

ANNUAL REPORT AND FINANCIAL STATEMENTS

HAYS PENSION SCHEME

FOR THE YEAR ENDED 30 JUNE 2025

Scheme Registration Number: 10126076

Hays Pension Scheme
Annual Report for the year ended 30 June 2025

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Hays Pension Scheme
Scheme Advisers

Scheme Trustee - Hays Pension Trustee Limited	
Directors	
<i>Independent Directors</i>	The Law Debenture Pension Trust Corporation plc (Chairman) represented by S Burnard O Lahav
<i>Company-Nominated Directors</i>	D Evans (Retired 30 August 2024) S Hill K Eardley (Appointed 1 September 2024)
<i>Member-Nominated Directors</i>	P Dungate I Pratt C Hill J Taylor
Secretary	K Bedford
Scheme Advisers:	
<i>Scheme Actuary</i> Alec Day Hymans Robertson LLP One London Wall London EC2Y 5EA	<i>Independent Auditor</i> BDO LLP 2 Atlantic Square 31 York Street Glasgow G2 8NJ
<i>Scheme Investment Adviser</i> Mercer Limited Tower Place West London EC3R 5BU	<i>Investment Custodian</i> BNY Mellon Asset Servicing One Canada Square Canary Wharf London E14 5AL (Terminated 31 August 2025)
<i>Legal Adviser</i> Hogan Lovells International LLP Atlantic House Holborn Viaduct London EC1A 2FG	<i>Bankers</i> Lloyds Bank Plc PO Box 72 Bailey Drive Gillingham Kent ME8 0LS
<i>Scheme Administrator</i> Equiniti Pensions Solutions Sutherland House Russell Way Crawley West Sussex RH10 1UH	<i>Investment Adviser</i> Apex Investment Advisers Limited 6 th Floor 125 London Wall London EC2Y 5AS (Terminated 31 December 2024)

Hays Pension Scheme
Scheme Advisers

Investment Managers:	
<p>Deutsche Bank Asset Management 25 Melville Street Edinburgh EH3 7PE (Terminated 31 August 2025)</p>	<p>Insight Investment Management (Global) Limited 160 Queen Victoria Street London EC4V 4LA (Terminated following movement of all assets)</p>
AVC Providers:	
<p>Aviva Life & Pensions UK Limited</p> <p>Prudential Life Assurance Company Limited</p>	
Principal Employer:	
<p>Hays plc 4th Floor 20 Triton Street London NW1 3BF</p>	
Contact for further information or complaints about the Scheme:	
<p>Kath Bedford (Pensions Manager) Hays plc 4th Floor 20 Triton Street London NW1 3BF Email: pensions@hays.com Telephone: 0333 010 7079</p>	

Hays Pension Scheme

Review of the Management and Development of the Scheme

Introduction

This report relates to the operation of the Hays Pension Scheme (the "Scheme") during the year ended 30 June 2025.

The Scheme is a defined benefit arrangement that provides retirement benefits. Such benefits are calculated on formulae that take into account the member's salary and pensionable service.

The Scheme closed for the accrual of future benefits for active members on 30 June 2012.

Management of the Scheme

Operation of the Trustee

The Trustee of the Scheme is Hays Pension Trustee Limited (the "Trustee") and the directors of the Trustee are shown on page 1. The power to appoint and remove the Trustee is vested in Hays plc ("Hays") under the Trust Deed of the Scheme. Under the Trustee's Articles of Association, directors are appointed and may be removed by Hays plc, but the Trustee also has the power to appoint any person to be a director either to fill a casual vacancy or as an addition to the existing directors. Member-nominated directors are appointed in accordance with a procedure agreed by the Trustee and which complies with relevant legislation.

The directors maintain a business plan in order to assist in effectively managing the Scheme, which is reviewed at each Trustee meeting and amended as appropriate. The business plan includes procedures for ensuring that directors' training needs are reviewed and monitored and that the directors undertake regular and appropriate training to help ensure that they can supervise the management of the Scheme effectively. During the year, the Trustee met on five occasions. Decisions taken at meetings of the Trustee require the support of the majority of the directors and minutes are taken at meetings of the Trustee Board and of its sub-committees.

