

## **2024 PSP (Granted in FY25) vesting in 2027, followed by a two-year Holding Period**

Under the Remuneration Policy, executive directors are granted annual share awards under the Company's Performance Share Plan ("PSP"). Consistent with prior years, the 2024 PSP award will be subject to a combination of relative total shareholder return, earnings per share and cash conversion targets.

In light of the considerable economic uncertainty in global markets, the Remuneration Committee wanted to take time to carefully consider and determine the financial targets, to ensure they are sufficiently robust and stretching. In line with our commitments to transparency, the detailed targets for the FY25 PSP are being disclosed on the Company website ahead of the 2024 AGM.

Hays operates in a highly cyclical industry, with shifts in underlying economic market and geopolitical activity having a material influence on both hiring decisions and candidate confidence. Performance prospects for the sector can therefore be heavily influenced by the macroeconomic environment. At the start of each PSP performance period, the Committee takes into account the broader economic backdrop as well as internal and external expectations to ensure that targets are suitably robust and stretching for the three-year performance period.

The FY25 PSP targets are disclosed below:

Performance period	1 July 2024 to 30 June 2027		
Vest date	Three years from the grant date followed by a two-year Holding Period		
Performance condition	Weighting	Threshold (25% of the element vests)	Maximum (100% of the element vests)
Relative TSR <sup>(1)</sup>	20%	Median of the comparator group	Upper quartile of the comparator group
EPS <sup>(2)</sup>	30%	13p	19p
Cash Conversion <sup>(3)</sup>	50%	80%	110%
<b>Total</b>	<b>100%</b>		

- 1) Relative TSR - the targets are consistent with prior years. TSR is measured against a bespoke comparator group, with vesting subject to satisfactory financial performance as determined by the Committee. The comparator group for the FY25 award is: Adecco SA, Kelly Services Inc, Manpower Inc, Page Group, Randstad Holdings nv, Robert Half International Inc, Robert Walters plc and SThree.
- 2) EPS - the Committee reviewed the EPS performance targets for the FY25 period and, considering internal financial targets, external market consensus and existing headwinds to performance, determined targets that align with appropriate levels of pay for performance whilst remaining sufficiently stretching. While the ranges are lower than the FY24 grant, the Committee is satisfied that the target range is highly challenging in light of the EPS outcome for FY24 (4.03p) and current consensus forecasts for FY25, recognising that performance is measured on a cumulative basis. EPS growth of c.25% per annum is required in order to achieve full vesting. The growth rates for FY26 and FY27 would need to be materially higher if results for FY25 are in line with current consensus forecasts.
- 3) Cash Conversion - the target range for cash conversion remains the same for the FY24 grant. Consistent with prior years, 45% of this element is payable for cash conversion of 85%, with straight-line vesting for interim levels of performance.

### **Notes:**

There will be a two-year Holding period post vesting for any shares that vest as a result of performance conditions being met.

In line with the Corporate Governance Code, the Remuneration Committee will continue to have discretion to amend the final vesting level should any formulaic assessment of performance not reflect a balanced view of

the business performance during the performance period. The Committee may also adjust targets or outcomes in certain circumstances (e.g. significant unplanned M&A activity).

The award is subject to Malus for the three-year performance period and Clawback during the two-year Holding Period.