Robust governance framework implemented.	3.5/4.0
FY22 Capital Markets Day	Delivery of high quality FY22 Investor Day, clearly setting out business strategy, our strengths and depth of the management team. Development of compelling strategic ambition for the next five years. Compelling articulation of investment proposition to both current and prospective investors. Successful delivery in both physical and virtual format, with positive feedback from analysts and shareholders.	4.0/4.0
Succession planning	Longer-term planning for senior roles across the business. Successful conclusion to CFO search and recruitment process. Further work to be undertaken in respect of selected key roles.	2.5/4.0
ED&I Strategy	Continued focus on development of strategy in this area – development of action plans across multiple jurisdictions, reflecting local demographics and market. Multiple processes being introduced to encourage organisational change over time.	2.0/4.0
Environmental targets	Approval of Science-Based Targets by June 2022 (in line with planned time-frame). Development of clear and achievable Net Zero strategy, with momentum towards execution in due course.	4.0/4.0
Total		16.0/20.0 = 80%

CFO – Paul Venables

Broad themes	Summary of progress	Score
Proactive development of key Finance roles as part of succession planning.	Strong progress was delivered on the overall finance succession plan including for the Group FD role with the delivery of an effective successor and a suitable transition plan for James Hilton. Successful development of teams across multiple jurisdictions. A number of changes were made coming out of James' promotion, with all roles filled by strong internal candidates and a seamless transition with no control issues.	7.0/8.0
FY22 Capital Markets Day	Delivery of high quality FY22 Investor Day, clearly setting out business strategy, our strengths and depth of the management team. Development of compelling strategic ambition for the next five years. Compelling articulation of investment proposition to both current and prospective investors. Successful delivery in both physical and virtual format, with positive feedback from analysts and shareholders.	4.0/4.0
Development of new Internal Audit programme	Completed the development of a Hybrid Internal Audit programme on a global scale to ensure Internal Audit can continue to carry out its global work programme effectively. All key aspects designed and implemented. Successful rebuild of the IA function – formally assessed the skill set of the team against other requirements of the new audit programme.	3.0/4.0
Multiple Group projects	Executed on a number of Group projects including SGI, Group Strategy and back-office efficiency programmes in Germany, India, UK and ANZ. Good progress has been made on all of the projects and suitable handover arrangements executed.	3.0/4.0
Total		17.0/20.0 = 85%

1.1.6 PSP – note 6

Policy summary

- The 2019 (FY20) PSP was granted under the Policy approved at the November 2017 AGM.
- Maximum potential for executive directors was 150% of base salary at grant.
- KPIs were focused on long-term sustainability and shareholder returns.
- Performance Period was three years which is followed by a two-year Holding Period.
- Threshold performance equates to 25% of the award.
- Award is subject to Malus provisions prior to vesting and Clawback provisions for up to two years post-vesting during the Holding Period.

What has happened

50% of the 2019 (FY20) award vested in 2022. No discretion was exercised.

PSP 2019 (granted in FY20) vesting in 2022

The value of the 2019 PSP (vesting in September 2022) is based on a share price of £1.1909 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 £1.518 being the closing price on the day preceding the grant date. The award vested at 50% of the maximum.

See page 110 for detailed information on performance against targets.

Executive director	Value £000s in Single Figure based on share price of £1.1909	Restatement
Alistair Cox	509	Value will be restated in FY23 report when vesting share price is known.
Paul Venables	367	

Details of PSP 2019 (granted in FY20) vesting in 2022

This PSP was granted under the Policy approved by shareholders in 2017.

The performance metrics and objectives	Assessment	Achievement and what happens now
Three-year plan Performance Period: 1 July 2019 to 30 June 2022. Granted: 12 September 2019 and will vest on 12 September 2022. Vesting will be followed by a two-year Holding Period. **Performance Metrics** 30% on cumulative earnings per share (**EPS**): focuses on longer-term shareholder returns. 50% on **Cumulative Cash Conversion** focuses on ongoing business cash efficiency, whatever the trading circumstances of the Company. 20% on relative total shareholder return (**TSR**): Ranks the performance of Hays against a sector group of comparator companies: Adecco SA Kelly Services Inc Manpower Inc Page Group plc Randstad Holdings nv Robert Half International Inc Robert Walters plc SThree plc	**EPS** is the consolidated basic earnings per share of the Group for each financial year cumulative over the Performance Period, as calculated based on the accounting standards in place when issued. Goodwill impairments arising from acquisitions prior to 30 June 2006 are excluded from the earnings per share calculation. The Committee may make adjustments to the calculations of cumulative earnings per share, including taking into account unusual or non-recurring items that do not reflect underlying performance. It should be noted that the EPS targets for the 2019 award were set prior to the pandemic and therefore reflected a very different economic outlook which, in practice, was unachievable due to the impact of Covid-19 on FY20 and FY21 results and which have also impacted FY22 outcomes. **Cumulative Cash Conversion:** three-year Cash Conversion is the cumulative operating cash flow of the Group prior to deducting net capital expenditure items stated as a percentage of cumulative operating profit before exceptional items. **TSR** for each company measures the change in value (in Sterling terms) of a notional shareholding (including dividends) in that company based on dealing days in the three-month period prior to the start and end of the Performance Period. The TSR for Hays' shares is ranked against the respective TSR performance of the comparator group. Vesting will be subject to satisfactory financial performance over the Performance Period as determined by the Committee.	**Alistair Cox** Awarded 758,659 shares in 2019. 50% of the award has vested. 427,454 shares are due to vest in September 2022 which includes accrued dividend equivalent shares. This equates to a value of £509,055 using a preliminary share price of £1.1909 – see above. **Paul Venables** Awarded 546,992 shares in 2019. 50% of the award has vested. 308,194 shares are due to vest in September 2022 which includes accrued dividend equivalent shares. This equates to a value of £367,028 using a preliminary share price of £1.1909 – see above. **Notes** The Committee is satisfied that out-turns suitably reflect performance over the period. These values will be restated in FY23's Report once the final share price is known. Vested shares for both Alistair and Paul will now be subject to a two-year Holding Period. Please see Section 2.6 for further details on what happens to Paul's shares upon his retirement from Hays on 30 September 2022.

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Actual results

PSP 2019 (granted in FY20) vesting in 2022 (audited)

The share price used to calculate the award was £1.518, being the closing price on the day preceding the grant date.

Performance period	1 July 2019 to 30 June 2022
Grant date	12 September 2019
Vest date	12 September 2022 followed by two-year Holding Period

Performance condition	Weighting	Threshold performance required (25% of element vests)	Maximum performance required (100% of element vests)	PSP value as % of salary for: Below threshold	Threshold	Maximum	Actual performance	PSP Value achieved as % of base salary
Relative TSR[1]	20%	Median of the comparator group	Upper quartile of the comparator group	0	7.5%	30%	Below median	0%
EPS[2]	30%	33.59p	39.34p	0	11.25%	45%	18.17p	0%
Cash Conversion	50%	71%	101%	0	18.75%	75%	127.46%	75%
Total	100%			0	37.50%	150%		75%
					25% of award	100% of award		50% of award

(1) TSR is measured against a bespoke comparator group, with vesting subject to satisfactory financial performance as determined by the Committee. The comparator group 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 into account the following factors when setting the EPS targets:
- Budget (the setting of which is a robust and transparent process):
  - Company budget for FY20 and the expectations for performance;
  - Strategic direction of the business over the period covered by the PSP award; and
  - Market conditions and visibility of future trading;
- Analysts' forecasts; and
- Threshold and maximum ongoing growth expectations for years two and three are set around a fixed range.

Notes:

There is 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. The Malus and Clawback provisions are:
- Material misstatement resulting in an adjustment to the audited accounts;
- Incorrect assessment of any performance conditions or award calculations due to an error or misleading information; and
- Fraud and Gross misconduct.

Executive director	% of FY20 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]	2018 award that vested in 2021 as stated in the FY21 Single Figure £000s	2018 award value restated using share price at vest date £000s[2]
Alistair Cox	150	1,152	1.518	758,659	854,909	427,454	12 September 2022	12 September 2024	509	505	509
Paul Venables	150	830	1.518	546,992	616,388	308,194	12 September 2022	12 September 2024	367	364	367

(1) The value of the 2019 PSP is based on a share price of £1.1909 which was calculated using an average for the final quarter of the 2022 financial year in accordance with the Regulations as the vesting will occur after the date of this report.

(2) The value of the 2018 PSP disclosed in the 2021 Single Figure was based on a share price of £1.6572 which was calculated using an average for the final quarter of the 2021 financial year in accordance with the Regulations as the vesting occurred after the date of the Report. The share price on award was £2.058. The actual share price on the date of vesting was £1.67. The date of vesting was 12 September 2021 (the price on 10 September 2021 was used as 12 September 2021 was a Sunday). This price has been used to restate the value of the 2018 PSP awards in the Single Figure for 2021 in the table above and the Single Figure table on page 104. 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' FY22 fees (audited)

The table below shows the current fee structure and actual fees paid in FY22.

£000s Non-executive director	Andrew Martin	Peter Williams	Susan Murray	MT Rainey	Torsten Kreindl[1]	Cheryl Millington	Joe Hurd[2]
	Chairman						
		SID					
		R	**R**	R	R	R	R
	N	N	N	N	N	N	N
		A	A	A	A	A	A
				WE			
Total fee FY22	229	83	72	72	55	59	31
Taxable expenses FY22	–	–	–	–	2	–	2
TOTAL FY22	**229**	**83**	**72**	**72**	**57**	**59**	**33**
Total fee FY21	224	82	71	71	58	58	–
Taxable expenses FY21	–	–	–	–	1	–	–
TOTAL FY21	224	82	71	71	59	58	–

(1) Torsten Kreindl stepped down from the Board on 16 May 2022. His fee reflects the period 1 July 2021 to 16 May 2022. The total for FY21 has been re-stated to include expenses incurred in execution of duties which are taxable for reporting purposes.
(2) Joe Hurd joined the Board on 1 December 2021. His fee reflects the period 1 December 2021 to 30 June 2022. The total amount includes expenses incurred in execution of duties which are taxable for reporting purposes.

Key – positions held during FY22

R	Remuneration Committee member
A	Audit Committee member
N	Nomination Committee member
SID	Senior Independent Director
R N A	Chair of relevant Committee
WE	Chair of Workforce Engagement

The annual Base Fee for FY22 was £59,122.
The annual fee for being Chair of a Committee and for Chair of Workforce Engagement was £13,000.
The annual fee for SID was £11,000.
There is no additional Committee Chair fee for the Nomination Committee.

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Section 2 – Long-term value creation

In this section:

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 FY22. The shares that vested related to deferred Annual Bonus from previous years. Dividend equivalent shares which accrue under the DAB have been included in the table below.

There are no further performance conditions.

Executive director	Awards outstanding at 1 July 2021[1]	Dividend equivalents accrued to date	Awards granted in FY22	Grant price (market price at date of award)	Face value of award granted in FY22 (at grant price)	Dividend equivalent shares accrued to date	Awards vesting in FY22	Awards outstanding as at 30 June 2022
Alistair Cox	448,743	52,868	341,410	£1.636	£558,548	24,563	287,978	579,606
Paul Venables	323,543	38,116	246,156	£1.636	£402,712	17,709	207,630	417,894

(1) The opening balance shows number of shares at award and not any accrued cumulative dividend equivalents.

2.2 Share options

Both executive directors participate 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 2022.

Executive director	Scheme date of grant	Balance 1 July 2021	Granted during 2022	Exercised	Lapsed/ Cancelled	Balance 30 June 2022	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	1.43	–	–	–	1 May 2024	31 October 2024
Paul Venables	28 March 2019[1]	2,666	–	–	–	2,666	1.35	–	–	–	1 May 2022	31 October 2022
Paul Venables	1 April 2021	3,776	–	–	–	3,776	1.43	–	–	–	1 May 2024	31 October 2024

(1) Paul did not exercise his options when they became available in May 2022 as the share price was below the option price. He has until end October 2022 to exercise.

2.3 Outstanding PSP awards

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. All awards are subject to Malus and Clawback.

2020 PSP (granted in FY21) vesting in 2023 (made under the Policy approved at the November 2020 AGM)

As stated on page 116 of the Directors' Remuneration Report for FY20, given the complex challenges of Covid-19 we delayed the target setting for the 2020 PSP awards to ensure they were sufficiently robust and stretching. In line with the guidance published by the Investment Association, the Remuneration Committee agreed to disclose the targets within six months of the publication of the FY20 Annual Report & Financial Statements. The 2020 PSP targets were disclosed on the Hays plc website in line with this guidance.

The Committee recognises that the EPS target range is lower in absolute terms than the target applied in the previous year's grant. However, given the impact of Covid-19 on the global economy and our business and the level of uncertainty on the trajectory of economic recovery at the time, the Committee is comfortable that these targets were challenging in relative terms when taking into account market expectations when the targets were set. The Committee will consider the final outcomes at the end of the performance period and weigh them against the context of overall business performance and market conditions to ensure they are a fair and appropriate reflection of performance.

Performance period	1 July 2020 to 30 June 2023
Grant date	20 November 2020
Vest date	20 November 2023 followed by a two-year Holding Period

				PSP value as % of salary for:		
Performance condition	Weighting	Threshold performance required (25% of the elements vest)	Maximum performance required (100% of the elements vest)	Below threshold	Threshold	Maximum
Relative TSR(1)	20%	Median of the comparator group	Upper quartile of the comparator group	0	7.5%	30%
EPS(2)	30%	4.54p	7.34p	0	11.25%	45%
Cash Conversion	50%	71%	101%	0	18.75%	75%
Total	100%			0	37.50%	150%
					25% of award	100% of award

Executive director	% of FY21 salary awarded	Face value at award £000s	Share price at award £	Maximum number of shares	Threshold number of shares (25%)
Alistair Cox	150	1,152	1.345	856,241	214,060
Paul Venables	150	830	1.345	617,348	154,337

The award was made under the Policy approved by shareholders at the November 2020 AGM. Although the Policy allows for a grant of up to 200% of salary, it was agreed that a grant of 150% of salary would be made for FY21 to take into account the business and economic conditions and impact on key stakeholders arising from the Covid-19 pandemic.

(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 FY21 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:
- EBIT Budget (the setting of which is a robust and transparent process):
  - Company EBIT Budget for FY21 and the expectations of EBIT performance for years two and three;
    - Threshold and maximum growth expectations for years one, two and three have been set around a fixed range each year.
    - In addition, due to the volatility of the composition of Group profitability by Geography across the Group, a fixed tax rate has been applied each year when converting from EBIT to EPS.
  - Strategic direction of the business over the period covered by the PSP award;
  - Market conditions and visibility of future trading; and
  - Analysts' forecasts.