In order to ensure the effective and efficient conduct of business, the Trustee has established a number of sub-committees with specific responsibilities that are set out in formal terms of reference. Each sub-committee meets regularly and reports to the Trustee on its activities and their terms of reference are reviewed periodically by the Trustee.

In accordance with its Conflicts of Interest and Whistle-blowing Policy, the Trustee maintains a register of potential conflicts of interest in relation to its directors, officers and advisers. The register is kept under regular review and any potential conflict is notified and closely managed. Annually, the Trustee reviews its conflicts procedures to ensure that all potential conflicts have been properly notified and managed and that no potential conflict has operated against the interests of the Scheme or the Trustee. The most recent review was carried out in December 2024 and the Trustee confirms that the policy has operated effectively for the period commencing from its adoption to the review date.

Annually, the Trustee Board carries out a review of its own effectiveness. The latest review was carried out in December 2024.

Scheme Developments

In December 2024, the Trustee used most of the Scheme's assets to purchase from the Pension Insurance Corporation plc (PIC) a bulk annuity policy (known as a buy-in) costing an initial premium of £352.7 million and a deferred premium of £3.0 million (subject to adjustment either higher or lower following completion of data verification, which is planned to occur in Q3 2025). The Trustee remains responsible for the Scheme but, under the terms of the policy, PIC is now responsible for funding benefit payments due to all members and their beneficiaries - other than pensioners and the dependant pensioners who already have their pensions secured with an insurance company.

Hays Pension Scheme Review of the Management and Development of the Scheme

Scheme Developments (continued)

The Trustee and the Principal Employer are now working together to complete a buy-out of the Scheme in early 2026. At that point, the respective insurers will issue individual policies to Scheme members and will take over future administration of all members' benefits. As the Scheme will then have no pension liabilities or assets, it will be wound up in 2026.

Financial development of the Scheme

The Financial Statements on pages 15 to 27 have been prepared and audited in accordance with the Regulations made under Sections 41 (1) and (6) of the Pensions Act 1995. They show that the fund decreased in value by £44.5 million from £518.2 million as at 30 June 2024 to £473.7 million as at 30 June 2025.

Hays plc paid £nil (2024: £17.7 million) in the year in respect of deficit reduction contributions and instead, agreed to pay equivalent contributions into an escrow account. An amount of £6.0 million was transferred into the Scheme from the escrow account (see 'Actuarial' section below). Hays plc paid an additional contribution of £12.6 million into the Scheme to fund the purchase of the buy-in. In addition, Hays plc paid additional contributions of £1.4 million in the year to assist in the on-going funding of the Scheme.

Benefits and administration expenses paid from the Scheme in the year amounted to £25.3 million (2024: £24.3 million).

Details of the Scheme's investment strategy, performance and custody arrangements are included in the Investment Report on pages 8 to 10. The Investment Report, which has been prepared by the Trustee's investment adviser, Mercer Limited, has been reviewed by the Trustee and forms part of the Trustee's report to members.

The Financial Statements show the position of the Scheme at a particular point in time and, in order to understand the funding level of the Scheme, the Financial Statements should be read in conjunction with the actuarial valuation documents.

Actuarial

The last full actuarial valuation was undertaken as at 30 June 2024 and the results from this were agreed and signed off on 6 May 2025.

Following the 2024 valuation, Hays and the Trustee agreed a deficit recovery plan to eliminate the funding shortfall (technical provisions minus the value of the assets) of £18.1 million. To eliminate this shortfall, the Trustee and the Employer arranged for payment to the Scheme of £18.1 million on 11 December 2024. Technical Provision represents a prudent estimate of the cost of benefits accrued by members on an ongoing basis at the relevant date.

The Report on Actuarial Liabilities is on page 28.

