

HAYS PLC

INVESTOR CALL SCRIPT – Q1: 12 October 2026

INTRODUCTION

Thank you, Kean. Good morning, everyone, and thanks for joining us today.

I will present the key points and regional details of today's trading update before taking questions. As usual, our like for like results exclude country exits and the disposal of our operations in six European countries that we previously communicated in June.

OVERVIEW

Moving on to Q1 trading with all net fee growth percentages on a like-for-like basis versus prior year unless stated otherwise

Group net fees decreased by 3%, with Temp & Contracting improving to down 1% and Perm down 7%.

I would highlight the following key items from the results:

1. Temp & Contracting net fees decreased by 1% as volumes remained sequentially stable and the decline in average hours worked in Germany was in line with our expectations and stable during the quarter. The year on year decline in Group Temp & Contracting volumes eased to 3% including Germany down 2%, UK&I down 7%, ANZ down 9%, and RoW up 5%.
2. Perm net fees decreased by 7%, driven by a 12% decline in volumes as markets remained mixed but stable overall. The value decline was

partially offset by a 5% increase in the Group average Perm fee supported by our actions to target high salary roles.

3. We continue to target high paid roles for candidates, invest in the best tools for our consultants, and forensically allocate consultants to business lines with the most attractive productivity and long-term structural growth opportunity. These actions delivered 8% growth in average consultant net fee productivity including notable increases in Germany and the UK&I, up 11% and 10% respectively. Excluding the impact of country disposals and exits, group consultant headcount decreased by 1% sequentially in the quarter and by 9% year-on-year.
4. We have made good progress with our initiatives to deliver further structural cost savings of £50m per annum in FY27 achieving £10m in Q1. In total, we have now delivered £125m per annum of structural savings since the start of FY24.
5. The Group's net debt position was c.£45m which is in line with our expectations and reflects normal seasonal cashflows, cash exceptional payments, and share purchases related to our non-dilutive all-colleague share award.

I will now comment on the performance by each division in more detail.

Our largest market of **GERMANY** saw fees down 6% year on year.

Temp & Contracting net fees decreased by 5% with volumes down 2% and a further 3% impact from negative hours and mix

Contracting volumes increased modestly year on year, aided by fewer terminations, and average hours worked remained stable through the quarter.

Temp volumes were sequentially stable.

And Perm remained challenging but stable sequentially through the quarter with the year on year decline in net fees easing to 8%.

In our two largest specialisms, net fee growth in Technology accelerated to 3% but Engineering, our second largest, was down 23%. Finance was down 9%. Construction & Property performed strongly again and increased by 28% driven by our focus on infrastructure and the energy sector. Construction & Property now contributes 10% of our net fees in Germany.

Consultant headcount decreased by 2% in the quarter and by 16% year-on-year. Consultant net fee productivity increased by 11%, driven by our ongoing focus on resource allocation, and we made good progress with our structural cost savings initiatives.

In **UK & IRELAND**, fees decreased by 5%. Temp & Contracting declined by 3% but Perm remained subdued, down 9%.

Fees in the private sector declined by 6% year on year with the Public sector down 3%.

At the specialism level, Finance and Construction & Property increased by 2% and 1% respectively, while Technology decreased by 2%. Office Support was down 1% as our actions to target high salary roles continue to broadly offset lower volumes in junior roles.

Consultant headcount decreased by 4% in the quarter and 13% year-on-year.

Consultant net fee productivity increased by 10% year on year and we made further progress in improving our operational efficiency and cost structure.

Once again, a key driver of productivity has been greater focus from our consultants on high skilled roles and, as a result, year on year growth in average candidate salary accelerated to 9% in Perm and 8% in Temp & Contracting.

In **ANZ**, fees decreased by 3% year on year with Temp & Contracting down 2%, but Perm remained slightly more challenging and was down 6%

The Private sector grew by 3% but the Public sector was again tougher and down 14%.

At the specialism level, growth in Construction & Property (our largest at 26% of ANZ net fees) accelerated to 5% and Resources & Mining grew by 10%. Technology and Finance were down by 4% and 2% respectively.

Australia net fees were down 3% year on year and New Zealand eased to down 5%

ANZ consultant headcount was up 1% through the quarter but decreased by 4% year-on-year. Consultant net fee productivity increased by 3% to a nine year high, driven by our focus on resource allocation. As with the UK & Ireland, a key driver of our profit recovery has been greater focus from our consultants on high skilled roles. As a result, year on year growth in the average salary of our Perm placements accelerated to 10%.