Notes:
There is 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.

The Malus and Clawback provisions are:
- Material misstatement resulting in an adjustment to the audited accounts;
- Incorrect assessment of any performance conditions or award calculations due to an error or misleading information;
- Fraud and Gross misconduct; and
- Severe reputational damage and corporate failure.

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2021 PSP (granted in FY22) vesting in 2024, followed by a two-year Holding Period (made under the Policy approved by shareholders at the November 2020 AGM)

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 Committee published details of the targets for the FY22 PSP on the Company website, in advance of the November 2021 AGM.

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

				PSP value as % of salary for:		
Performance condition	Weighting	Threshold performance required (25% of element vests)	Maximum performance required (100% of element vests)	Below threshold	Threshold	Maximum
Relative TSR(1)	20%	Median of the comparator group	Upper quartile of the comparator group	0	10%	40%
Cumulative EPS(2)	30%	18.91p	25.60p	0	15%	60%
Cash Conversion(3)	50%	80%	110%	0	25%	100%
Total	100%			0	50% 25% of award	200% 100% of award

(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 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 both FY20 and FY21.

(3) The target range for cash conversion has been increased in comparison to that applicable to prior awards (previously 71% to 101%). An award of 45% of salary 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.

The Malus and Clawback provisions are:
- Material misstatement resulting in an adjustment to the audited accounts;
- Incorrect assessment of any performance conditions or award calculations due to an error or misleading information;
- Fraud and Gross misconduct;
- Severe reputational damage; and
- Corporate failure.

Executive director	% of FY22 salary awarded	Face Value at award £000s	Share Price at Award £	Maximum number of shares	Threshold number of shares (25%)
Alistair Cox	200%	1,566	1.533	1,021,680	255,420
Paul Venables	200%	1,129	1.533	736,630	184,157

2.4 Statement of directors' shareholdings and share interests (audited)

Policy summary

- Shareholding requirements in operation at Hays are currently 200% of base salary for both the Chief Executive and the Group Finance Director. Both are required to build up their shareholdings over a reasonable amount of time which would normally be five years.
- Post-employment shareholding guidelines also apply.

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 2022 are set out in the table below.

Executive director	Shareholding requirement % of salary	Number of shares owned outright/ vested shares	Share price as at 30 June 2022	Base salary as at 1 July 2021	Actual share ownership as % of base salary	Guidelines met
Alistair Cox	200%	2,144,277	£1.116	£783,118	306%	Yes
Paul Venables	200%	1,581,325	£1.116	£564,627	313%	Yes

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 dependant child under the age of 18 years.

The executive directors' total shareholdings, including shares subject to deferral and including accrued dividend equivalents to 30 June 2022, but excluding Sharesave options, are shown below. For reference, their Sharesave options are shown in the table under 2.2 on page 112.

Executive director	Number of owned outright/ vested shares	Value of owned outright/ vested 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	2,144,277	£2,393,013	1,688,024	£1,883,835	3,832,301	£4,276,848	546%	1,947,586
Paul Venables	1,581,325	£1,764,759	1,217,060	£1,358,239	2,798,385	£3,122,998	553%	1,404,206

(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 the 2017 (FY18) PSP are due to be released in November 2022.
(2) Share price as at 30 June 2022 and used in the above table was £1.116.
(3) The table above shows shareholding pre-tax. Holdings on an estimated post-tax basis are: CEO: 399% and CFO: 406%.

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 2022 – this table has been audited.

Non-executive director	Shares held at 30 June 2022	Shares held at 30 June 2021
Andrew Martin	190,088	190,088
Peter Williams	63,806	46,806
Susan Murray	4,000	4,000
MT Rainey	48,845	48,845
Torsten Kreindl(1)	–	–
Cheryl Millington	–	–
Joe Hurd	7,557	–

There have been no changes to the above holdings for current NEDs as at the date of this Report.
(1) Torsten's shares represent the number held at his date of leaving the Board on 16 May 2022.

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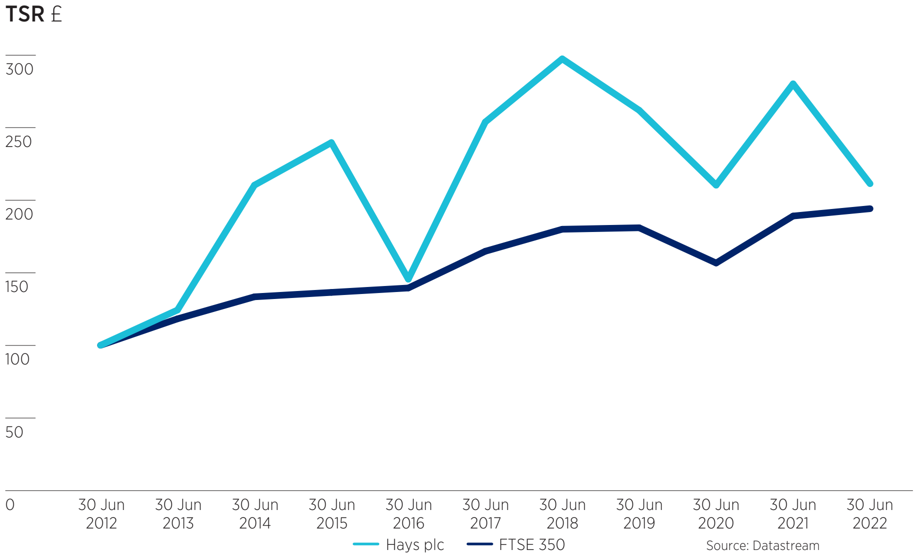
2.5 Total Shareholder Return (TSR)

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.



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 2021 figure has been restated to take into consideration the actual share price on date of PSP vesting.

Chief Executive	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Total Single Figure (£000s)	1,328	2,012	2,826	3,996	2,796	2,993	3,009	2,666	1,468	2,590	2,523
Annual Bonus payment level achieved (% of maximum opportunity)	37%	95%	98%	98%	66%	93%	97%	49%	0%	97%	88.56%
PSP vesting level achieved (% of maximum opportunity)	0%	22%	50%	100%	86%	60%	55%	70%	50%	50%	50%
DAB match vesting level achieved (% of maximum opportunity)	60%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

2.6 Payments to past directors/payment for loss of office during FY22

There were no payments to former directors for loss of office in the financial year FY22.

Paul Venables will retire from the Company on 30 September 2022. In light of Paul's significant contribution over his 16 years with the business, Paul has been considered a 'Good Leaver' by the Committee for incentive purposes. Outstanding deferred bonus awards in respect of bonuses earned for FY21 and FY22 will vest at the end of the normal three-year deferral period. Unvested LTIP awards granted in 2020 and 2021 will vest subject to time pro-rating and performance. Fully performance-tested LTIP awards granted under the 2017 Policy will be released on departure. Fully performance-tested LTIP awards granted under the 2020 policy will be released following the end of the relevant Holding Period. Malus and Clawback provisions are in place for both the DAB and PSP.

There will be no payment in lieu of notice or termination payment payable on departure. Paul will not participate in the bonus plan for the period worked in FY23, and he will not be granted a PSP award in respect of the year.

Paul will comply with the terms of the post-employment shareholding guidelines as set out in the 2020 Policy.

Section 3 – Remuneration in the broader context

In this section:

3.1 Remuneration for employees below Board

Our remuneration philosophy is cascaded throughout the organisation. Members of the Executive Board are deemed 'specified individuals' under the Remuneration Committee's Terms of Reference and therefore have their remuneration set by the Committee. Our Executive Board 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 Executive Board also usually participate in the Performance Share Plan (PSP) with the same performance conditions as the executive directors.

Employees below the Executive Board 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 Performance Share Plan 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 Executive Board, 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 Executive Board 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.

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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 Executive Board, 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 Executive Board usually participate in the same PSP Plan as executive directors subject to Remuneration Committee approval. The PSP is subject to Malus and Clawback provisions. Executive Board members are encouraged to retain shares. Below the Executive Board, broadly 350 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 EPS 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. During FY21 Volunteering Days were introduced worldwide with every employee globally given at least one paid Volunteering Day 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.	**Your Voice 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 Fixed Variable Long-term/Ongoing			

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 FY22 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 FY21 and FY22 are due to:

a) Increase to salaries and base fees of 5%. There were no changes to the fees for SID or Chair of Committees.

b) Annual bonuses are lower than for FY21.

c) There is a slight change in benefits for the executive directors between FY22 and FY21. Life assurance premiums changed but there is no change to actual cover. Alistair Cox changed to an electric car and therefore his car benefit has reduced.

d) Non-executive directors do not receive bonus or benefits.

	% 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
Chief Executive – Alistair Cox	2.0%	-19.0%	-6.8%	2.5%	-16%	n/a	-1.0%	0%	-100%
Group Finance Director – Paul Venables	2.0%	2.5%	-5.7%	2.6%	2.6%	n/a	-1.0%	-7.0%	-100%
Chairman – Andrew Martin	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	1.2%	n/a	n/a	2.5%	n/a	n/a	18.0%	n/a	n/a
Chair of Remuneration Committee – Susan Murray	1.4%	n/a	n/a	2.9%	n/a	n/a	-1.0%	n/a	n/a
Chair of Workforce Engagement – MT Rainey	1.4%	n/a	n/a	2.9%	n/a	n/a	13.0%	n/a	n/a
NED – Cheryl Millington	1.7%	n/a	n/a	1.8%	n/a	n/a	0%	n/a	n/a
NED – Torsten Kreindl(1)	-5.2%	100%	n/a	1.8%	n/a	n/a	0%	n/a	n/a
NED – Joe Hurd(2)	n/a	n/a	n/a	–	–	–	–	–	–
Employees of Hays plc(3)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

(1) The change in taxable benefits for Torsten relates to expenses incurred in execution of duties which are taxable for reporting purposes and are shown in section 1.2 on page 111.

(2) Joe Hurd joined the Board on 1 December 2021.

(3) 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.

3.3 CEO vs Employee Pay Ratio

This is the third 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
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
FY22	**Salary**	£24,500	£39,667	£29,600
	Total remuneration	£30,040	£46,588	£79,102

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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 117 and 118. 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. A greater proportion 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 FY22 and FY21 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.

The UK employees included in the calculation are those who have been employed for the full FY22 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.

For the 12 months ended 30 June 2022, the fees earned and retained by the executive directors were as follows:

- Alistair Cox: Alistair holds no external appointments.
- Paul Venables: Paul joined the Board of Manchester Airport Group as a NED and Audit Chair (designate) on 1 February 2022 and his fee to 30 June 2022 was £25,625.

3.5 Relative importance of spend on pay

The table below sets out the relative importance of the spend on pay in FY22 and FY21 compared with other disbursements. All figures are taken from the relevant Hays Annual Report.

	Disbursements from profit in FY22 £m	Disbursements from profit in FY21 £m	% change
Profit distributed by way of dividend	168.5	170.5	-1.2%
Overall spend on pay including directors	766.5	624.5	22.7%

Section 4 – Statement of implementation of Remuneration Policy in the following financial year

In this section:

Below are the Remuneration Policy decisions for FY23. These are in line with the Policy approved by shareholders at the November 2020 AGM.

4.1 Executive directors

Summary

Position	Name	Base salary from 1 July 2022	Maximum bonus potential as % of salary	Maximum PSP award as % of salary	Benefits and pension
CEO	Alistair Cox	£822,274	150%	200%	Pension is 20% of salary for the period 1 July 2022 to 31 December 2022. From 1 January 2023, Alistair will move to the pension level of the majority of UK employees, currently 4% of salary.
CFO	Paul Venables	£564,627	N/A	N/A	Pension is 20% of salary up to his departure on 30 September 2022.
CFO designate Appointment effective from 1 October 2022	James Hilton	£420,000 from 1 October 2022	150% pro-rated for nine months from 1 October 2022 to 30 June 2023	200%	Pension will be aligned to the majority of UK employees from 1 October 2022, currently 4% of salary.
		The salary for the CEO Alistair Cox was increased by 5% for FY23. This was in line with the budget for other UK eligible employees. There was no increase for the CFO Paul Venables due to his departure.	There will be no FY23 bonus for Paul Venables due to his departure.	There is no PSP grant for Paul Venables due to his departure. See grant summary below.	

Bonus performance conditions

The weighting of the performance conditions remain as follows for FY23:

Performance condition	Weighting	
Financial (profit and cash)	80%	The operation of the Bonus Plan is as set out in the Remuneration Policy in the FY20 Annual Report. 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 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. The Malus and Clawback provisions are:

- Material misstatement resulting in an adjustment to the audited accounts;
- Incorrect assessment of any performance conditions or award calculations due to an error or misleading information;
- Fraud and Gross misconduct;
- Severe reputational damage; and
- Corporate failure.

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2022 PSP (to be granted in FY23) vesting in 2025, followed by a two-year Holding Period (to be made under the Policy approved by shareholders at the November 2020 AGM)

For the FY23 award, the performance metrics and weightings will remain consistent with the approach taken last year. In the context of the uncertain economic backdrop, the Remuneration Committee is still in the process of calibrating and finalising the financial targets for the FY23 award, with a focus on ensuring that targets are sufficiently robust and stretching. We currently intend to publish details of the targets for the FY23 PSP on the Company website. We intend to publish these targets well in advance of the 2022 AGM.

Performance period	1 July 2022 to 30 June 2025
Vest date	Three years from grant date followed by a two-year Holding Period

				PSP value as % of salary for:		
Performance condition	Weighting	Threshold performance required	Maximum performance required	Below threshold	Threshold	Maximum
Relative TSR(1)	20%	Median of the comparator group	Upper quartile of the comparator group	0	10%	40%
Cumulative EPS(2)	30%	*	*	0	15%	60%
Cash Conversion	50%	*	*	0	25%	100%
Total	100%			0	50%	200%
					25% of award	100% of award

* Targets to be confirmed on the Company website in advance of the 2022 AGM.

(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 FY23 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) 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 FY23 and the expectations for performance;
  - Strategic direction of the business over the period covered by the PSP award; and
  - 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.

The Malus and Clawback provisions are:
- Material misstatement resulting in an adjustment to the audited accounts;
- Incorrect assessment of any performance conditions or award calculations due to an error or misleading information;
- Fraud and Gross misconduct;
- Severe reputational damage; and
- Corporate failure.

Shareholding requirements

For FY23 the shareholding requirement for both the CEO and the CFO is 200% of base salary. Both the CEO, Alistair Cox and CFO, Paul Venables already hold above this shareholding – see page 115. The CFO designate, James Hilton, will start to build up shares to this level from FY23.