Going concern

The management of the Hays Pension Scheme, together with factors likely to affect its future development, performance, and financial position are set out in the Annual Report and Financial Statements.

As disclosed in Note 1 to the Financial Statements the Trustee and the Principal Employer are now working together to complete a buy-out of the Scheme in early 2026. As the Scheme will then have no pension liabilities or assets, the Trustee anticipates that the Principal Employer will serve a winding up notice to the Trustee. The Scheme will then be wound up in 2026.

Hays Pension Scheme Review of the Management and Development of the Scheme

Going concern (continued)

As a result of the intended buy-out and winding up during 2026, the Trustee does not consider the Scheme to be a going concern and these accounts have been prepared on a basis other than that of a going concern. No adjustments arose as a result of ceasing to apply the going concern basis.

GMP equalisation

On 26 October 2018, the High Court handed down a judgment involving the Lloyds Banking Group's defined benefit pension schemes. The judgment concluded that schemes should be amended to equalise pension benefits for men and women in relation to Guaranteed Minimum Pension (GMP) benefits. The issues determined by the judgment arise in relation to many other defined benefit pension schemes. Under the ruling, schemes are required to backdate benefit adjustments in relation to GMP equalisation and provide interest on the backdated amounts. The Trustee of the Scheme was aware that the issue affected the Scheme and is happy to report that all deferred members and pensioners have now had their benefits equalised. This leaves a review of pensioners who died before the ruling. Based on the actual payments expected to be made (including related interest payments that will be due in relation to these remaining cases), the Trustee does not expect these to be material to the Financial Statements and therefore has not included a liability in respect of these matters in these Financial Statements. They will be accounted for in the year they are determined.

On 20 November 2020, the High Court handed down a further judgment on the GMP equalisation case in relation to the Lloyds Banking Group pension schemes. This latest judgment confirms that Defined Benefit schemes which provide GMPs need to revisit and where necessary top up historic Cash Equivalent Transfer Values that were calculated based on unequalised benefits. The issues determined by the judgment arise in relation to many other defined benefit pension schemes. The Scheme has experienced historical transfers out which will be subject to adjustment as a result of this second ruling.

We estimate that the impact of this ruling will not be material in the context of the Scheme's overall liabilities.

GMP equalisation payments of circa, £102,000 were made in the current year.

Pension review

Subject to certain caps and exceptions, the Trustee increases pensions in payment for the main Scheme payroll at 1 July each year in accordance with the change in the Retail Prices Index (RPI) over the preceding 12 months ending on 31 March. The annual RPI figure for 31 March 2025 was 3.2%. Subject to the exceptions below, for all benefits accrued between 6 April 1997 and 1 July 2006 the increase to pensions in payment was 3.2%. For all benefits accrued post 1 July 2006, subject to the exceptions below, the increase to pensions in payment was 2.5% (capped at 2.5% in accordance with the Scheme Rules).

The following benefits were awarded different increases in 2025 in accordance with the Rules or practice of the Scheme:

- i) post 1988 Guaranteed Minimum Pensions for Canada Life insured pensioners were increased by 1.7% in April;
- ii) pensions in the Axis Resources category were increased in April by 3.0% for pre 1997 benefits and by 3.5% for post 1997 benefits;
- iii) pensions in the EPS category were increased in May by 5.0% where applicable for pre 1997 and post 1997 benefits and for other members, post 1997 benefit were increased by 2.7% for pensioners whose benefits were equalised and converted post-retirement and 2.7% for pensioners whose benefits were equalised and converted whilst a deferred member;

Hays Pension Scheme Review of the Management and Development of the Scheme

Pension review (continued)

- iv) the annual increase under the Career Care category was 5.0% for all pre 2006 pension benefits; and 2.5% for post 2006 pension benefits;
- v) new excess pension (resulting from equalising benefits and therefore replacing the post 1988 GMP) were increased by 3.0%.


