HAYS Working for your tomorrow

PRELIMINARY RESULTS

FOR THE SIX MONTHS ENDED 31 DECEMBER 2023

22 February 2024

PREPARED REMARKS

SLIDE 1-4

< Dirk Hahn, Group Chief Executive >

Good morning and welcome everyone. I'm Dirk Hahn, and I'm very happy to be here with our Finance Director, James Hilton, for my first results meeting as Chief Executive. I began my career at Hays over 25 years ago and it has been a fantastic journey, latterly running our Germany and EMEA businesses. I am immensely proud now to be leading over 12,000 expert colleagues worldwide in this great business, and I would like to thank all of them for the tremendous support and positive attitude they have shown me.

I will begin today on our first half operating performance, which was challenging, and the decisive actions we have already taken, including delivering £30m in annualised cost savings, with more to follow.

James will then cover our financial performance, and our trading outlook.

And before we take your questions, I will then present our focused strategy, which I am convinced will significantly improve profitability, and enable us to take advantage of the many structural growth opportunities available to us. I will also demonstrate how our strategy is underpinned by greater operational execution right across Hays, something I am deeply passionate about.

This combination of increased rigour and our clear strategy will make Hays a far more resilient – and profitable – business. Despite today's environment, we have many opportunities to grow, and our future is very bright.

SLIDE 5

Looking at our H1 performance, as you know our end markets have been slowing for the past 18 months.

However, I think we'd all recognise that challenges have accelerated in recent months, with reduced client and candidate confidence driven by macroeconomic uncertainty and rising interest rates. December was particularly difficult as activity slowed into the run up to Christmas.

Against this backdrop, our teams have worked hard to navigate market conditions. But, as we flagged at our Q1 and Q2 results, we have also balanced cost reductions with protecting our positioning in key markets.

With headline fees down 9% to £583m in the first half, this has inevitably driven negative operational profit leverage, meaning operating profit declined by 37% to £60.1m. The profit decline was magnified by Group fees slowing sharply from around minus 7% in the first five months of the half, to minus 13% in December. Because this slowdown came at the end of the period, most of the fee reduction flowed straight to profit and contributed to an H1 conversion rate down 460 basis points YoY to 10.3%, or 10.8% working-day adjusted.

Our cash generation was good, with cash conversion up significantly YoY to 112%, and a robust cash position of £67m.

As a sign of confidence in our strategy, the Board has maintained our interim dividend at 0.95 pence per share.

SLIDE 6

Given the markets we have faced, we have taken difficult decisions to manage our costs. Consultant headcount is down 12% overall, with the largest reductions markets seeing the toughest conditions, such as Australia, the USA and China.

We restructured in several countries, better aligning operations to market opportunities, delayering management and reducing operating costs. In doing so we incurred £12.6 million of exceptional costs, which will drive c.£10m of structural cost savings.

We accelerated our efficiency programmes, with non-consultant heads down 3% in Q2, and further reductions ongoing.

The combined effect of all our H1 actions will drive annualised cost savings of £30m, with a further £20m expected in H2.

Overall, I believe we have achieved a balance between managing our costs in the short-term, while protecting our positioning for the future. This will significantly accelerate our profit recovery once markets stabilise and inflect.

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Turning to our countries, our largest market of Germany was again our best performer. Fees were resilient and grew by solid 3%, with operating profit up 3% working-day adjusted, at a conversion rate of 23.4%.

Our largest area of Temp & Contracting grew fees by 3%, with volumes sequentially stable through the half, although we did not see our normal seasonal increase through Q2. Perm increased by 2%.

Sector wise, Engineering grew 11%, with a good performance in Automotive, as well as the energy and renewables sector where we have several MSP contracts with all the major energy utilities. Our largest sector, Technology, decreased by 3%, while A&F was up 4%.

While not immune to the tougher economy, we have delivered growth despite German GDP declining over the last 18 months or so. This highlights the strength of our positions and the resilience of demand for skilled Contractors and Temps, driven by talent shortages.

We also continue to benefit from improving Temp margin and positive mix, including a successful introduction of a dynamic pricing model, which is working well.

SLIDE 8

Moving to the UK & Ireland, conditions were clearly more challenging as the wider economy experienced a recession. Fees decreased by 14%, and profit was down 63%. Temp fees declined by 11%, with Perm tougher and down 16%. Fees in the Private sector fell by 18%, with the Public sector more resilient and down 3%.

Markets continued to slow through the half, with Perm more impacted and volumes down 28%.