4.2 Non-executive directors

The Committee reviewed the Group Chairman's fee for FY23 and determined that there should be a 5% increase in the base fee which is in line with the budget for other eligible employees in the UK. Base fees for the other NEDs were also increased by 5%. There are no changes to the SID fee or Committee Chair fees. There is no fee for being the Chair of the Nomination Committee. Fees for FY23 are shown below.

Position	Fee for FY23 £000s	Fee for FY22 £000s
Chairman	240	229
Base fee	62	59
Committee Chair (including fee for NED responsible for workforce engagement)	13	13
SID	11	11

4.3 Voting outcome for the 2020 Remuneration Policy at the 2020 AGM and Annual Report on Remuneration FY21 at the 2021 AGM

Votes	Votes 2020 Policy	%	Votes FY21 Remuneration Report	%
Votes for	1,330,376,148	91.47%	1,418,029,452	98.37%
Votes against	124,075,795	8.53%	23,508,843	1.63%
Votes withheld	2,006,052	–	45,465,839	–

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Section 5 – Governance

In this section:

5.1 Remuneration Committee members and attendees

The table below shows the members and attendees of the Remuneration Committee during FY22.

Remuneration Committee members	Position	Comments
Susan Murray	Member from 12 July 2017	Independent
Torsten Kreindl	Member from 1 June 2013 to 16 May 2022	Independent
Peter Williams	Member from 24 February 2015	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

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	Chief Executive	Attend by invitation but do not participate in any discussion about their own reward.
Paul Venables	Chief Financial Officer	
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 FY22	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.

5.3 Meetings in FY22

The Committee normally meets at least four times per year. During FY22, it formally met six 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;
- Consideration of the relationship between executive reward and the reward structures in place for other Group employees;
- The ongoing requirements of the revised UK Corporate Governance Code (July 2018);
- 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 CFO, Paul Venables, and the remuneration package for the CFO designate, James Hilton.

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 FY22 Deloitte has advised the Committee on all aspects of the Remuneration Policy for executive directors and members of the Executive Board.

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 FY22 in relation to Committee work was £88,950 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.

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 2020, the Committee was pleased to have received strong shareholder support for its 2020 Remuneration Policy proposals, the Resolution for which received a 91.47% vote in favour at the November 2020 AGM.

During FY22 the Committee has been open to discussion with shareholders and is appreciative of shareholder support.

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
24 August 2022

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 are also provided in the Strategic Report along with the Company's Section 172 statement.

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, Remuneration and Nomination Committees, which operate within clearly defined terms of reference, are set out within the Audit, Remuneration and Nomination Committee Reports. Information relating to Majority Shareholders can be found on page 86 under Board and stakeholder engagement.

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 27 to the Consolidated Financial Statements.

Post-balance sheet events

There have been no significant events to report since the date of the balance sheet.

Dividends

An interim dividend of 0.95 pence (2021: nil) per Ordinary share was paid to shareholders on 8 April 2022. The Board recommends the payment of a final dividend of 1.90 pence (2021: 1.22 pence) per Ordinary share. In addition, the Board is also recommending the payment of a special dividend of 7.34 pence (2021: 8.93 pence) per Ordinary share. These three dividend payments will represent a total dividend of 10.19 pence (2021: 10.15 pence) per Ordinary share for the financial year ended 30 June 2022. Subject to the shareholders of the Company approving this recommendation at the 2022 AGM, the final and special dividends will be paid, in aggregate, on 11 November 2022 to those shareholders appearing on the register of members as at 30 September 2022. The ex-dividend date is 29 September 2022.

Financial instruments

Details of the financial instruments used by the Group are set out in notes 18 to 20 to the Consolidated Financial Statements. A general outline of Hays' use of financial instruments is set out in the treasury management section on page 43 of the Finance Director's Review.

Directors

Biographies of the serving directors of Hays are provided on pages 78 and 79 of this Report. During the year, Joe Hurd was appointed as a director on 1 December 2021 and Torsten Kreindl retired as a director on 16 May 2022. All the other directors served on the Board throughout FY22. Peter Williams is the Senior Independent Director and MT Rainey is the Designated NED for Workforce Engagement. Paul Venables announced during the year that he would retire from the Board on 30 September 2022, and James Hilton will succeed him from 1 October 2022.

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 2022, the Company had 1,666,673,427 fully paid Ordinary shares in issue, of which 16,358,090 Ordinary shares were held in treasury by the Company. During the year ended 30 June 2022, Hays purchased 15,443,348 Ordinary shares of 1 pence, representing 0.93% of shares in issue, for a total consideration of £18,049,303, excluding costs, which were cancelled.

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 2022, 0.98% 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. During the year, the Company purchased 14,236,084 Ordinary shares of 1 pence, representing 0.85% of shares in issue, for a total consideration of £19,715,489, excluding costs and Stamp Duty. The shares are held in treasury and will be utilised to satisfy employee share-based award obligations. During FY22, Hays transferred 3,558,127 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. No 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) provide 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 2022 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 Finance Director's Review, with details of the Group's treasury activities, long-term funding arrangements and exposure to financial risk included in notes 18 and 19 to the Consolidated Financial Statements.

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 for 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.

Articles of Association

The Company's Articles may only be amended by special resolution of the shareholders. New Articles were adopted by Shareholders at the Company's 2021 AGM.

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.

2022 Annual Report & Financial Statements

On the recommendation of the Audit 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 9 November 2022 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
24 August 2022

DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulation.

Statement of Directors' responsibilities in respect of the Financial Statements

The Directors are responsible for preparing the Annual Report and the Financial Statements 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 judgments and accounting estimates that are reasonable and prudent; and
- 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.

Directors' confirmations

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, comprising FRS 101, give a true and fair view of the assets, liabilities and financial position of the Company; and
- the Audit Committee 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.

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; and
- 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

Alistair Cox
Chief Executive

Paul Venables
Group Finance Director
24 August 2022

FINANCIAL STATEMENTS

Financial Statements for the Group including the report from the Independent Auditor.

INDEPENDENT AUDITOR'S 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 2022 and of the Group's profit 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;
- the Company Financial Statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising 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 & Financial Statements (the 'Annual Report'), which comprise: the Consolidated and Company Balance Sheets as at 30 June 2022; the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated Cash Flow Statement, and the Consolidated and Company Statements of Changes in Equity for the year then ended; and the notes to the Financial Statements, which include a description of the significant accounting policies.

Our opinion is consistent with our reporting to the Audit 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.

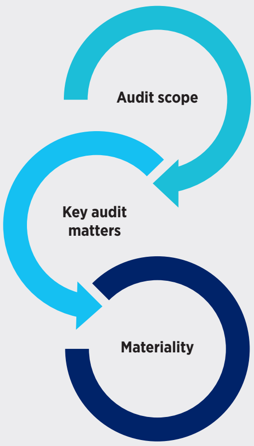
Other than those disclosed in note 6, we have provided no non-audit services to the Company or its controlled undertakings in the period under audit.

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.

Our audit approach

Overview



Audit scope

- 84% of Group net fees and 82% of Group profit before tax subject to full scope audit procedures. In addition, we performed specified procedures over a further two trading countries that were not the subject of full scope audit procedures, representing 7% of Group net fees and 1% of Group profit before tax.
- Australia, UK and Germany were considered to be financially significant due to their relative contributions to the Group's net fees and profit before tax.
- As the Group and UK audit team, we maintained regular contact with significant component teams in Germany and Australia. This included visiting those locations during the year end audit process to help direct and supervise audit procedures performed by those teams.

Key audit matters

- Recoverability of trade receivables (Group)
- Carrying value of investments (Parent)

Materiality

- Overall Group materiality: £10.2 million (2021: £9.0 million) based on 5% of profit before tax.
- Overall Company materiality: £8.7 million (2021: £8.3 million) based on 1% of total assets, restricted by the amount of materiality available for allocation.
- Performance materiality: £7.7 million (2021: £6.8 million) (Group) and £6.5 million (2021: £6.2 million) (Company).

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgment, 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.

Covid-19, which was a key audit matter for the last two years, is no longer included because this key audit matter was to address the response to the initial years impacted by Covid-19. Otherwise, the key audit matters below are consistent with last year.

Key audit matter	How our audit addressed the key audit matter
Recoverability of trade receivables (Group) Refer to page 93 (Audit Committee Report), note 2, note 3 and note 17 to the Financial Statements for the Directors' disclosures of the related accounting policies, judgments and estimates. At 30 June 2022, total trade receivables balances included in note 17 were £663.2 million (2021: £510.2 million), net of provisions of £17.6 million (2021: £16.6 million). The recoverability of trade receivables and the level of provisions for expected credit losses are considered to be a key risk due to the significance of these balances to the Financial Statements and the judgments required in making appropriate provisions.	In order to test the recoverability of trade receivables, we performed the following procedures: i) We evaluated the Group's credit control procedures and assessed and validated the ageing profile of trade receivables; ii) We assessed recoverability on a sample basis by reference to cash received subsequent to year end, agreement to the terms of the contract in place and issue of credit notes post year end, as necessary; iii) We considered the appropriateness of estimates regarding the level of expected credit loss for trade receivables and assessed whether the associated provisions were calculated in accordance with the Group's provisioning policies and/or whether there was evidence of management bias in provisioning, obtaining supporting evidence as necessary; iv) Considering the current global energy crisis, inflationary conditions and recent levels of insolvencies and its potential impact on the customer debt book, we challenged management as to whether the expected credit loss provisions appropriately reflected the level of risk in the total receivables balance with consideration given to individual counterparty credit risk and the general economic conditions in each jurisdiction; and v) We also challenged management as to whether the methodology applied in determining the appropriate expected credit loss provisions appropriately reflected the level of risk in the total receivables balance, with consideration given to individual counterparty credit risk and the general economic conditions in each jurisdiction. We did not encounter any material issues through these audit procedures that indicated that provisioning in respect of trade receivables was inappropriate.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HAYS PLC
CONTINUED

Carrying value of investments (Parent)	How our audit addressed the key audit matters
Refer to note 1 and note 4 of the Company Financial Statements. The Company holds investments in its subsidiaries of £744 million (2021: £744 million). We focused on this area due to the size of the investment balances. Management has performed an assessment of the recoverable amount of the investments and compared this to the carrying value using the same cash flow methodology applied in the impairment test for goodwill. The results showed that no impairment was required against these investments.	We obtained management's assessment of the carrying value of the investments and we challenged: i) the key assumptions for short- and long-term growth rates in the forecast cash flows for those businesses underpinning the investees' recoverable amounts, comparing them with historical results; ii) the discount rate used in the calculations by assessing the cost of capital for the Group and comparable organisations; iii) the recoverability of investment in subsidiaries by comparing the net asset values of these subsidiaries against the carrying value of the investment; and iv) we also considered the market value of the Group compared to the carrying value of the investments. There were no indications of impairment identified. 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 no impairment is required.

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 32 trading countries are structured across four reporting segments, Australia & New Zealand (ANZ), Germany, UK & Ireland (UK&I) and Rest of World (RoW).

Of the 32 trading countries, certain companies in the UK, Germany and Australia together represent 63% of the Group's net fees and 55% of the Group's profit before tax, excluding intercompany operating income and expenses and calculated on an absolute basis. Within these three countries we considered certain companies to be financially significant to the Group and were therefore subject to full scope audit procedures by local component audit teams.

A further 18 other reporting units, including 16 trading countries, were also subject to full scope audits by PwC teams in each of these countries, representing 21% of Group net fees and 27% of Group profit before tax, excluding intercompany operating income and expenses and calculated on an absolute basis. In total, our full scope audit procedures covered 84% of the Group's net fees and 82% of the Group's profit before tax, excluding intercompany operating income and expenses and calculated on an absolute basis. In addition to this, the Group audit team performed specified audit procedures in two other countries, representing 7% of Group net fees and 1% of Group profit before tax, excluding intercompany operating income and expenses and calculated on an absolute basis.

Two holding company reporting units were subject to limited scope audit of tax balances.

Central review procedures were performed by the Group audit team on the remaining 11 countries that were not subject to full scope or specified audit procedures. These countries represented the remaining 9% of net fees and 17% of Group profit before tax, excluding intercompany operating income and expenses and calculated on an absolute basis. We ensured that we maintained appropriate oversight of our component teams through visiting our significant component teams in Germany and Australia this year in addition to the regular remote communications with all component teams. This included regular video conferences and remote working paper reviews to direct and supervise the work of these teams, and to satisfy ourselves as to the appropriateness of the audit work performed.

The Group audit team also joined the audit clearance meetings for each of the 19 countries that were subject to full scope audit procedures, as well as holding calls with the regional management teams responsible for the 11 countries subject to central review procedures.

Climate change

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. 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.

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 judgment, we determined materiality for the Financial Statements as a whole as follows:

	Financial Statements – Group	Financial Statements – Company
Overall materiality	£10.2 million (2021: £9.0 million).	£8.7 million (2021: £8.3 million).
How we determined it	5% of profit before tax.	1% of total assets, restricted by the amount of materiality available for allocation.
Rationale for benchmark applied	We believe that profit before tax 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 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 £8.7 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% (2021: 75%) of overall materiality, amounting to £7.7 million (2021: £6.8 million) for the Group Financial Statements and £6.5 million (2021: £6.2 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 Committee that we would report to them misstatements identified during our audit above £500,000 (Group audit) (2021: £445,000) and £435,000 (Company audit) (2021: £445,000) 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:

- Obtaining the Directors' cash flow forecasts for the Going Concern period and validating the underlying cash flow projections by challenging the basis of the judgments applied and verifying that it is consistent with our existing knowledge and understanding of the business;
- Reviewing the sensitivity analysis carried out by the Directors to assess the impact of the key assumptions underlying the forecast such as reduction in net fees, increase in working capital and expected level of operating expenses;
- Assessing the impact of the Directors' severe but plausible downside scenarios on the headroom available on liquidity;
- 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; 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 12 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HAYS PLC
CONTINUED

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, which includes reporting based on the Task Force on Climate-related Financial Disclosures (TCFD) recommendations. 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 2022 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 Directors' Remuneration Report 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 12 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 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 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 Directors' Responsibilities statement, 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 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 judgments 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, posted by unexpected users, with unusual descriptions or descriptions referring to Directors or key management personnel.

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 Directors' Remuneration Report 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 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 6 years, covering the years ended 30 June 2017 to 30 June 2022.

Other matter

In due course, as required by the Financial Conduct Authority Disclosure Guidance and Transparency Rule 4.1.14R, these Financial Statements will form part of the ESEF-prepared annual financial report filed on the National Storage Mechanism of the Financial Conduct Authority in accordance with the ESEF Regulatory Technical Standard (ESEF RTS). This auditors' report provides no assurance over whether the annual financial report will be prepared using the single electronic format specified in the ESEF RTS.