Further information

Requests for information relating to a member's own benefits should be sent to the Scheme Administrator, Equiniti Pensions Solutions, at the address on page 1. Any queries about the Scheme generally should be made to Kath Bedford at the address given on page 2.

Approval

This Trustee Report, including the Membership on page 7, the Investment Report on pages 8 to 10 and the Statement of Trustee's Responsibilities on page 11 were approved by The Trustee on 4 September 2025.

Signed for and on behalf of Hays Pension Trustee Limited

DocuSigned by:

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Sean Burnard

05-Sep-25

S Burnard
Representing The Law Debenture Pension Trust Corporation PLC
(Chairman)

Hays Pension Scheme Membership

Membership

Details of the membership of the Scheme are given below:

	2025	2024
Pensioners		
Pensioners at the start of the year	3,256	3,072
Adjustments		
via death, commutation or cessation	(38)	(12)
via retirement or dependant set up	47	36
Members retiring during the year	132	205
Spouses and dependants	31	39
Commutation of pension in payment	(5)	(7)
Pensioners who died during the year	(89)	(76)
Dependant ceasing	(4)	(1)
Pensioners at the end of the year	3,330*	3,256
Deferred members		
Deferred members at the start of the year	3,365	3,620
Adjustments		
via death, commutation or cessation	(11)	(3)
via retirement or transfer	(35)	(15)
Retirements	(132)	(205)
Transfers out during the year	(17)	(6)
Trivial Commutations during the year	(1)	(17)
Deaths in deferment	(10)	(9)
Deferred members at the end of the year	3,159**	3,365
Pensions purchased with Aviva***		
Pensioners at the start of the year	78	80
Pensioners who died during the year	-	(2)
Pensioners at the end of the year	78	78
Total membership at the end of the year	6,567	6,699

In the above table, pensioners include individuals receiving a pension following the death of the original member.

* PIC and Canada Life are responsible for funding pension payments due to pensioners other than those with individual policies and certain other pensioners.

** PIC are responsible for funding future benefit payments due to deferred members.

*** Aviva was previously known as Norwich Union.

Hays Pension Scheme Investment Report

Introduction

The Scheme is divided into two sections: the Defined Benefit Section and Members' Additional Voluntary Contributions ('AVC') Section.

Defined Benefit Section

Investment Strategy

The Trustee is responsible for determining the Scheme's investment strategy. The Trustee has set the investment strategy for the Scheme after taking advice from the Scheme's investment adviser. The Trustee has put in place mandates with their investment managers to implement this strategy.

Over the year to 30 June 2025, the Trustee made the following changes to the Scheme's investment strategy:

- In December 2024 the Trustee agreed to invest the Scheme assets in a bulk annuity contract with Pension Insurance Corporation plc ("PIC"). The contract is a buy-in policy and covers accrued Defined Benefits for all deferred and pensioner members not covered by the Canada Life buy-in policy and a few individual member policies already in place.
- The insurers provide both the pension payments due and PIC also provide funding for on-going member cashflow requirements.
- The Scheme agreed to use any residual cash holdings to meet ongoing expenses and any imminent member payments / adjustments.

In accordance with section 35 of the Pensions Act 1995, a Statement of Investment Principles has been prepared by the Trustee. None of the Scheme's investment managers notified the Trustee of any breaches and it has been reviewed during the year, to reflect the investment strategy changes mentioned above. A copy of the Statement of Investment Principles is available via the following link: <https://www.hayspensionscheme.com/document-store>

Policy on ESG, Climate Change and Stewardship

The Trustee believes that environmental, social and governance ("ESG") factors may have a material impact on investment risk and return outcomes, and that good stewardship can create and preserve value for companies and markets as a whole. The Trustee also recognises that long-term sustainability issues, such as climate change, present risk and opportunities that increasingly may require explicit consideration.

The Trustee has considered all financial factors, including ESG factors, when setting the investment strategy. Given the buy-in policies now in place, the responsibility for management of all financial factors including ESG factors has been delegated to the insurers. The Trustee reviewed the insurers' ESG capabilities as part of the insurer selection exercises.