We acted to reduce costs, ending the half with consultant headcount down 14% YoY, or down 19% versus our peak level in September 2022. Our overall UK cost base will reduce further in H2 as we adjust consultant headcount and several restructuring projects complete. However, given the pace of decline in fees, and further deceleration in December, we incurred negative operating profit leverage, particularly in Q2.

By sector, Technology decreased by 26%, versus a tough growth comparator. C&P decreased by 11%, and A&F by 10%.

While the UK market remains uncertain, our fee decline is less than most of our competitors. We have a leading business with a strong management team who are working hard to position the business in the most attractive sectors, in line with our strategy which I will present later. Once the market recovers, which it will, our actions will place us in a stronger position to capitalise on the opportunities that exist in the UK.

SLIDE 9

Conditions in ANZ have also been difficult for some time, and we changed our management there last May. During H1 we restructured the business, focusing on improving consultant productivity, driving operational efficiencies and aligning management capacity to market conditions. I am confident our actions will improve performance.

However, in H1 fees were down 19%, and operating profit down 60%.

We took firm action to reduce our costs, with consultant headcount down 20% YoY. But similar to the UK, the pace of fee decline and the tough trading in December contributed the profit decline.

Temp fees fell by 15%, driven by volume down 17%, including significantly lower Public sector activity. Perm fees were down 25%.

Most specialisms traded in line with the overall average, including C&P, our largest ANZ business, down 24%

Although the market remains tough in Australia, we are the leader by a distance, and the structural long-term fundamentals for the economy and labour market continue to be strong. I have every confidence in the team, and that our actions will deliver positive results, with significant conversion rate recovery potential.

SLIDE 10

In our Rest of World division fees declined by 11% overall, with operating profit down 65%. Profit decline was driven by slowing markets in EMEA and challenging conditions in China and the Americas. However, we have seen some recent signs of stability in both China and the USA.

Temp fees were flat overall, with Perm down 16%. Regionally, EMEA was relatively resilient and decreased by 4%. However, as we flagged at our Q2 update, we did see a slowdown in fees and activity in December, which added to our profit decline. France is our largest RoW country and its fees were flat, but including Q2 down 6%. Italy and Belgium grew by 9% and 6%, although UAE was much stronger, up 26% and with record fees.

As a result of the slowdown in fees, we reduced headcount in several countries in December, and our ongoing actions will reduce our EMEA cost base further in H2

Overall, the Americas was down 26% and was modestly loss-making, with Asia down 14%. We continue to see challenging but stable conditions in China. Our businesses in the Americas and China were restructured in the half, incl. a reduction in non-fee earner headcount and right-sizing operational management. We expect both to return to a profitable position in H2.

I will now hand over to James, who will present our detailed financials.

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< James Hilton, Group Finance Director >

Thank you, Dirk and good morning, everyone.

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To give some background to these results, we entered FY24 facing challenging market conditions across all geographies. Trading subsequently slowed through the half, notably in the majority of our Perm markets including a particularly tough December.

Temp continued to be more resilient than Perm, although temp fees did decline in Q2, for the first time since the pandemic, and we did not see our normal seasonal uplift in Temp volumes through the half.

As market conditions slowed, we took decisive action to reduce costs. We aligned consultant headcount to demand, restructured operations in several regions and accelerated back-office efficiency programmes. Group consultant headcount decreased by 12% YoY and by 7% in the half, and we have c.1,200 fewer consultants than at peak in October 22.

Our actions taken to date have maintained solid levels of productivity, despite the tougher market conditions, and we remain focused on driving productivity in H2 and beyond.

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Summarising our financial performance.

On a like-for-like basis, net fees decreased by 9% to £583.3m, with pre-exceptional operating profit down 37% to £60.1m. H1 cash conversion of 112% was strong, meaning we finished the half with £66.9m of net cash, after paying out £68.3m in core & special dividends.

SLIDE 14

Moving onto the income statement.

Turnover decreased by 5%, with net fees down 9%.

The difference between the headline and like-for-like growth rates was primarily the strengthening of sterling versus the Australian dollar. Overall FX movements decreased net fees and operating profits by £13.5m and £1.8m, respectively.

Pre-exceptional earnings per share was 2.37p, a 42% decrease versus prior year, driven by 37% lower operating profit, a modestly higher net finance charge and an increase in the effective tax rate to 32%.

SLIDE 15

Moving on to the performances of Temp and Perm.