Jonathan Sturges
Senior Statutory Auditor
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
24 August 2022

CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2022

(In £s million)	Note	2022	2021
Turnover	4, 5	**6,588.9**	5,648.4
Net fees[(1)]	4, 5	**1,189.4**	918.1
Administrative expenses[(2)]	5	**(979.3)**	(823.0)
Operating profit from continuing operations	4	**210.1**	95.1
Net finance charge	8	**(5.8)**	(7.0)
Profit before tax		**204.3**	88.1
Tax	9	**(50.1)**	(26.6)
Profit from continuing operations after tax		**154.2**	61.5
Profit attributable to equity holders of the parent company		**154.2**	61.5
Earnings per share from continuing operations (pence)			
– Basic	11	**9.22p**	3.67p
– Diluted	11	**9.11p**	3.64p

(1) Net fees comprise turnover less remuneration of temporary workers and other recruitment agencies.
(2) Administrative expenses include impairment loss on trade receivables of £2.4 million (2021: £1.9 million).

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2022

(In £s million)	2022	2021
Profit for the year	**154.2**	61.5
Items that will not be reclassified subsequently to profit or loss:		
Actuarial remeasurement of defined benefit pension schemes	**39.6**	(24.2)
Tax relating to components of other comprehensive income	**(8.6)**	8.5
	31.0	(15.7)
Items that may be reclassified subsequently to profit or loss:		
Currency translation adjustments	**10.5**	(28.9)
Other comprehensive income for the year net of tax	**41.5**	(44.6)
Total comprehensive income for the year	**195.7**	16.9
Attributable to equity shareholders of the parent company	**195.7**	16.9

CONSOLIDATED BALANCE SHEET
AT 30 JUNE 2022

(In £s million)	Note	2022	2021
Non-current assets			
Goodwill	12	**202.3**	199.9
Other intangible assets	13	**47.1**	44.8
Property, plant and equipment	14	**29.3**	27.4
Right-of-use assets	15	**171.7**	190.3
Deferred tax assets	16	**18.5**	20.6
Retirement benefit surplus	22	**102.0**	46.6
		570.9	529.6
Current assets			
Trade and other receivables	17	**1,205.1**	927.7
Corporation tax debtor		**5.2**	5.6
Cash and cash equivalents	18	**296.2**	410.6
		1,506.5	1,343.9
Total assets		**2,077.4**	1,873.5
Current liabilities			
Trade and other payables	21	**(1,029.8)**	(753.2)
Lease liabilities	15	**(39.8)**	(36.9)
Corporation tax liabilities		**(34.5)**	(22.9)
Derivative financial instruments	19	**(0.1)**	–
Provisions	23	**(12.7)**	(10.0)
		(1,116.9)	(823.0)
Non-current liabilities			
Deferred tax liabilities	16	**(10.0)**	(4.9)
Lease liabilities	15	**(145.3)**	(164.2)
Provisions	23	**(9.0)**	(9.6)
		(164.3)	(178.7)
Total liabilities		**(1,281.2)**	(1,001.7)
Net assets		**796.2**	871.8
Equity			
Called up share capital	24	**16.7**	16.8
Share premium		**369.6**	369.6
Merger reserve	25	**43.8**	193.8
Capital redemption reserve		**2.7**	2.7
Retained earnings		**268.2**	207.8
Cumulative translation reserve		**73.6**	63.1
Equity reserve		**21.6**	18.0
Total equity		**796.2**	871.8

The Consolidated Financial Statements of Hays plc, registered number 2150950, as set out on pages 136 to 176 were approved by the Board of Directors and authorised for issue on 24 August 2022.

Signed on behalf of the Board of Directors

A R Cox **P Venables**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2022

(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 2021	16.8	369.6	193.8	2.7	207.8	63.1	18.0	871.8
Currency translation adjustments	–	–	–	–	–	10.5	–	10.5
Remeasurement of defined benefit pension schemes	–	–	–	–	39.6	–	–	39.6
Tax relating to components of other comprehensive income	–	–	–	–	(8.6)	–	–	(8.6)
Net income recognised in other comprehensive income	–	–	–	–	31.0	10.5	–	41.5
Profit for the year	–	–	–	–	154.2	–	–	154.2
Total comprehensive income for the year	–	–	–	–	185.2	10.5	–	195.7
Dividends paid	–	–	(150.0)	–	(36.4)	–	–	(186.4)
Purchase of own shares	(0.1)	–	–	–	(94.7)	–	–	(94.8)
Share-based payments	–	–	–	–	6.3	–	3.6	9.9
At 30 June 2022	**16.7**	**369.6**	**43.8**	**2.7**	**268.2**	**73.6**	**21.6**	**796.2**

FOR THE YEAR ENDED 30 JUNE 2021

(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 2020	16.8	369.6	193.8	2.7	161.0	92.0	17.5	853.4
Currency translation adjustments	–	–	–	–	–	(28.9)	–	(28.9)
Remeasurement of defined benefit pension schemes	–	–	–	–	(24.2)	–	–	(24.2)
Tax relating to components of other comprehensive income	–	–	–	–	8.5	–	–	8.5
Net expense recognised in other comprehensive income	–	–	–	–	(15.7)	(28.9)	–	(44.6)
Profit for the year	–	–	–	–	61.5	–	–	61.5
Total comprehensive income for the year	–	–	–	–	45.8	(28.9)	–	16.9
Purchase of own shares	–	–	–	–	(6.4)	–	–	(6.4)
Share-based payments	–	–	–	–	7.4	–	0.5	7.9
At 30 June 2021	16.8	369.6	193.8	2.7	207.8	63.1	18.0	871.8

(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 2022

(In £s million)	2022	2021
Operating profit	**210.1**	95.1
Adjustments for:		
Depreciation of property, plant and equipment	**10.0**	11.6
Depreciation of right-of-use assets	**44.0**	45.1
Amortisation of intangible assets	**10.1**	11.3
Loss on disposal of business assets	**1.5**	0.4
Loss on closure of Russian business	**4.2**	–
Net movements in provisions	**2.1**	1.2
Share-based payments	**10.9**	8.7
	82.8	78.3
Operating cash flow before movement in working capital	**292.9**	173.4
Movement in working capital:		
Increase in receivables	**(259.4)**	(80.7)
Increase/(decrease) in payables[(1)]	**194.4**	(30.2)
Movement in working capital	**(65.0)**	(110.9)
Cash generated by operations	**227.9**	62.5
Cash paid in respect of exceptional items from the year ended 30 June 2020	**–**	(8.0)
Pension scheme deficit funding	**(17.2)**	(16.7)
Income taxes paid	**(39.0)**	(31.8)
Net cash inflow from operating activities	**171.7**	6.0
Investing activities		
Purchase of property, plant and equipment	**(12.1)**	(9.2)
Purchase of own shares	**(38.0)**	(6.4)
Purchase of intangible assets	**(12.3)**	(9.6)
Interest received	**0.8**	0.4
Net cash used in investing activities	**(61.6)**	(24.8)
Financing activities		
Interest paid	**(1.3)**	(1.3)
Lease liability principal repayment	**(45.0)**	(50.0)
Equity dividends paid	**(186.4)**	–
Net cash used in financing activities	**(232.7)**	(51.3)
Net decrease in cash and cash equivalents	**(122.6)**	(70.1)
Cash and cash equivalents at beginning of year	**410.6**	484.5
Effect of foreign exchange rate movements	**8.2**	(3.8)
Cash and cash equivalents at end of year	**296.2**	410.6

(1) The decrease in payables in the year ended 30 June 2021 includes the payment of £118.3 million of short-term taxes deferred at 30 June 2020.

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 International Accounting Standards in conformity with the requirements of the Companies Act 2006. On 31 December 2020, IFRS as adopted by the European Union at that date was brought into UK law and became UK-adopted International Accounting Standards, with future changes being subject to endorsement by the UK Endorsement Board. The Group transitioned to UK-adopted International Accounting Standards in its Consolidated Financial Statements on 1 July 2021. This change constitutes a change in accounting framework. However, there is no impact on recognition, measurement or disclosure in the period reported as a result of the change in framework. 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 2022. These accounting policies are consistent with those applied in the preparation of the Consolidated Financial Statements for the year ended 30 June 2021. There have been no new standards or improvements to existing standards that are mandatory for the first time in the Group's accounting period beginning on 1 July 2021 and no new standards have been early adopted.

The Group's accounting policies align to the requirements of IAS 1 and IAS 8.

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 2022. These new pronouncements are listed as follows:

- IFRS 17 'Insurance contracts' (effective 1 January 2023); and
- IAS 1 (amendments), 'Presentation of Financial Statements', on classification of liabilities (effective 1 January 2023).

The Directors are currently evaluating the impact of the adoption of all other 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. Significant 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 Finance Director's Review, with details of the Group's treasury activities, long-term funding arrangements and exposure to financial risk included in notes 18 to 20 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 2022, the Group had cash of £296.2 million compared to cash of £410.6 million at 30 June 2021, with share repurchases of £38.0 million and dividends of £186.4 million being paid during the year. In addition, the Group currently has an unsecured revolving credit facility of £210 million that reduces in November 2024 to £170 million, and expires in November 2025. The facility has remained undrawn throughout the current year. Despite the excellent growth achieved during the year, the Group had a strong working capital performance; with significant management focus on cash collection, average trade debtor days remained consistent in the year at 33 days (2021: 33 days).

Stress testing

The Board approves an annual budget and reviews monthly management reports and quarterly forecasts. The output of the planning and budgeting processes has been used to perform a sensitivity analysis of the Group's cash flow to model the potential effects should principal risks actually occur, either individually or in unison.

The sensitivity analysis modelled scenarios in which the Group incurred a sustained loss of business arising from a prolonged global downturn, with a range of recovery scenarios considered. The Group's 'Stress Case' scenario assumes that the Group experiences another severe downturn similar in scale to the one caused by the Covid-19 pandemic in the year ended 30 June 2020, followed by a period of gradual recovery, as opposed to the significant recovery the Group experienced through the year ended 30 June 2021 and excellent growth achieved in the year ended 30 June 2022. The Stress Case scenario forecasts a strong cash position in excess of £140 million throughout the Going Concern period, being at least 12 months from the date of approval of the Consolidated Financial Statements, with the revolving credit facility remaining undrawn with significant headroom against its banking covenants.

Set against these downside trading scenarios, the Board 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 significant working capital inflows which arise in periods of severe downturn, particularly in the Temporary recruitment business, 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 in the year ended 30 June 2020.

In addition, the Group's strong balance sheet position and history of strong cash generation, tight cost control and flexible workforce management provides further protection. The Group also has in place its £210 million revolving credit facility which is currently undrawn. This facility is in place until November 2025, although at the lower value of £170 million in its final year due to reduced lender commitments received.

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 Consolidated 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.

Due to the conflict in Ukraine, the Group announced on 3 March 2022 that it had taken the decision to close its offices in Moscow and St Petersburg, cease trading with immediate effect and exit Russia. The Directors consider that control was lost at this date, although the exit was completed in June 2022. In the year ended 30 June 2022, Russia generated £7.8 million of net fees (2021: £9.1 million) and £1.2 million of operating profit (2021: £1.0 million). The total one-off cost of closing the Russian business was £4.2 million and, due to the amount being immaterial to the Group, was incurred as an expense within operating profit and not reported as a discontinued operation.

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 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 billed 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 invoiced 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 at the point in time the candidate commences employment. 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 Group 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 agencies;
- 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. 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 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.

g. 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
CONTINUED

2. Significant accounting policies continued

g. Retirement benefit costs continued

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.

h. 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.

i. 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.

j. 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 before tax 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.

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 at 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.

k. 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.

l. 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 indicators 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 and financial reporting processes is amortised over a life of up to seven years. Other software is amortised between three and five years.

m. 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%

n. 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.

o. 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.

p. Trade payables

Trade payables are measured initially at transaction price and then at amortised cost.

q. 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.

r. Derivative financial instruments

The Group may use certain derivative financial instruments to reduce its exposure to foreign exchange movements. The Group held five foreign exchange contracts at the end of the current year (2021: none) 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).

s. 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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2. Significant accounting policies continued

s. Leases continued

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.

t. 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.

u. 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 judgments, 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 62). 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.

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

Management does not consider there to be any critical accounting judgments in either the current or prior years.

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 12 to the Consolidated Financial Statements.

Management has determined that there is no impairment required to any of the CGUs in the year ended 30 June 2022 and that there are no reasonably possible changes to key assumptions that could result in an impairment being required.

Pension accounting

Under IAS 19 'Employee Benefits', the Group has recognised a pension surplus of £102.0 million (2021: £46.6 million). A number of assumptions have been made in determining the pension position and these are described in note 22 to the Consolidated Financial Statements.

Provisions in respect of recoverability of trade receivables

As described in note 17 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, Australia & New Zealand, Germany, United Kingdom & Ireland 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 Board, 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 Board 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 136. The reconciliation of turnover to net fees can be found in note 5 to the Consolidated Financial Statements.

(In £s million)	Note	**2022**	2021
Turnover			
Australia & New Zealand		**1,638.8**	1,502.4
Germany		**1,621.9**	1,409.1
United Kingdom & Ireland		**1,657.2**	1,561.1
Rest of World		**1,671.0**	1,175.8
Group	5	**6,588.9**	5,648.4

(In £s million)	Note	**2022**	2021
Net fees			
Australia & New Zealand		**195.7**	159.9
Germany		**313.9**	244.8
United Kingdom & Ireland		**263.3**	201.1
Rest of World		**416.5**	312.3
Group	5	**1,189.4**	918.1

(In £s million)	**2022**	2021
Operating profit		
Australia & New Zealand	**51.6**	39.7
Germany	**75.6**	31.4
United Kingdom & Ireland	**43.4**	11.5
Rest of World	**39.5**	12.5
Group	**210.1**	95.1

Net trade receivables

For the purpose of monitoring performance and allocating resources from a balance sheet perspective, the Group's Executive Board 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 17 to the Consolidated Financial Statements.

(In £s million)	As reported internally	Exchange adjustments	**2022**	As reported internally	Exchange adjustments	2021
Australia & New Zealand	75.5	4.9	**80.4**	83.3	(2.3)	81.0
Germany	204.3	0.6	**204.9**	166.8	(8.7)	158.1
United Kingdom & Ireland	149.8	0.1	**149.9**	134.1	(0.3)	133.8
Rest of World	214.3	13.7	**228.0**	146.7	(9.4)	137.3
Group	643.9	19.3	**663.2**	530.9	(20.7)	510.2

Major customers

In the current year and prior year there was no customer that exceeded 10% of the Group's turnover.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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5. Operating profit

The following costs are deducted from turnover to determine net fees:

(In £s million)	2022	2021
Turnover	6,588.9	5,648.4
Remuneration of temporary workers	(4,784.1)	(4,422.7)
Remuneration of other recruitment agencies	(615.4)	(307.6)
Net fees	1,189.4	918.1

The increase in remuneration of other recruitment agencies during the year is primarily caused by a large contract win in the US, which included a significant amount of pre-existing other agency supply. Management expects that this will, over time, transition to the direct remuneration of temporary workers. Excluding this contract, remuneration of other recruitment agencies increased by c.£54 million.