Investment Management

The majority of the Scheme's assets are invested through the purchase of the bulk annuity policies with Canada Life and PIC. The Trustee is unable to incentivise the insurers, remunerate or monitor portfolio turnover costs as these are not applicable to the bulk annuities.

Further details are included in the Statement of Investment Principles referenced above.

Hays Pension Scheme Investment Report

Defined Benefit Section (continued)

Investment Management (continued)

The table below illustrates the distribution of assets held by the Defined Benefit section of the Scheme at 30 June 2024 and 30 June 2025. The table also shows the benchmark asset allocation as at 30 June 2025.

Asset Class	30 June 2025 (%)	30 June 2024 (%)	Benchmark (%)
Cash ¹	100.0	2.8	100.0
Segregated Credit Portfolio ²	-	51.8	-
LDI Mandate ³	-	45.4	-
Total	100.0	100.0	100.0
Current Market Value (exc Buy-in Policies)	£0.0m	£348.8m	-
Buy-in Policies⁴	£467.0m	£162.2m	-
Current market value (inc Buy-in Policies)⁵	£463.5m	£511.0m	-

Source: Investment Managers. Bid values sourced from Investment Managers where possible, otherwise mid/single price values provided by Investment Managers.

- 1 Cash value as at 30 June 2025 is the residual cash held in legacy BNY custody accounts which have a net value of less than £1,000.
- 2 Segregated Credit Portfolio comprised of the assets previously held in the pooled credit funds (Short Dated Corporate Bonds and Corporate Bonds) as well as additional overseas credit exposure, managed to a duration of approximately 8 years.
- 3 LDI mandate comprised of UK Gilts; Network Rail Bonds; cash and derivative positions.
- 4 Bought-in insured deferred members and pensioners as at 30 June 2024 and 30 June 2025 on the gilts flat basis, sourced from Hymans. Excludes Aviva insured pensioners.
- 5 Excludes AVCs (£3.5m as at 30 June 2025 and £3.7m as at 30 June 2024).

The Trustee has considered the nature, disposition, marketability, security and valuation of the Scheme's investments and considers them to be appropriate relative to the reasons for holding each class of investment. More details about investment are given in the notes to the accounts.

Investment Performance

The long term performance shown below has been estimated by Mercer and incorporates the portfolio restructuring that has occurred over the periods shown.

	Three Years to 30 June 2025		Five Years to 30 June 2025	
	Fund (% p.a.)	B'mark (% p.a.)	Fund (% p.a.)	B'mark (% p.a.)
Total Return	-11.3	-10.1	-13.1	-12.7

Source: Mercer, net of fees. Total Return includes the impact of the LDI mandate with Insight and currency hedging.

Returns for the one year to 30 June 2025 are not shown due to investments being fully withdrawn during the year.

The Trustee received reports from their investment advisers, on a quarterly basis, showing actual performance by manager and fund. Investment managers were also invited to present to the Trustee's Investment Sub-Committee on a regular basis.

Custodial arrangements

In relation to the segregated mandate, the Trustee had appointed BNY Mellon Asset Servicing ("BNY Mellon") as custodian. BNY Mellon were responsible for the safekeeping of the investments, the settlement of all portfolio transactions, the collection of income from securities, tax reclaims, foreign currency transactions and cash management. This arrangement was terminated on 31 August 2025 as no longer required.

Hays Pension Scheme Investment Report

Defined Benefit Section (continued)

Members' Additional Voluntary Contributions Section

In addition to the Defined Benefit section, the Scheme also consists of members' Additional Voluntary Contributions ("AVC"). The AVC assets are managed by Aviva and Prudential.

The table below illustrates the total asset values held by the AVC Section of the Scheme at the beginning and end of the year to 30 June 2025.