In addition, we continue to make good progress with our cost actions.

Our **REST OF WORLD** division currently comprises 18 countries and, as a reminder, our total actual growth rate includes the impact from our previously communicated exits from Thailand and Mexico and the disposal of six European countries in June.

Like for like net fees were flat year on year. Temp & Contracting delivered positive year on year growth for the third consecutive quarter and accelerated to plus 8%. Perm declined by 7%.

In **EMEA ex-Germany**, net fees decreased by 5%. France, our largest RoW country, remained challenging with net fees down 16% as weakness in Perm offset growth in Temp & Contracting. Portugal, up 42%, achieved record quarterly net fees and Spain performed strongly again, up 15%, with a record Q1. Poland grew by 5%.

In **Americas**, net fees increased by 9% driven by strong growth in Construction & Property, the mobilisation of recent Solutions contract wins, and strong consultant net fee productivity. The US and Canada grew by 8% and 12% respectively and we expect contract wins to contribute further to net fees over the coming quarters.

Asia net fees increased by 6%. Japan grew by 2% driven by strong growth in our Temp & Contracting business despite public holiday headwinds over the summer while Greater China grew by 27% with improved activity in Perm.

For RoW as a whole, consultant headcount increased by 1% in the quarter but was down 3% year-on-year.

Before moving to current trading, I'd like to take a few moments to update you on our strong **strategic and operational progress** during the quarter.

Mark and I have visited our colleagues across all divisions over the last few months. There is real energy across Hays and we are executing our Momentum strategy at pace.

As we have previously shared with you, our initiatives to improve consultant net fee productivity in real terms and structurally improve our cost base will be key drivers of profit recovery so we were encouraged once again by our good progress during the quarter.

Consultant fee productivity growth remained at 8% in Q1 and has now increased for twelve consecutive quarters. Fee productivity has increased by 21% in aggregate over the last three years and at an accelerating rate in recent quarters.

And our programmes to structurally reduce our cost base by £50m this year are progressing well

PAUSE

Our people and digital initiatives will help us to maintain this positive momentum and support our ambition to increase net fee productivity by more than 50% over the medium term.

For example, we recently signed a strategic partnership with Synthesia to scale skills development, accelerate AI adoption, and examine consultant performance drivers. This AI platform is a key enabler of the Hays Academy and our digital initiatives.

In addition, we commenced the phased go-live of our proprietary OneTouch 26 CRM system across Europe following successful deployment in APAC, which will support our AI agent and Search & Match initiatives.

And finally, we are making good progress exploring strategic options relating to our businesses in Belgium, Brazil, Greater China, Malaysia, The Netherlands, Singapore, and UAE, and I'm pleased to share that we are in advanced discussions for several of these processes.

As a reminder, in every market we compete in, our ambition remains clear: to grow, achieve leadership, and deliver the benefits that come with it including faster matching, greater exposure to high-value roles, stronger margins, and better outcomes for clients and candidates. Where we can't, we'll step back and reallocate investment to generate superior returns elsewhere.

Moving on to **current trading**.

1. Our September net fee growth rate was minus 2% and we expect stable market conditions in the near term with greater resilience in Temp & Contracting than in Perm. 50% of Hays is now delivering positive year on year net fee growth – an encouraging improvement from 30% in the previous quarter.
2. We continue to relentlessly focus on our structural cost and productivity initiatives, supported by investments in our digital platforms as we create the 'talent workspace of the future' and our colleagues, as we seek to achieve our medium term targets through our own actions.
3. There are no material working-day impacts anticipated in Q2 27.

4. The sharp eyed among you may have noticed that we have not provided consultant headcount guidance for Q2. We will continue to carefully invest headcount in the most attractive business lines and reallocate from elsewhere so the net impact is difficult to predict from quarter to quarter. Moreover, in the medium term, our path to more than £1bn net fees will be driven more by productivity growth than increased consultant headcount.

I will now hand you back to the administrator, and we are happy to take your questions.

Q&A

If that is all the questions, thank you again for joining the call.

I look forward to speaking to you next at our Q2 IMS on 14th January. Should anyone have any follow up questions, Kean, Prash and I will be available to take calls for the rest of the day.