Operating profit is stated after charging the following items to net fees of £1,189.4 million (2021: £918.1 million):

(In £s million)	2022	2021
Staff costs (note 7)	766.5	624.5
Amortisation of intangible assets (note 13)	10.1	11.3
Depreciation of property, plant and equipment (note 14)	10.0	11.6
Depreciation of right-of-use assets (note 15)	44.0	45.1
Loss on closure of Russian business	4.2	–
Short-term leases and leases of low-value assets	3.1	2.1
Impairment loss on trade receivables (note 17)	2.4	1.9
Auditor's remuneration (note 6):		
– for statutory audit services	1.8	1.6
– for other services	0.2	0.1
Other external charges	137.0	124.8
Administrative expenses	979.3	823.0

Due to the conflict in Ukraine, the Group announced on 3 March 2022 that it had taken the decision to close its offices in Moscow and St Petersburg, cease trading with immediate effect and exit Russia. The Directors consider that control was lost at this date, although the exit was completed in June 2022. In the year ended 30 June 2022, Russia generated £7.8 million of net fees (2021: £9.1 million) and £1.2 million of operating profit (2021: £1.0 million). The total one-off cost of closing the Russian business was £4.2 million and, due to the amount being immaterial to the Group, was incurred as an expense within operating profit and not reported as a discontinued operation.

The Group has not received any income in the current year in respect of job support schemes following the Covid-19 pandemic. Operating profit in the prior year is stated net of £3.9 million income received from governments globally in respect of job support schemes, which was received entirely from governments outside of the United Kingdom.

6. Auditor's remuneration

(In £s million)	2022	2021
Fees payable to the Company's Auditor for the audit of the Company's annual Financial Statements	0.5	0.4
Fees payable to the Company's Auditor and its associates for other services to the Group:		
The audit of the Company's subsidiaries pursuant to legislation	1.3	1.2
Total audit fees	1.8	1.6
Audit-related assurance services	0.2	0.1
Total non-audit fees	0.2	0.1

7. Staff costs

The aggregate staff remuneration (including Executive Directors) was as follows:

(In £s million)	**2022**	2021
Wages and salaries	**654.1**	531.3
Social security costs	**81.5**	67.8
Other pension costs	**20.0**	16.7
Share-based payments	**10.9**	8.7
Staff costs	**766.5**	624.5

Average number of persons employed during the year (including Executive Directors) was as follows:

(Number)	**2022**	2021
Australia & New Zealand	**1,563**	1,274
Germany	**2,568**	2,231
United Kingdom & Ireland	**3,430**	3,059
Rest of World	**4,552**	3,640
Group	**12,113**	10,204

Closing number of persons employed at the end of the year (including Executive Directors) was as follows:

(Number)	**2022**	2021
Australia & New Zealand	**1,672**	1,391
Germany	**2,885**	2,297
United Kingdom & Ireland	**3,764**	3,201
Rest of World	**4,913**	3,889
Group	**13,234**	10,778

8. Net finance charge

(In £s million)	**2022**	2021
Interest received on bank deposits	**0.8**	0.4
Interest payable on bank loans and overdrafts	**(1.2)**	(1.0)
Other interest payable	**–**	(0.1)
Interest on lease liabilities (note 15)	**(3.9)**	(5.0)
Pension Protection Fund levy	**(0.1)**	(0.2)
Net interest expense on defined benefit pension schemes (note 22)	**(1.4)**	(1.1)
Net finance charge	**(5.8)**	(7.0)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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9. Tax

The tax expense for the year comprises the following:

(In £s million)	2022	2021
Current tax		
Current tax expense in respect of the current year	(54.8)	(31.0)
Adjustments recognised in the current year in relation to the current tax of prior years	4.0	(2.4)
	(50.8)	(33.4)
Deferred tax		
Deferred tax credit in respect of the current year	0.2	5.1
Adjustments to deferred tax attributable to changes in tax rates and laws	–	(0.2)
Adjustments to deferred tax in relation to prior years	0.5	1.9
	0.7	6.8
Total income tax expense recognised in the current year	(50.1)	(26.6)

Current tax expense for the year comprises the following:

(In £s million)	2022	2021
United Kingdom	(3.8)	(4.1)
Overseas	(51.0)	(26.9)
Group	(54.8)	(31.0)

The income tax expense for the year can be reconciled to the accounting profit as follows:

(In £s million)	2022	2021
Profit before tax	204.3	88.1
Income tax expense calculated at 19.0% (2021: 19.0%)	(38.8)	(16.7)
Net effect of items that are non-deductible in determining taxable profit	(5.6)	(3.2)
Effect of unused tax losses not recognised for deferred tax assets	(1.1)	(2.3)
Effect of tax losses not recognised for deferred tax utilised in the year	0.8	–
Effect of tax losses now recognised for deferred tax	3.1	2.4
Effect of other timing differences not recognised for deferred tax assets	2.4	(0.7)
Effect of other timing differences previously unrecognised for deferred tax assets	0.9	4.0
Effect of different tax rates of subsidiaries operating in other jurisdictions	(15.7)	(9.1)
Effect of changes in tax rates	–	(0.2)
Effect of share-based payment charges and share options	(0.6)	(0.3)
Income tax recognised in the current year	(54.6)	(26.1)
Adjustments recognised in the current year in relation to the current tax of prior years	4.0	(2.4)
Adjustments to deferred tax in relation to prior years	0.5	1.9
Income tax expense recognised in the Consolidated Income Statement	(50.1)	(26.6)
Effective tax rate for the year	24.5%	30.2%

The tax rate used for the reconciliation above for the year ended 30 June 2022 is the corporation tax rate of 19.0% (2021: 19.0%) payable by corporate entities in the United Kingdom on taxable profits under tax law in that jurisdiction. 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.

Income tax recognised in other comprehensive income

(In £s million)	2022	2021
Current tax		
Contributions in respect of defined benefit pension scheme	–	3.0
Tax on foreign exchange movements	(1.8)	0.6
Effect of tax losses previously recognised, utilised in the year	1.8	–
Deferred tax		
Actuarial (gain)/loss in respect of defined benefit pension scheme	(9.9)	6.0
Contributions in respect of defined benefit pension scheme	–	(3.9)
Impact of rate change on opening balances	–	(1.3)
Effect of tax losses previously recognised, utilised in the year	(1.8)	–
Effect of tax losses recognised for deferred tax	3.1	4.1
Total income tax (charge)/credit recognised in other comprehensive income	(8.6)	8.5

10. Dividends

The following dividends were paid by the Group and have been recognised as distributions to equity shareholders in the year:

	2022 (pence per share)	2022 (£s million)	2021 (pence per share)	2021 (£s million)
Prior year final dividend	1.22	20.5	–	–
Prior year special dividend	8.93	150.0	–	–
Current year interim dividend	0.95	15.9	–	–
Total	11.10	186.4	–	–

The following dividends have been proposed by the Group in respect of the accounting year presented:

	2022 (pence per share)	2022 (£s million)	2021 (pence per share)	2021 (£s million)
Interim dividend (paid)	0.95	15.9	–	–
Final dividend (proposed)	1.90	31.4	1.22	20.5
Special dividend (proposed)	7.34	121.2	8.93	150.0
Total	10.19	168.5	10.15	170.5

The final dividend for 2022 of 1.90 pence per share (£31.4 million) along with a special dividend of 7.34 pence per share (£121.2 million) will be proposed at the Annual General Meeting on 9 November 2022. Neither the final dividend nor the special dividend have been included as a liability. If approved, the final and special dividends will be paid on 11 November 2022 to shareholders on the register at the close of business on 30 September 2022.

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11. Earnings per share

For the year ended 30 June 2022	**Earnings (£s million)**	**Weighted average number of shares (million)**	**Per share amount (pence)**
Basic earnings per share	**154.2**	**1,671.7**	**9.22**
Dilution effect of share options	**–**	**20.7**	**(0.11)**
Diluted earnings per share	**154.2**	**1,692.4**	**9.11**

For the year ended 30 June 2021	Earnings (£s million)	Weighted average number of shares (million)	Per share amount (pence)
Basic earnings per share	61.5	1,677.3	3.67
Dilution effect of share options	–	15.2	(0.03)
Diluted earnings per share	61.5	1,692.5	3.64

The weighted average number of shares in issue for the current and prior years exclude shares held in treasury.

12. Goodwill

(In £s million)	**2022**	2021
At 1 July	**199.9**	209.0
Exchange adjustments	**2.4**	(9.1)
At 30 June	**202.3**	199.9

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 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 Board, 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 Board, 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 12.7% and 16.0% (2021: 7.0% and 11.7%) 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. Following the immediate impact of the Covid-19 pandemic, the demand for recruitment services across the Group declined significantly. However, the Group has achieved strong sequential net fee growth throughout both the current and prior years and therefore the medium-term growth rates reflect an expectancy of a continuation of net fee growth over the next five years. 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% (2021: 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.

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)	**2022**	2021
Germany	**49.9**	49.8
United Kingdom & Ireland	**93.1**	93.1
Rest of World	**59.3**	57.0
Group	**202.3**	199.9

Information about the performance of the individual CGUs is provided in the Divisional Operating Reviews, within the Strategic Report on pages 44 to 48.

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. In the current year, management has determined that there has been no requirement to impair to any of the CGUs and in respect of these a sensitivity analysis has been performed in assessing recoverable amounts of goodwill. 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 medium- and long-term growth rates of between 0% and 2% in absolute terms. The sensitivity analysis shows that no impairment would arise in isolation under each scenario for any of the CGUs. The average headroom across all the CGUs was 480% and the lowest level of headroom on an individual CGU was 130%.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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13. Other intangible assets

(In £s million)	2022	2021
Cost		
At 1 July	**164.9**	160.1
Exchange adjustments	**2.7**	(4.7)
Additions	**12.3**	9.6
Disposals	**(0.7)**	(0.1)
At 30 June	**179.2**	164.9
Amortisation		
At 1 July	**120.1**	111.2
Exchange adjustments	**2.0**	(2.4)
Charge for the year	**10.1**	11.3
Disposals	**(0.1)**	–
At 30 June	**132.1**	120.1
Net book value		
At 30 June	**47.1**	44.8
At 1 July	**44.8**	48.9

All other intangible assets relate mainly to computer software, and of the additions in the current year, £5.4 million relate to internally generated assets (2021: £4.5 million).

The estimated average useful life of the computer software related intangible assets is seven years (2021: 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 2022 (2021: £nil).

14. Property, plant and equipment

(In £s million)	Leasehold properties (short)	Plant and machinery	Fixtures and fittings	Total
Cost				
At 1 July 2021	26.8	51.4	30.4	108.6
Exchange adjustments	1.2	0.9	0.5	2.6
Additions	1.5	9.2	1.4	12.1
Disposals	(1.4)	(6.7)	(0.9)	(9.0)
At 30 June 2022	**28.1**	**54.8**	**31.4**	**114.3**
Accumulated depreciation				
At 1 July 2021	18.9	39.2	23.1	81.2
Exchange adjustments	0.8	0.7	0.4	1.9
Charge for the year	2.3	5.8	1.9	10.0
Disposals	(1.3)	(6.0)	(0.8)	(8.1)
At 30 June 2022	**20.7**	**39.7**	**24.6**	**85.0**
Net book value				
At 30 June 2022	**7.4**	**15.1**	**6.8**	**29.3**
At 1 July 2021	7.9	12.2	7.3	27.4

There were no capital commitments at 30 June 2022 (2021: £nil).

(In £s million)	Leasehold properties (short)	Plant and machinery	Fixtures and fittings	Total
Cost				
At 1 July 2020	26.9	52.5	32.0	111.4
Exchange adjustments	(1.2)	(1.7)	(1.2)	(4.1)
Additions	1.4	6.6	1.2	9.2
Disposals	(0.3)	(6.0)	(1.6)	(7.9)
At 30 June 2021	26.8	51.4	30.4	108.6
Accumulated depreciation				
At 1 July 2020	17.1	40.1	22.8	80.0
Exchange adjustments	(0.8)	(1.3)	(0.8)	(2.9)
Charge for the year	2.9	6.2	2.5	11.6
Disposals	(0.3)	(5.8)	(1.4)	(7.5)
At 30 June 2021	18.9	39.2	23.1	81.2
Net book value				
At 30 June 2021	7.9	12.2	7.3	27.4
At 1 July 2020	9.8	12.4	9.2	31.4

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15. Lease accounting under IFRS 16

	Right-of-use assets				
(In £s million)	Property	Motor vehicles	Other assets	Total lease assets	Lease liabilities
At 1 July 2021	181.8	8.3	0.2	190.3	(201.1)
Exchange adjustments	2.5	0.2	–	2.7	(2.4)
Lease additions	32.0	6.6	–	38.6	(38.6)
Lease disposals	(15.7)	(0.2)	–	(15.9)	15.9
Depreciation of right-of-use assets	(38.2)	(5.7)	(0.1)	(44.0)	–
Lease liability principal repayments	–	–	–	–	45.0
Interest on lease liabilities	–	–	–	–	(3.9)
At 30 June 2022	**162.4**	**9.2**	**0.1**	**171.7**	**(185.1)**

Included within property lease disposals, under both right-of-use assets and lease liabilities, is £12.6 million (2021: £nil) in relation to lease modifications. These have arisen following an assessment by management of property lease terms, which concluded that the lease termination date for several properties across the Group will be earlier than had previously been estimated.