Temp fees were relatively resilient and decreased by 3% YoY, or down 2% on a working day adjusted basis as a result of 2 fewer working days in Germany versus prior year. Temp volumes, whilst sequentially stable through H1, did not see their normal seasonal uplift, and as a result decreased by 7%. This was partially offset by a 4% positive impact of mix and higher Temp rates. Our underlying temp margin was stable YoY at 15.2%.

Perm fees decreased by 15%, with activity slowing through the half with a particularly tough December, which was down 25%. Overall, volumes in the half decreased by 25%, with fewer new jobs registered and hiring processes extended, This was partially offset by a 10% increase in the average Perm fee driven by our actions to target higher salary markets and increase fee margins, together with wage inflation which was less of a tailwind than the prior year.

And as the chart in the top right corner shows, our actions to drive pricing increased Group fees by £43.2m in the half but our operational challenge was maintaining volume productivity in a more challenging market, notably in perm.

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This slide sets out our year-on-year operating profit bridge and provides additional colour on our cost control actions.

Starting with H1 23 profit of £97.0m, we deduct the negative exchange impact of £1.8m and the 9% decrease in our LFL fees of £55.1m.

Like-for-like costs decreased by 4% or £20m, driven by the following:

- £21.4m cost reduction related to the headcount reductions across both front and back office, of c.1200 employees vs H1 FY23 and c.770 headcount reduction through H1.
- £6.6m decrease in commissions and bonus payments driven by the decline in net fees
- Partially offsetting this, our average Group pay rises from July 23 of c.3% which increased payroll costs by c.£10m in the half
- Focussed cost control on spend, including advertising, motor travel and entertainment reduced our overhead costs by c.£5m
- Partially offset by higher property costs, despite a 3% reduction in our footprint, driven by rent indexation

Since our FY 23 results in August, our actions have delivered cost savings of £30m on an annualised basis, of which £5m impacted H1. Our actions to manage consultant capacity delivered £20m of this saving.

Our exceptional restructuring programmes delivered a further £10 million of annualised savings.

We expect our ongoing actions will increase our annualised cost savings to c£50m by year end.

SLIDE 17

I have explained how challenging market conditions and a particularly tough December impacted fees in H1. Despite our decisive cost management through the half, this fee decline drove negative profit leverage, which directly impacted our H1 operating profit. As a result, group conversion rate decreased by 460 bps to 10.3%, or 10.8% adjusted for working days.

Regionally, Germany's conversion rate was stable YoY, adjusted for working days, although we saw material declines in all of our other regions, as fee reductions impacted profitability. Notably our conversion rate in our RoW division was impacted by losses in Mainland China and the Americas.

But as previously mentioned, we were decisive in our cost action in UK&I, ANZ and RoW, and we expect our cost base to decrease further in H2.

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During the year we incurred an exceptional cost of £27.9m which comprised two parts.

Firstly a £12.6m charge related to the action taken to restructure operations and back offices across our ANZ, UK&I and Rest of World businesses. Overall, the cash outflow in respect of the restructuring was £6.8m in H1 with a further £2.5m cash outflow expected in H2.

Additionally, a £15.3m non-cash exceptional charge resulting from the partial impairment of goodwill related to the 2014 US Veredus acquisition, given the challenging trading environment and impact on current performance. The remaining Veredus goodwill balance at 31 December 2023 was £7.1m.

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Moving onto interest and tax.

Our net finance charge for the half increased to £4.6m driven primarily by higher interest on the IAS 19 pension accounting. We expect a full year finance charge of c.£9m, of which c.£6m is non-cash.

Our effective tax rate increased by 300 basis points to 32.0%, driven primarily by the geographic mix of operating profit, notably the impact of Germany which has a higher corporation tax rate of c.33% and represented 68% of Group profit in H1. We expect the Group's full-year ETR will be c.32%.

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We delivered a strong cash performance in the half, with cash from operations of £67.3m, representing a conversion of operating profit into cash from operations of 112%. Our working capital outflow was £3.6m, as a reduction in our temp debtor book as business volumes decreased through the half, was offset by a decrease in payables and a slight increase in debtor days to 36 days.

From this, we paid tax of £28.5m, which included some pre-payments, net interest of £1.3m, and incurred cash restructuring costs of £6.8m resulting from our exceptional charge.

Overall, this led to free cash flow of £30.7m.

On the right-hand side, we detail how we used the cash generated.