	Right-of-use assets				
(In £s million)	Property	Motor vehicles	Other assets	Total lease assets	Lease liabilities
At 1 July 2020	205.6	10.7	0.3	216.6	(228.7)
Exchange adjustments	(8.7)	(0.4)	–	(9.1)	10.5
Lease additions	27.7	4.6	–	32.3	(32.3)
Lease disposals	(4.0)	(0.4)	–	(4.4)	4.4
Depreciation of right-of-use assets	(38.8)	(6.2)	(0.1)	(45.1)	–
Lease liability principal repayments	–	–	–	–	50.0
Interest on lease liabilities	–	–	–	–	(5.0)
At 30 June 2021	181.8	8.3	0.2	190.3	(201.1)

Maturity analysis

(In £s million)	**2022**	2021
Less than one year	**(39.8)**	(36.9)
One to two years	**(37.1)**	(33.1)
Two to three years	**(29.9)**	(28.5)
Three to four years	**(20.7)**	(24.2)
Four to five years	**(14.4)**	(17.3)
More than five years	**(43.2)**	(61.1)
Total lease liabilities	**(185.1)**	(201.1)

(In £s million)	**2022**	2021
Current	**(39.8)**	(36.9)
Non-current	**(145.3)**	(164.2)
Total lease liabilities	**(185.1)**	(201.1)

16. Deferred tax

Deferred tax assets and liabilities in relation to:

(In £s million)	1 July 2021	(Charge)/ credit to Consolidated Income Statement	(Charge)/ credit to other comprehensive income	Exchange adjustments	**30 June 2022**
Accelerated tax depreciation	(3.4)	(0.3)	–	(0.1)	**(3.8)**
Retirement benefit surplus	(11.6)	(4.0)	(9.9)	–	**(25.5)**
Share-based payments	1.6	0.1	–	–	**1.7**
Provisions	8.4	–	–	0.1	**8.5**
Tax losses	12.2	3.4	1.3	0.3	**17.2**
Other short-term timing differences	8.5	1.5	–	0.4	**10.4**
Net deferred tax	15.7	0.7	(8.6)	0.7	**8.5**

(In £s million)	1 July 2020	(Charge)/ credit to Consolidated Income Statement	(Charge)/ credit to other comprehensive income	Exchange adjustments	30 June 2021
Accelerated tax depreciation	(6.3)	2.4	–	0.5	(3.4)
Retirement benefit surplus	(10.5)	(1.9)	0.8	–	(11.6)
Share-based payments	1.2	0.4	–	–	1.6
Provisions	9.0	(0.3)	–	(0.3)	8.4
Tax losses	3.1	5.3	4.1	(0.3)	12.2
Other short-term timing differences	7.7	0.9	–	(0.1)	8.5
Net deferred tax	4.2	6.8	4.9	(0.2)	15.7

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)	**2022**	2021
Deferred tax assets	**18.5**	20.6
Deferred tax liabilities	**(10.0)**	(4.9)
Net deferred tax	**8.5**	15.7

The deferred tax asset of £18.5 million (2021: £20.6 million) as at 30 June 2022 primarily arises from the Group's Australian business and the deferred tax liability of £10.0 million mainly arises from the Group's German and UK businesses.

The reduction in the overall deferred tax balance is primarily explained by the increase in the deferred tax liability driven by an increase in the retirement benefit surplus, partially offset by the recognition of a deferred tax asset in relation to previously unrecognised tax losses. This is 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.

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 buy-out of the scheme within the next seven 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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16. Deferred tax continued

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 2022 would be £6.2 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 has effect from 1 April 2023, the UK deferred tax balances were remeasured as at 30 June 2021 and continue 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 2022	Tax 2022	Gross 2021	Tax 2021
Tax losses (revenue in nature)	97.8	26.5	122.9	31.8
Tax losses (capital in nature)	22.1	5.5	22.1	5.5
Total tax losses	119.9	32.0	145.0	37.3

(In £s million)	Gross 2022	Tax 2022	Gross 2021	Tax 2021
Unrecognised deductible temporary differences	41.9	10.2	57.0	14.0

In tax losses (revenue in nature) £0.5 million is due to expire by 2024. The remaining tax losses have no fixed expiry date. The capital losses can 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)	2022	2021
Foreign subsidiaries	28.3	26.3
Tax thereon	1.8	1.7

17. Trade and other receivables

(In £s million)	**2022**	2021
Net trade receivables	**663.2**	510.2
Net accrued income	**495.9**	377.1
Prepayments and other receivables	**46.0**	40.4
Trade and other receivables	**1,205.1**	927.7

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 33 days (2021: 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 £2.5 million and £0.6 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 2022

(In £s million)	Gross	Expected Credit Loss	Provision	Net
Not yet due	570.0	0.4%	(2.0)	568.0
Up to one month past due	78.5	2.8%	(2.2)	76.3
One to three months past due	22.2	19.4%	(4.3)	17.9
Greater than three months past due	10.1	90.1%	(9.1)	1.0
Trade receivables	**680.8**	**2.6%**	**(17.6)**	**663.2**
Accrued income	**499.0**	**0.6%**	**(3.1)**	**495.9**

As at 30 June 2021

(In £s million)	Gross	Expected Credit Loss	Provision	Net
Not yet due	452.7	0.4%	(1.8)	450.9
Up to one month past due	52.2	6.9%	(3.6)	48.6
One to three months past due	13.2	26.5%	(3.5)	9.7
Greater than three months past due	8.7	88.5%	(7.7)	1.0
Trade receivables	526.8	3.2%	(16.6)	510.2
Accrued income	378.2	0.3%	(1.1)	377.1

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)	**2022**	2021
At 1 July	**16.6**	21.7
Exchange movement	**0.2**	(0.6)
Charge for the year	**2.4**	1.9
Uncollectable amounts written off	**(1.6)**	(6.4)
At 30 June	**17.6**	16.6

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17. Trade and other receivables continued

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 33 days at 30 June 2022 (30 June 2021: 33 days). The sensitivity analysis shows that an increase of one DSO will result in an additional £0.9 million impairment allowance, whereas a decrease of one DSO will result in a £0.8 million decrease in impairment allowance. The impact of forward-looking factors on the required provision is immaterial at 30 June 2022, 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	601.9	0.4%	(2.1)
Up to one month past due	82.9	2.8%	(2.3)
One to three months past due	23.4	19.4%	(4.5)
Greater than three months past due	10.7	90.1%	(9.6)
Trade receivables	718.9	2.6%	(18.5)

One fewer DSO

(In £s million)	Adjusted Gross	Expected Credit Loss	Required Provision
Not yet due	541.4	0.4%	(1.9)
Up to one month past due	74.5	2.8%	(2.1)
One to three months past due	21.0	19.4%	(4.1)
Greater than three months past due	9.7	90.1%	(8.7)
Trade receivables	646.6	2.6%	(16.8)

The risk disclosures contained on pages 68 to 74 within the Strategic Report form part of these Consolidated Financial Statements.

18. Cash and cash equivalents

(In £s million)	**2022**	2021
Cash and cash equivalents	**296.2**	410.6

The effective interest rate on short-term deposits was 0.1% (2021: 0.3%). The average maturity of short-term deposits was 19 days (2021: 28 days).

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. The Group's policy for special dividends is based on returning capital above the cash buffer of £100 million at each financial year end, plus any residual amounts outstanding on the share buyback programme, subject to a positive 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 20) 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 Finance Director's Review on page 43.

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 £1.1 million and £0.3 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.

19. Derivative financial instruments

(In £s million)	**2022**	2021
Net derivative liability	**(0.1)**	–

As set out in note 18 to the Consolidated Financial Statements and in the treasury management section of the Finance Director's Review on page 43, 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 2022, the Group had entered into five forward exchange contract arrangements with a counterparty bank (2021: no forward contracts). The fair market value of the contracts as at 30 June 2022 gave rise to a loss resulting in the presentation of a net derivative liability of £0.1 million (2021: £nil) 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)	**2022**	2021
Financial assets		
Net trade receivables	**663.2**	510.2
Net accrued income	**495.9**	377.1
Cash and cash equivalents	**296.2**	410.6
Total financial assets	**1,455.3**	1,297.9

(In £s million)	**2022**	2021
Financial liabilities		
Trade payables	**279.5**	151.1
Other payables	**84.2**	72.5
Other financial liabilities	**56.8**	–
Accruals	**518.9**	444.3
Derivative financial instruments	**0.1**	–
Total financial liabilities	**939.5**	667.9

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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20. Bank loans and overdrafts

In accordance with the general removal of LIBOR as a benchmark by authorities, and the subsequent issuance of replacement reference rates in most financial markets, Hays plc has made amendments where necessary to its financial agreements to reflect this change.

Risk management

A description of the Group's treasury policy and controls is included in the Finance Director's Review on page 43.

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 2022, £210 million of the committed facility was undrawn (2021: £210 million undrawn).

Interest rates

The weighted average interest rates paid were as follows:

	2022	2021
Bank borrowings	**1.7%**	1.1%

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 £0.1 million.

21. Trade and other payables

(In £s million)	**2022**	2021
Trade payables	**279.5**	151.1
Other tax and social security	**90.4**	85.3
Other payables	**84.2**	72.5
Other financial liabilities	**56.8**	–
Accruals	**518.9**	444.3
Trade and other payables	**1,029.8**	753.2

The Directors consider that the carrying amount of trade payables approximates to their fair value. The average credit period taken for trade purchases is 28 days (2021: 23 days).

As announced on 28 April 2022, the Group commenced a £75.0 million share buyback programme, to be completed over a 12-month period. By 30 June 2022 the Group had purchased and cancelled 15.4 million shares (£18.2 million) under this programme. Due to the nature of the cancellation terms in the agreement being not substantive, the outstanding balance under the programme of £56.8 million has been recognised as other financial liabilities as at 30 June 2022.

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.

22. 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 £15.1 million (2021: £11.7 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 £4.9 million (2021: £5.0 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 and 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 2022, the Group made a contribution of £16.7 million to the Hays Pension Scheme (2021: £16.3 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)	**2022**	2021
Present value of defined benefit obligations	**(573.5)**	(855.8)
Less fair value of defined benefit scheme assets:		
Bonds and gilts	**218.4**	232.4
Absolute return funds	**31.2**	32.0
LDI funds	**139.7**	292.2
Real estate	**65.9**	60.9
Buy-in policy and other insurance policies	**191.6**	258.1
Cash	**28.7**	26.8
Total fair value of defined benefit scheme assets	**675.5**	902.4
Net asset arising from defined benefit obligations	**102.0**	46.6

(In £s million)	Quoted	Unquoted	**2022**
Asset category			
Bonds and gilts	–	218.4	**218.4**
Absolute return funds	31.2	–	**31.2**
LDI funds	383.5	(243.8)	**139.7**
Real estate	1.4	64.5	**65.9**
Buy-in policy and other insurance policies	–	191.6	**191.6**
Cash	30.6	(1.9)	**28.7**
Total scheme assets	446.7	228.8	**675.5**

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22. Retirement benefit surplus continued

The Trustee Board is responsible for determining the Hays Pension Scheme's investment strategy, after taking advice from the Schemes' 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 the 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	2022
LDI funds summary valuation			
Government bonds	20.0	–	**20.0**
Government index-linked	355.8	–	**355.8**
Interest rate swaps	–	(14.7)	**(14.7)**
Fixed income futures	27.0	–	**27.0**
Liquidity	7.7	–	**7.7**
Gross funds	410.5	(14.7)	**395.8**
Repurchase agreements	–	(226.8)	**(226.8)**
RPI swaps	–	(2.3)	**(2.3)**
Futures	(27.0)	–	**(27.0)**
Gross liabilities	(27.0)	(229.1)	**(256.1)**
Total LDI funds	383.5	(243.8)	**139.7**

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)	2022	2021
Opening defined benefit obligation at 1 July	**(855.8)**	(893.2)
Administration costs	**(2.5)**	(2.1)
Interest on defined benefit scheme liabilities	**(16.3)**	(14.1)
Net remeasurement (losses)/gains – change in experience assumptions	**(12.3)**	0.5
Net remeasurement gains – change in demographic assumptions	**17.6**	–
Net remeasurement gains – change in financial assumptions	**256.8**	23.4
Benefits and expenses paid	**39.0**	29.7
Closing defined benefit obligation at 30 June	**(573.5)**	(855.8)

The analysis of the defined benefit obligations is shown below:

(In £s million)	2022	2021
Plans that are wholly or partly funded	**(565.9)**	(843.5)
Plans that are wholly unfunded	**(7.6)**	(12.3)
Total	**(573.5)**	(855.8)

The defined benefit schemes' liability comprises 57% (2021: 63%) in respect of deferred benefit scheme participants and 43% (2021: 37%) in respect of retirees.

The weighted average duration of the UK defined benefit scheme liabilities at the end of the reporting year is 17 years (2021: 21 years).

The change in the fair value of defined benefit scheme assets is as follows:

(In £s million)	2022	2021
Fair value of plan assets at 1 July	**902.4**	948.4
Interest income on defined benefit scheme assets	**17.4**	15.1
Return on scheme assets	**(222.5)**	(48.1)
Employer contributions (towards funded and unfunded schemes)	**17.2**	16.7
Benefits and expenses paid	**(39.0)**	(29.7)
Fair value of plan assets at 30 June	**675.5**	902.4

During the year the Company made deficit funding contributions of £16.7 million (2021: £16.3 million) into the funded Hays Pension Scheme, and made pension payments amounting to £0.5 million (2021: £0.4 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 2023 is £17.2 million. Following the closure of the schemes in 2012 future service contributions are no longer payable.

The net interest expense recognised in the Consolidated Income Statement comprised:

(In £s million)	2022	2021
Net interest income	**1.1**	1.0
Administration costs	**(2.5)**	(2.1)
Net expense recognised in the Consolidated Income Statement	**(1.4)**	(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)	2022	2021
Return on plan assets (excluding amounts included in net interest expense)	**(222.5)**	(48.1)
Actuarial remeasurement:		
Net remeasurement (losses)/gains – change in experience assumptions	**(12.3)**	0.5
Net remeasurement gains – change in demographic assumptions	**17.6**	–
Net remeasurement gains – change in financial assumptions	**256.8**	23.4
Remeasurement of the net defined benefit surplus	**39.6**	(24.2)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
CONTINUED

22. Retirement benefit surplus continued

A roll-forward of the actuarial valuation of the Hays Pension Scheme to 30 June 2022 and the valuation of the Hays Supplementary Pension Scheme has been performed by an independent actuary, who is an employee of Deloitte LLP.

The key assumptions used at 30 June are as follows:

	2022	2021
Discount rate	3.90%	1.95%
RPI inflation	3.15%	3.20%
CPI inflation	2.45%	2.50%
Rate of increase of pensions in payment	3.05%	3.10%
Rate of increase of pensions in deferment	2.45%	2.50%

The discount rate has been constructed to reference the Deloitte 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 Schemes' cash flows. The duration of the Schemes' liabilities using this approach is 17 years.

The RPI inflation assumption has been set as gilt market implied RPI appropriate to the duration of the liabilities (17 years) less a 0.2% per annum inflation risk premium. The CPI inflation assumption has been determined as 0.7% per annum below the RPI assumption (2021: 0.7%).

The life expectancy assumptions have been updated and calculated using bespoke 2021 Club Vita base tables along with CMI 2021 projections (smoothing factor of 7 and assuming improvements have peaked) and a long-term improvement rate of 1.3% per annum. On this basis a 65-year-old current pensioner has a life expectancy of 22.3 years for males (2021: 23.0 years) and 23.8 years for females (2021: 24.4 years). Also on the same basis, the life expectancy from age 65 years of a current 45-year-old deferred member is 23.2 years for males (2021: 25.0 years) and 25.8 years for females (2021: 27.3 years).

A sensitivity analysis on the principal assumptions used to measure the Schemes' liabilities at the year end is:

	Change in assumption	Impact on Schemes
Discount rate	+/- 0.5%	-£45m/+£50m
Inflation and pension increases (allowing for caps and collars)	+/- 0.5%	+£30m/-£30m
Assumed life expectancy at age 65	+/- 1 year	+£20m/-£20m

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.

23. Provisions

(In £s million)	Restructuring	Other	Total
At 1 July 2021	3.3	16.3	19.6
Amounts provided during the year	–	7.0	7.0
Utilised	(1.5)	(3.4)	(4.9)
At 30 June 2022	**1.8**	**19.9**	**21.7**

(In £s million)	2022	2021
Current	12.7	10.0
Non-current	9.0	9.6
Total provisions	21.7	19.6

Other provisions relate to exposures arising from business operations overseas and £9.5 million for certain tax-related exposures.

24. 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 2021	1,682,117	16.8
Cancelled in the year	(15,444)	(0.1)
At 30 June 2022	**1,666,673**	**16.7**

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 announced on 28 April 2022, the Group commenced a £75 million share buyback programme, to be completed over a 12-month period. By 30 June 2022 the Group had purchased and cancelled 15.4 million shares under this programme. On 25 August 2022 the Board announced that it increased this programme by a further £18.2 million, which means that there is £75 million available for buybacks during the year ended 30 June 2023.

As at 30 June 2022, the Company held 16.4 million (2021: 5.7 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.

25. Merger reserve

(In £s million)	Total
At 1 July 2021	193.8
Special dividend paid during the year	(150.0)
At 30 June 2022	**43.8**

The special dividend for the year ended 30 June 2021 of 8.93 pence per share, paid on 12 November 2021, 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 CONSOLIDATED FINANCIAL STATEMENTS
CONTINUED

26. Share-based payments

During the year, £10.9 million (2021: £8.7 million) was charged to the Consolidated Income Statement in relation to equity-settled share-based payments.

Share options

At 30 June 2022 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				
	651,179	6,512	171	2022
	–	–	–	2023
	898,214	8,982	143	2024
	2,791,029	27,910	117	2025
	4,340,422	43,404		
Hays International Sharesave Scheme				
	472,616	4,726	171	2022
	–	–	–	2023
	570,675	5,707	143	2024
	741,616	7,416	117	2025
	1,784,907	17,849		
Total Sharesave options outstanding	6,125,329	61,253		

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:

	2022 Number of share options (thousand)	**2022 Weighted average exercise price (pence)**	2021 Number of share options (thousand)	2021 Weighted average exercise price (pence)
Sharesave				
Outstanding at the beginning of the year	**4,679**	**145**	3,098	146
Granted during the year	**3,622**	**117**	2,741	143
Forfeited during the year	**(1,716)**	**144**	(383)	147
Exercised during the year	**(3)**	**159**	(6)	162
Expired during the year	**(457)**	**171**	(771)	144
Outstanding at the end of the year	**6,125**	**127**	4,679	145
Exercisable at the end of the year	**1,124**	**135**	653	171

The weighted average share price for all options exercised during the year was 171 pence (2021: 166 pence).

The options outstanding as at 30 June 2022 had a weighted average remaining contractual life of 2.4 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 Board 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 97 to 125.

Details of the share awards outstanding during the year are as follows:

	2022 Number of share options (thousand)	**2022 Weighted average fair value at grant (pence)**	2021 Number of share options (thousand)	2021 Weighted average fair value at grant (pence)
Performance Share Plan				
Outstanding at the beginning of the year	**19,404**	**145**	17,915	170
Granted during the year	**8,285**	**147**	9,476	119
Exercised during the year	**(2,210)**	**206**	(3,256)	187
Lapsed during the year	**(1,455)**	**191**	(4,731)	159
Outstanding at the end of the year	**24,024**	**137**	19,404	145

The weighted average share price on the date of exercise was 167 pence (2021: 119 pence).

The options outstanding as at 30 June 2022 had a weighted average remaining contractual life of 2.2 years.

	2022 Number of share options (thousand)	**2022 Weighted average fair value at grant (pence)**	2021 Number of share options (thousand)	2021 Weighted average fair value at grant (pence)
Deferred Annual Bonus				
Outstanding at the beginning of the year	**1,703**	**180**	2,353	181
Granted during the year	**1,274**	**164**	–	–
Exercised during the year	**(949)**	**206**	(651)	184
Outstanding at the end of the year	**2,028**	**157**	1,702	180

The weighted average share price on the date of exercise was 167 pence (2021: 118 pence).

The options outstanding as at 30 June 2022 had a weighted average remaining contractual life of 1.5 years.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
CONTINUED

27. Related parties

Remuneration of key management personnel

The remuneration of the Executive Board 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 97 to 125.

(In £s million)	**2022**	2021
Short-term employee benefits	**11.4**	11.8
Share-based payments	**5.0**	3.9
Remuneration of key management personnel	**16.4**	15.7

28. 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:

	Australia & New Zealand	Germany	United Kingdom & Ireland	Rest of World	**Group**
Temporary placements	62%	83%	55%	32%	**55%**
Permanent placements	38%	17%	45%	68%	**45%**
Total	100%	100%	100%	100%	**100%**
Private sector	66%	87%	72%	99%	**85%**
Public sector	34%	13%	28%	1%	**15%**
Total	100%	100%	100%	100%	**100%**
Technology	15%	38%	17%	26%	**26%**
Accountancy & Finance	10%	16%	19%	12%	**14%**
Construction & Property	19%	4%	16%	9%	**11%**
Engineering	0%	25%	1%	6%	**9%**
Office Support	11%	0%	11%	5%	**6%**
Other	45%	17%	36%	42%	**34%**
Total	100%	100%	100%	100%	**100%**

29. Subsequent events

The final dividend for 2022 of 1.90 pence per share (£31.4 million) along with a special dividend of 7.34 pence per share (£121.2 million) will be proposed at the Annual General Meeting on 9 November 2022. Neither the final dividend nor the special dividend have been included as a liability. If approved, the final and special dividends will be paid on 11 November 2022 to shareholders on the register at the close of business on 30 September 2022.

HAYS PLC COMPANY BALANCE SHEET
FOR THE YEAR ENDED 30 JUNE 2022

(In £s million)	Note	Company 2022	Company 2021
Non-current assets			
Other intangible assets		**1.9**	0.8
Property, plant and equipment		**0.7**	0.8
Investment in subsidiaries	4	**743.9**	743.9
Trade and other receivables	5	**138.4**	61.3
Deferred tax assets	6	**2.3**	2.3
Retirement benefit surplus	9	**102.0**	46.6
		989.2	855.7
Current assets			
Trade and other receivables	7	**13.6**	9.6
Cash and cash equivalents		**4.0**	225.0
		17.6	234.6
Total assets		**1,006.8**	1,090.3
Current liabilities			
Trade and other payables	8	**(99.6)**	(110.8)
Provisions		**(2.2)**	–
Net current (liabilities)/assets		**(84.2)**	123.8
Total assets less current liabilities		**905.0**	979.5
Non-current liabilities			
Deferred tax liabilities	6	**(12.1)**	(5.2)
Provisions	10	**(9.0)**	(9.3)
		(21.1)	(14.5)
Total liabilities		**(122.9)**	(125.3)
Net assets		**883.9**	965.0
Equity			
Called up share capital	11	**16.7**	16.8
Share premium		**369.6**	369.6
Merger reserve	12	**43.8**	193.8
Capital redemption reserve		**2.7**	2.7
Retained earnings		**429.5**	364.2
Equity reserve		**21.6**	17.9
Total equity		**883.9**	965.0

The profit for the financial year in the Hays plc Company Financial Statements is £157.3 million (2021: loss of £7.0 million).

The Financial Statements of Hays plc, registered number 2150950, set out on pages 169 to 176 were approved by the Board of Directors and authorised for issue on 24 August 2022.

Signed on behalf of the Board of Directors

A R Cox **P Venables**

HAYS PLC COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2022

(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 2021	16.8	369.6	193.8	2.7	364.2	17.9	965.0
Remeasurement of defined benefit pension schemes	–	–	–	–	39.6	–	39.6
Tax relating to components of other comprehensive income	–	–	–	–	(6.8)	–	(6.8)
Net income recognised in other comprehensive income	–	–	–	–	32.8	–	32.8
Profit for the year	–	–	–	–	157.3	–	157.3
Total comprehensive income for the year	–	–	–	–	190.1	–	190.1
Dividends paid	–	–	(150.0)	–	(36.4)	–	(186.4)
Share-based payments	–	–	–	–	6.3	3.7	10.0
Purchase of own shares	(0.1)	–	–	–	(94.7)	–	(94.8)
At 30 June 2022	**16.7**	**369.6**	**43.8**	**2.7**	**429.5**	**21.6**	**883.9**

FOR THE YEAR ENDED 30 JUNE 2021

(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 2020	16.8	369.6	193.8	2.7	388.3	17.4	988.6
Remeasurement of defined benefit pension schemes	–	–	–	–	(24.2)	–	(24.2)
Tax relating to components of other comprehensive income	–	–	–	–	6.2	–	6.2
Net expense recognised in other comprehensive income	–	–	–	–	(18.0)	–	(18.0)
Loss for the year	–	–	–	–	(7.0)	–	(7.0)
Total comprehensive expense for the year	–	–	–	–	(25.0)	–	(25.0)
Share-based payments	–	–	–	–	7.3	0.5	7.8
Purchase of own shares	–	–	–	–	(6.4)	–	(6.4)
At 30 June 2021	16.8	369.6	193.8	2.7	364.2	17.9	965.0

(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 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 2022 are described in note 4 to the Company Financial Statements.

Financial guarantee arrangements

Where the Company enters into financial guarantee arrangements to guarantee the indebtedness of other companies within its Group, the Company considers these to be insurance arrangements and accounts for them as such. In this respect, the Company treats the guarantee contract as a contingent liability until such time as it becomes probable that the Company will be required to make a payment under the guarantee.

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 (2021: none), therefore no remuneration has been disclosed. Details of Directors' emoluments and interests are included in the Remuneration Report on pages 97 to 125 of the Annual Report.

3. Profit/(loss) 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 £157.3 million (2021: loss of £7.0 million).

4. Investment in subsidiaries

(In £s million)	**2022**	2021
Cost		
At 1 July	**743.9**	743.9
Provision for impairment		
Charge during the year	**–**	–
Total		
At 30 June	**743.9**	743.9

Investments in subsidiaries are stated at cost less any impairment in recoverable value.

The subsidiary undertakings of the Company are listed in note 13 to the Company Financial Statements.

NOTES TO THE HAYS PLC COMPANY FINANCIAL STATEMENTS
CONTINUED

5. Trade and other receivables: amounts falling due after more than one year

(In £s million)	2022	2021
Prepayments	1.3	1.0
Amounts owed by subsidiary undertakings	137.1	60.3
Trade and other receivables: amounts falling due after more than one year	138.4	61.3

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.

6. Deferred tax

(In £s million)	2022	2021
Deferred tax assets	2.3	2.3
Deferred tax liabilities	(12.1)	(5.2)
Net deferred tax	(9.8)	(2.9)

The reduction in the overall deferred tax balance is primarily explained by the increase in the deferred tax liability driven by an increase in the retirement benefit surplus, partially offset by the recognition of a deferred tax asset in relation to previously unrecognised tax losses.

7. Trade and other receivables: amounts falling due within one year

(In £s million)	2022	2021
Corporation tax debtor	–	6.1
Amounts owed by subsidiary undertakings	9.5	–
Prepayments	4.1	3.5
Trade and other receivables: amounts falling due within one year	13.6	9.6

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)	2022	2021
Accruals	32.2	27.0
Other financial liabilities	56.8	–
Amounts owed to subsidiary undertakings	10.6	83.8
Trade and other payables	99.6	110.8

As announced on 28 April 2022, the Group commenced a £75.0 million share buyback programme, to be completed over a 12-month period. By 30 June 2022 the Group had purchased and cancelled 15.4 million shares (£18.2 million) under this programme. Due to the nature of the cancellation terms in the agreement being not substantive, the outstanding balance under the programme of £56.8 million has been recognised as other financial liabilities as at 30 June 2022.

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)	2022	2021
Net asset arising from defined benefit obligations	102.0	46.6

The details of these UK schemes, for which Hays plc is the sponsoring employer, are set out in note 22 to the Consolidated Financial Statements.

10. Provisions

(In £s million)	
At 1 July 2021	9.3
Charged to the income statement	2.0
Utilised during the year	(0.1)
At 30 June 2022	**11.2**

(In £s million)	2022	2021
Current	2.2	–
Non-current	9.0	9.3
Total provisions	11.2	9.3

Provisions comprise potential exposures arising as a result of business operations. It is not possible to estimate the timing of payments against the provisions.

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 2021	1,682,117	16.8
Cancelled in the year	(15,444)	(0.1)
At 30 June 2022	**1,666,673**	**16.7**

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 announced on 28 April 2022, the Group commenced a £75.0 million share buyback programme, to be completed over a 12-month period. By 30 June 2022 the Group had purchased and cancelled 15.4 million shares under this programme. On 25 August 2022 the Board announced that it increased this programme by a further £18.2 million, which means that there is £75.0 million available for buybacks during the year ended 30 June 2023.