The main items were:

- The payment of £35.7m of special dividends and £32.6m of core dividends in respect of FY23
- The purchase of £12.3m in Treasury shares, with that scheme now completed
- Capex of £13.7m
- And pension deficit payments of £9.1m

Our Full Year capex guidance remains at c.£30m.

SLIDE 21

Debtor days increased by 1 day to 36 days, primarily due to mix, with our Germany Temp book now representing a greater proportion of total debtors, although debtor days remain below pre-pandemic levels.

We ended the half with cash of £66.9m.

SLIDE 22

On this slide we compare the balance sheet of December with June. The main movements were:

- Our cash position reduced by £68.7m, as outlined earlier
- Our defined benefit surplus remained broadly unchanged, with employer contributions and increase in asset values, largely offset by a decrease in the scheme discount rate which increase scheme liabilities.
- In addition, we saw corporation tax prepayments in several countries. Notably in Australia.

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- Our priorities for free cash flow remain unchanged, namely, to fund the Group's investment and development, maintain a strong balance sheet, deliver a sustainable, progressive and appropriate core dividend and to return surplus cash to shareholders.
- In line with this policy, the Board has declared an interim core dividend of 0.95 pence per share, or £15.1 million, in line with the prior year.
- As a reminder, our policy for returning surplus cash to shareholders is based on distributing all funds above a cash buffer of £100m at each financial year end, through an appropriate combination of special dividends and share buybacks, subject to the economic outlook.

SLIDE 24

So, in summary, fees declined by 9%, as market conditions became more challenging through the half and trading slowed. Given the pace of decline in fees, notably through our second quarter, we incurred negative operating profit leverage, and as a result pre-exceptional operating profit declined by 37% to £60.1m.

We acted decisively to align capacity to market demands, with consultant headcount down 12% YoY. Our restructure of operations in several countries and acceleration of our back-office efficiency programmes drove a 3% reduction in non-consultant headcount in Q2 24.

We continue to maintain a strong balance sheet underpinned by cash conversion.

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Turning to current trading.

While we remain mindful of challenging market conditions, our New Year Return to Work in Temp & Contracting has been solid overall in ANZ and UK and inline with prior year. In Germany our Temp & Contracting Return to Work is modestly behind prior year.

In Perm, following December weakness, we have seen solid New Year job inflow and activity levels consistent with Q2 in most markets. However, we continue to see slow client and candidate decision-making and longer than normal time-to-hire.

At a regional level:

In Germany, Temp & Contracting volumes are rebuilding 2% behind the prior year. Overall Temp & Contracting volumes are currently down c.5% year-on-year. This is partially offset by ongoing positive effects of mix and margins. Perm activity is relatively resilient, but modestly behind Q2.

In UK&I and ANZ Temp and Contracting volumes are rebuilding in line with the prior year. UK&I volumes are currently down 11% and ANZ down 17%, consistent with Q2. Perm markets remain tough but are broadly stable, with new job inflows in line with Q2.

In Rest of World, EMEA activity levels are broadly consistent with Q2 24. The Americas and Asia are also stable sequentially.

Overall, our key markets continue to be supported by skill shortages, and we expect to see some further fee benefit in H2 from the positive effects of wage inflation globally, albeit at lower levels than in H1. Fee margins overall are stable.

We expect total Group headcount will reduce by c.3-4% in Q3, as we continue to focus on consultant productivity and further cost save programmes

And finally, there are no material working-day effects year-on-year in the second half. However, Easter is evenly split between Q3 and Q4, while in FY23 it fell entirely in Q4. We expect this to have a c.1-2% negative impact on net fees at Group level in Q3 FY24, with a corresponding benefit to Q4 FY24.

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Thank you James. I will spend the next 10 minutes on our focused strategy **and how we will better execute it,** with clear focus on operational rigor for all our business lines and focus on the most profitable areas.

As the new CEO, I can tell you that I am not satisfied with our current profit performance. We know that the market today is tough, but we have work to do to better position some of our businesses. We could – and should – be doing better.

So, what is our goal? We want to build the leading business in **Talent and workforce solutions globally**. To achieve this, our strategy focuses on the many structural growth opportunities we see, and is designed to increase our business resilience, quality of earnings and cash generation.

My personal leadership goal is to return to, and then exceed, our previous peak profits of £250m.

We will build greater sustainability and resilience within each country by focusing on 5 key strategic levers. We will also increase resilience across our country portfolio, with more countries driving material profit contributions.

And we will implement a new ‘golden rule’ through the cycle: that our profit growth must be higher than our fee growth, which in turn must be higher than our headcount growth.