As at 30 June 2022, the Company held 16.4 million (2021: 5.7 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 2021	193.8
Special dividend paid during the year	(150.0)
At 30 June 2022	**43.8**

The special dividend for the year ended 30 June 2021 of 8.93 pence per share, paid on 12 November 2021, 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
Hays Specialist Recruitment (Australia) Pty Limited	Level 13, The Chifley Tower, 2 Chifley Square, Sydney, NSW 2000, Australia
James Harvard Newco 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	B – 8500 Kortrijk, Brugsesteenweg 255 box 2, Belgium
Hays Services NV	B – 8500 Kortrijk, Brugsesteenweg 255 box 2, Belgium
Hays Alocação Profissional Ltda	Rua Pequetita, No.215, 13th Floor, São Paulo, Brazil
Hays Recruitment and Selection Ltda	Rua Pequetita, No.215, 13th Floor, São Paulo, Brazil
Hays Trabalho Temporário Ltda	Rua Pequetita, No.215, 13th Floor, São Paulo, Brazil
Hays Specialist Recruitment (Canada) Inc.	1500 Don Mills Road, Suite 402, North York, Ontario, M3B 3K4, Canada
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, 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
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
Hays Clinical Research SASU	147 boulevard Haussmann, 75008 Paris, France
Hays Consulting SASU	147 boulevard Haussmann, 75008 Paris, France
Hays Corporate SASU	147 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	147 boulevard Haussmann, 75008 Paris, France
Hays SASU	147 boulevard Haussmann, 75008 Paris, France
Hays Services SASU	147 boulevard Haussmann, 75008 Paris, France
Hays Talent Solutions SASU	23 rue Lafayette, 31000 Toulouse, France
James Harvard France SASU	149 boulevard Haussmann, 75008 Paris, France
Hays AG	Willy-Brandt-Platz 1-3, 68161 Mannheim, Germany
Hays Beteiligungs GmbH & Co. KG	Willy-Brandt-Platz 1-3, 68161 Mannheim, Germany
Hays Holding GmbH	Willy-Brandt-Platz 1-3, 68161 Mannheim, Germany
Hays Professional Solutions GmbH	Völklinger Straße 4, 40219 Düsseldorf, Germany

	Registered Address and Country of Incorporation
Hays Talent Solutions GmbH	Völklinger Straße 4, 40219 Düsseldorf, Germany
Hays Technology Solutions GmbH	Willy-Brandt-Platz 1-3, 68161 Mannheim, Germany
Hays Verwaltungs GmbH	Willy-Brandt-Platz 1-3, 68161 Mannheim, Germany
Paladine GmbH	Willy-Brandt-Platz 1-3, 68161 Mannheim, Germany
Hays Hong Kong Limited	Unit 6604-06, 66/F, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong
Hays Specialist Recruitment Hong Kong Limited	Unit 6604-06, 66/F, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong
Hays Hungary Kft.	1054 Budapest, Szabadság tér 7, Bank Center, Hungary
Hays Professional Services Kft	1054 Budapest, Szabadság tér 7, Bank Center, 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
Hays Business Services Ireland Limited	26/27a Grafton St, Dublin 2, Ireland
Hays Specialist Recruitment (Ireland) Limited	26/27a Grafton St, Dublin 2, Ireland
James Harvard (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 28F 1-6-1 Roppongi, Minato-ku, Tokyo 106-6028, Japan
Hays Specialist Recruitment Japan K.K.	Izumi Garden Tower 28F 1-6-1 Roppongi, Minato-ku, Tokyo 106-6028, Japan
Hays Finance (Jersey) Limited	44 Esplanade, 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 Solution 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, 1003, Colonia Lomas de Chapultepec VII Seccion, C.P. 11000, México, CD.MX.
Hays Servicios S.A. de C.V.	Avenida Paseo de las Palmas No. 405, 1003, Colonia Lomas de Chapultepec VII Seccion, C.P. 11000, México, CD.MX.
Hays, S.A. de C.V.	Avenida Paseo de las Palmas No. 405, 1003, Colonia Lomas de Chapultepec VII Seccion, C.P. 11000, México, CD.MX.
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 12, Pwc Tower, 188 Quay 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	Avenida da Republica, no 90 – 1º andar, fração 4, 1600-206 – Lisbon, Portugal
HaysP Recrutamento Seleccao e Empresa de Trabalho Temporario Unipessoal LDA	Avenida da Republica, no 90 – 1º andar, fração 4, 1600-206 – 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
Hays Technology Solutions Romania S.R.L.	Premium Plaza 63-69 Dr. Iacob Felix Street, 7th floor Bucharest 011033 Romania
Hays Specialist Recruitment P.T.E Limited	80 Raffles Place, #27-20 UOB Plaza 2, Singapore
Hays Business Services S.L.	Paseo de la Castellana 81, 28046 Madrid, Spain

NOTES TO THE HAYS PLC COMPANY FINANCIAL STATEMENTS
CONTINUED

13. Subsidiaries continued

	Registered Address and Country of Incorporation
Hays Personnel Espana Empresa de Trabajo Temporal SA	Paseo de la Castellana 81, 28046 Madrid, Spain
Hays Personnel Services Espana SA	Paseo de la Castellana 81, 28046 Madrid, Spain
Hays Talent Solutions Espana SL	Madrid, C / Zurbano nº 23, 1º Dcha (C.P. 28010)
Hays AB	Stureplan 4 C, 114 35, Stockholm, Sweden
Hays (Schweiz) AG	Nüschelerstrasse 32, CH-8001 Zürich, Switzerland
Hays Talent Solutions (Schweiz) GmbH	Nüschelerstrasse 32, CH-8001 Zürich, Switzerland
Hays Holdings (Thailand) Ltd * (49% owned)	No.725, Metropolis Building Level 20, Sukhumvit Road, Klongton Nuea, Wattana, Bangkok, 10110, Thailand
Hays Human Resource (Thailand) Ltd * (74% owned)	No.725, Metropolis Building Level 20, Sukhumvit Road, Klongton Nuea, Wattana, Bangkok, 10110, Thailand
Hays FZ-LLC	Block 19, 1st Floor, Office F-02, Knowledge Village, Dubai 500340, United Arab Emirates
3 Story Software LLC	63 Bridge Street New Milford, CT, 06776 USA
Hays Holding Corporation	160 Greentree Dr. Suite 101 Dover DE 19904 USA
Hays Specialist Recruitment LLC	4350 W Cypress Street Suite 1000 Tampa FL 33607 USA
Hays Talent Solutions LLC	4350 W Cypress Street Suite 1000 Tampa FL 33607 USA
Hays U.S. Corporation	4350 W Cypress Street Suite 1000 Tampa FL 33607 USA
Hays Holdings U.S. Inc.	4350 W Cypress Street Suite 1000 Tampa FL 33607 USA

As at 30 June 2022, 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.

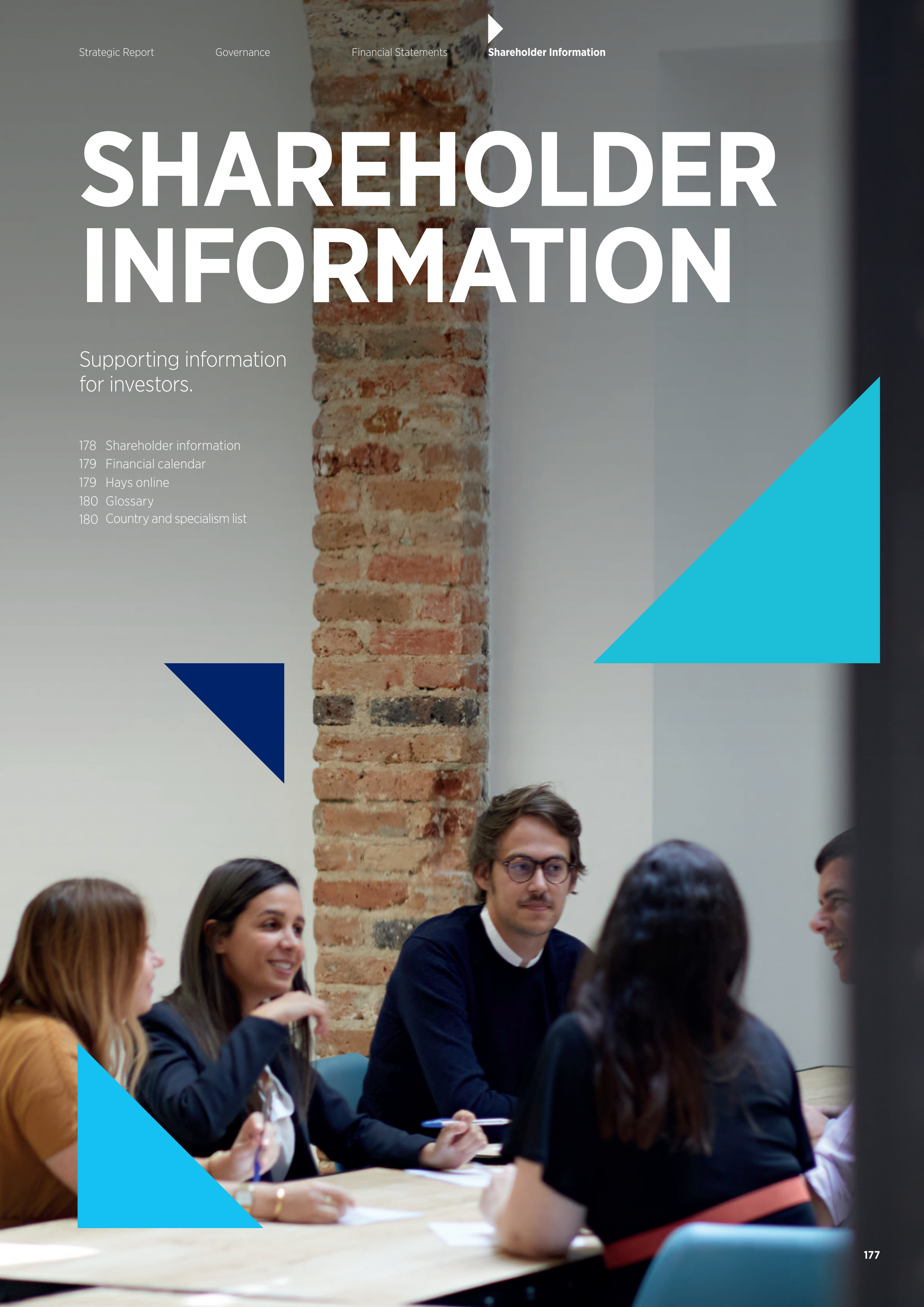
Shares in companies marked with a (†) were owned directly by Hays plc. All other companies were owned by a subsidiary or subsidiaries of Hays plc.

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 2022 with other related parties were £3.8 million (2021: £2.1 million).

SHAREHOLDER INFORMATION

Supporting information for investors.



SHAREHOLDER INFORMATION

Registrar

The Company's registrar is:
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

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

4th Floor
20 Triton Street
London
NW1 3BF
Registered in England & Wales no. 2150950
Telephone: +44 (0)203 978 2520

Company Secretary

Doug Evans
Email: cosec@hays.com

Investor Relations contact

David Phillips, Head of Investor Relations
Email: ir@hays.com

EQ provides a range of services for shareholders:

Service	What it offers	How to participate
Shareholder service	You can access details of your shareholding and a range of other shareholder services.	You can register at www.shareview.co.uk
Enquiries relating to your shareholding	You can inform EQ of lost share certificates, dividend warrants or tax vouchers, change of address or if you would like to transfer shares to another person.	Please contact EQ.
Dividend payments	Dividends may be paid directly into your bank or building society account. Tax vouchers will continue to be sent to the shareholder's registered address.	Complete a dividend bank mandate instruction form which can be downloaded from www.shareview.co.uk or by telephoning EQ.
Dividend payment direct to bank account for overseas shareholders	Equiniti can convert your dividend in over 83 currencies to over 90 countries worldwide and send it directly to your bank account.	For more details please visit www.shareview.co.uk or contact EQ.
Dividend Reinvestment Plan (DRIP)	The Company has a DRIP to allow shareholders to reinvest the cash dividend that they receive in Hays plc shares on competitive dealing terms.	Further information is available from the Share Dividend helpline on 0371 384 2268 or visit www.shareview.co.uk
Amalgamation of accounts	If you receive more than one copy of the Annual Report & Financial Statements, it could be because you have more than one record on the register. EQ can amalgamate your accounts into one record.	Please contact EQ.
Share dealing service[(2)]	EQ offers Shareview Dealing, a service which allows you to sell your Hays plc shares or add to your holding if you are a UK resident. If you wish to deal, you will need your account/shareholder reference number which appears on your share certificate. Alternatively, if you hold a share certificate, you can also use any bank, building society or stockbroker offering share dealing facilities to buy or sell shares.[(2)]	You can deal in your shares on the internet or by phone. For more information about this service and for details of the rates, log on to www.shareview.co.uk/dealing or telephone EQ on 0345 603 7037 between 8.00am and 4.30pm, Monday to Friday.
Individual Savings Accounts (ISAs)[(2)]	Investors in Hays plc Ordinary shares may take advantage of a low-cost individual savings account (ISA) and/or an investment account where they can hold their Hays plc shares electronically. The ISA and investment account are operated by Equiniti Financial Services Limited and are subject to standard dealing commission rates.	For further information or to apply for an ISA or investment account, visit EQ's website at www.shareview.co.uk/dealing or telephone them on 0345 300 0430.

(1) Lines open 8.30am to 5.30pm (UK time), Monday to Friday (excluding public holidays in England and Wales).
(2) The provision of share dealing services is not intended to be an invitation or inducement to engage in an investment activity. Advice on share dealing should be obtained from a professional independent financial adviser.

FINANCIAL CALENDAR

2022

13 October	Trading update for the quarter ending 30 September 2022
9 November	Annual General Meeting

2023

17 January	Trading update for the quarter ending 31 December 2022
23 February	Half-year results for the six months ending 31 December 2022

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
- Results centre
- Investor video
- Downloadable historical financial data
- Events calendar
- Corporate governance
- Investor Day materials
- Regulatory news
- Share price information
- Shareholder services
- Analysts' consensus
- Annual Reports archive

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GLOSSARY

Term	Definition
Carbon neutral company	A business which has measured its annual greenhouse gas emissions and purchased certified carbon credits to offset this level of emissions. Hays became a carbon neutral company in FY21 having calculated and offset all aspects of its Scope 1 and 2 and selected aspects of its Scope 3 greenhouse gas emissions
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) includes our MSP and RPO contracts
'Find & Engage'	Our proprietary recruitment model, which combines the best practices and skills of traditional hiring, and then incorporates new technology and data science to locate candidates at scale
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
Leadership Partner	Leadership Partner – the relationship our customers are looking for with us, delivering strategic insights and tailored services, that take us beyond being a trusted recruitment delivery partner. This includes providing valuable insights, new workforce strategies and expertise on best practice to support better decision-making by clients and candidates
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
Strategic Growth Initiative (SGI) programme	Our largest ever investment programme, designed to accelerate our structural growth in the most attractive future markets. Headcount and systems investment is directed at sectors such as Technology, Life Sciences, Engineering, Enterprise clients and the Green Economy
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

32 COUNTRIES

Australia	Italy	Canada
New Zealand	Luxembourg	Chile
Germany	Netherlands	Colombia
UK	Poland	Mexico
Ireland	Portugal	USA
Austria	Romania	China
Belgium	Spain	India
Czech Republic	Sweden	Japan
Denmark	Switzerland	Malaysia
France	UAE	Singapore
Hungary	Brazil	

21 SPECIALISMS

Accountancy & Finance	Legal
Banking & Capital Markets	Life Sciences
Construction & Property	Office Support
Contact Centres	Procurement
Education	Resources & Mining
Energy, Oil & Gas	Retail
Engineering & Manufacturing	Sales & Marketing
Executive	Sustainability
Financial Services	Technology
Health & Social Care	Telecoms
Human Resources	

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