Put simply, we will deliver improved consultant productivity in excess of inflation, and we will better leverage our overhead costs, which will drive an improved conversion rate.

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On this slide we present our key strategic levers. These are proven drivers of resilient, long-term growth, having been the cornerstone of our successful organic growth strategy in Germany, where we have grown operating profit from £3m in 2003 to well over £100m today. We have delivered this by having clear focus on the most profitable areas of the market and defining the right operating model for every business line – by client type, contract form, roles and delivery model.

Firstly, we will enhance our leading positions in the most in-demand future job categories, such as STEM recruitment, in both Temp and Perm. We will build on our existing scale to become the marketplace of choice for candidates and clients.

Secondly, we will have greater focus on higher skilled and higher paid roles, which will increase our ability to grow fees and margins. Employers need expert, long-term talent partners in the most skill-short areas. Our deep understanding of candidate & client needs makes us a partner of choice.

Thirdly, we will increase our focus on resilient and growing industries and end markets. This will increase structural growth opportunities and reduce our cyclicality.

Of course, every country has different key sectors, which will need different types of skills. Consequently, we are defining key industries within each country, and training our consultants to be true industry experts.

Fourthly, we will continue to build stronger relationships with our clients and candidates. By combining great bottom-up service on each placement, with genuine scale in top-down outsourcing and solutions, we will increase our market share and the repeatability of our fees.

Finally, we will drive an increasing proportion of non-Perm fees in our business. Our Perm businesses globally have an important role to play and will continue to be core long-term services.

However, growth in high skill, non-Perm jobs is a global megatrend. Talented people & employers increasingly want flexibility, and as leaders in some of the most attractive non-Perm markets, we are ideally placed to capitalise and further build scale.

We have strong, market leading businesses at Hays, many of which are already implementing our strategy well. But we need to ensure this is happening across all our countries.

Large businesses like Germany and Switzerland, which are proven to be resilient over time, have delivered consistently high compound growth. However, we also have some areas which are volatile and more cyclical, and this plan will address this.

In all our countries, we can improve our focus on the key growth industries and job categories of the future.

I want to be clear - our new strategy is not 'one-size-fits-all'. We will tailor each region and country to its market and customer needs.

SLIDE 30

Today, we are in 33 countries, and each needs to make a meaningful contribution to the Group. All countries should be capable of delivering a 25%-plus conversion rate.

Clearly, we have different starting points in each country. Recognising this, we have defined 3 categories based on current market position, expertise, management capability and the strength and depth of our 5 strategic levers.

Box 1 is our Key countries - Germany, Australia and the UK.

These countries have been our core profit drivers for many years. And they will also drive significant future growth. We have the management expertise, scale and track record both to increase our conversion rates and materially grow each business.

In Germany, all 5 strategic levers are in place. However, staying at the forefront of the most skill-short job categories, targeting structural growth sectors and building stronger relationships with clients and candidates requires constant focus - there are always improvements to be made. But I firmly believe that longer term we can at least double the size of our Germany profits – the opportunity in front of us as the clear market leader is huge.

In the UK and Australia, our first half performance showed that some of the five levers need improvement. To restore profitability to pre-pandemic levels and beyond, we need greater focus. Focus on higher salary job areas, focus on the most skill-short parts of the market and focus on operational rigour.

I am convinced that this is achievable, and we have highly material profit recovery potential in UK and Australia.

Box 2 shows our focus countries – Austria, France, Italy, Japan, Poland, Spain, Switzerland and the USA. These future key drivers of long-term growth will deliver greater profit diversity.

Each of these countries already has some of the 5 strategic levers, however we are devoting management focus and investment to equip them with all 5.

Our aim in doing this is to build much bigger businesses, based on market leadership of key growth sectors. For example, Spain, France and Italy together made just under £20m in profit last year, ahead of pre-pandemic levels, and we are ready to significantly scale operations. We could double or even treble profits in these three countries in the next five years.

Box 3 shows our emerging countries. These each have growth potential and are attractive markets. They are also valuable from a network standpoint to service our Enterprise clients.

But we will employ stricter management criteria on our emerging country box. Each country will focus on the most attractive parts of each local market. Growth must be highly profitable, and each country must prove it can deliver a conversion rate of at least 25%.

In aggregate, this box can become a material profit driver.

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My 25 years at Hays has taught me that enhanced execution and operational rigour is essential to consistently deliver high conversion rates and resilient profit growth. And I know as a Group we can do this better.

This has been my track record and is the significant value I will bring to the future!

We will focus on the most profitable areas of the markets, and on increasing the profitability of existing businesses.

Improved productivity and our Golden Rule are key. This underpins our medium-term Group conversion rate target of 22-25%. Ultimately, it is essential that we make more profit per employee, not simply more fees and this is a mindset change I am driving across the business.

Put simply, the best people, focused on the best job markets and clients, will deliver much better outcomes in terms of placements, productivity and profitability.

So, how will we do this?

We are digging deep into our operations, with analysis of each business line. This includes re-setting our management structures, ensuring our colleagues are focused on the right strategic areas. As examples, we have already closed some businesses including Sales & Marketing Temp with SME clients in Germany, and Statement of Works in France

We have identified efficiencies from greater consistency of operating models and are re-allocating resources to target the most attractive markets across Perm and Temp.

To deliver enhanced rigour, each strategic lever will have distinct KPI's in place. For levers 1, 2 and 3 we will make better use of data to track growth in job categories and evaluate businesses against local market opportunities. We are closely tracking our progress in areas like STEM recruitment, and the development of candidate salary and dynamic pricing.

For lever 4 'Strategic Clients', we will better measure our successes in placements and cross-selling per client. I am convinced we can win market share by increasing our network effects within clients.

And for lever 5 'growth in non-Perm', which is highly complementary to many future job categories and resilient industries, we will better automate our end-to-end Temp workflow, reducing compliance costs and admin time.

At Group level, I see significant potential to better deliver corporate functions and we have accelerated our back-office efficiency programmes. This will standardise processes, removing costs and better leverage our shared service centres.

We will also drive significant medium-term benefits from investing in our own technology stack, working with best-in-class partners, and bringing in the best of AI and automation into our processes. Our new Chief Technology Officer has made a strong start, and I look forward to presenting more on our tech strategy and likely future benefits from this investment in August.

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So, in conclusion, we know that our markets and economies today are uncertain. But they will recover, and the decisive actions we are taking will allow us to strongly capitalise in the future.

We have market leading businesses in key countries and sectors, with strong long-term growth characteristics. But I am not happy with our current profitability, and I am convinced we can do better.

Our clear strategy and the operational changes we have made are designed to deliver three key things:

1) Greater focus on the most attractive and skill short markets worldwide
2) Growth, diversity and resilience of profit, both across our country portfolio and within each country; and
3) Enhanced operational execution and rigour across all our businesses.

The outcome from this will be a far more resilient, and significantly more profitable Hays, underpinned by our Golden rule. Our aspiration is to exceed our previous peak operating profit of £250m, and deliver 22-25% conversion rates.

We will also maintain a strong balance sheet, and as our business is highly cash generative, I expect to return significant cash to shareholders over the medium term.

We have outstanding people here at Hays, and I am determined to grow our expertise and make Hays an even better place to work in the future.

We would now be delighted to take your questions.

Results presentation & webcast

Our results webcast took place at 8.30am on 22 February 2024. A recording of the webcast is available to view here, along with a copy of this press release and all presentation materials.

Reporting calendar

Trading update for the quarter ending 31 March 2024 (Q3 24)	17 April 2024
Trading update for the quarter ending 30 June 2024 (Q4 24)	11 July 2024
Preliminary results for the year ending 30 June 2024 (FY 24)	22 August 2024

Hays Group Overview

As at 31 December 2023, Hays had c.12,300 employees in 249 offices in 33 countries, and our global network helps position us in the most attractive long-term structural growth sectors. In many of our global markets, the majority of professional and skilled recruitment is still done in-house, with minimal outsourcing to recruitment agencies, which presents substantial long-term structural growth opportunities. This has been a key driver of the diversification and internationalisation of the Group, with the International business representing 80% of the Group's net fees in Q2 24, compared with 25% in FY05.

Our consultants work in a broad range of industries covering recruitment in 21 professional and skilled specialisms. In H1 24 our four largest specialisms of Technology (25% of Group net fees), Accountancy & Finance (15%), Engineering (11%) and Construction & Property (10%) collectively represented c.61% of Group fees.

In addition to our international and sectoral diversification, in H1 24 the Group's net fees were generated 59% from temporary and 41% from permanent placement markets. This well-diversified business model continues to be a key driver of the Group's financial performance.

In our 2023 employee 'YourVoice' survey, 81% of employees said they would recommend Hays as a great place to work.

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