	30 June 2025	30 June 2024
Total Market Value	£3.5 million	£3.7 million

Market Background

In the third quarter of 2024, DM central banks—including the Fed—cut interest rates. DM central banks were prompted to loosen monetary policy amidst the macroeconomic backdrop of cooling inflation & labour markets and slowing wage growth. Notably, the Bank of Japan (BoJ) diverged from other DM central banks and hiked rates by 0.15% in July given the impact of robust wage negotiations on inflation. Market sentiment over the quarter tilted back towards a soft-landing as fears of a US recession—which gripped markets in early August—quickly subsided. Overall, bond yields declined across DM economies, while equities outperformed in response to rate cuts. That said, uncertainty around the US election and tensions in the Middle East sparked temporary volatility in financial markets.

In the fourth quarter of 2024, DM central banks continued to cut interest rates. In the US, although the Fed cut rates, a still-resilient macro backdrop prompted the FOMC to project fewer cuts in 2025 and 2026. Meanwhile, the ECB and BoE maintained a cautious tone in their rate cutting approach. Surprisingly, the BoJ kept interest rates unchanged through the quarter on uncertainty over future wage negotiations and the outlook for the US economy. Market sentiment continued to be driven by the soft-landing narrative in the US, despite uncertainty around policies under a Donald Trump-led presidency. Overall, bond yields rose across DM economies, while equities outperformed in response to rate cuts.

Continued rate cuts by most DM central banks, Deep Seek developments, European politics and tariffs were the key themes driving markets in the first quarter of 2025. While the Fed held rates unchanged in Q1 2025, it revised lower its GDP growth projections for the year on the back of 'uncertainty around the economic outlook'. In Europe, Germany's political landscape and the approval of its €500bn fiscal package took centre-stage. Market sentiment continued to be driven by the soft-landing narrative in the US, as a result of uncertainty around policies under Trump's presidency. Overall, bond yields were mixed across DM, while global equities ended the quarter with negative returns.

Tariff uncertainty under US President Donald Trump fuelled concerns over not just the growth and inflation outlook through the second quarter of 2025, but also the potential impact on fiscal and monetary policy. While most DM central banks continued cutting rates, policymakers expressed caution against headwinds emerging from tariff-induced disruptions. Although the US Fed left rates unchanged in Q2, it revised growth and inflation forecasts for the year. In Europe, Germany's political landscape under new Chancellor Merz and spending plans under the draft budget for 2025 took centre-stage. Meanwhile, the geopolitical landscape became increasingly uncertain towards the end of the quarter amidst the Israel-Iran conflict, which was soon followed by a ceasefire deal.

Employer - Related Investments

The Trustee reviews its allocation to employer-related investments on an on-going basis and is satisfied that the proportion of Scheme's assets in employer-related investments does not exceed 5% of the market value of the Scheme's assets as at 30 June 2025, meaning the Scheme complies with legislative requirements.

Hays Pension Scheme Statement of Trustee's Responsibilities

Statement of Trustee's Responsibilities

The financial statements, which are prepared in accordance with UK Generally Accepted Accounting Practice, including the Financial Reporting Standard applicable in the UK (FRS 102) are the responsibility of the Trustee. Pension scheme regulations require, and the Trustee is responsible for ensuring, that those financial statements:

- show a true and fair view of the financial transactions of the Scheme during the Scheme year and of the amount and disposition at the end of the Scheme year of its assets and liabilities, other than liabilities to pay pensions and benefits after the end of the Scheme year, and
- contain the information specified in Regulation 3A of The Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, including a statement whether the financial statements have been prepared in accordance with the relevant financial reporting framework applicable to occupational pension schemes.

In discharging these responsibilities, the Trustee is responsible for selecting suitable accounting policies, to be applied consistently, making any estimates and judgements on a prudent and reasonable basis, and for the preparation of the financial statements on a going concern basis unless it is appropriate to presume that the Scheme will be wound up. As stated in note 1 to the financial statements, the Trustee does not consider the Scheme to be a going concern and have prepared the financial statements on a basis other than that of a going concern basis.

The Trustee is also responsible for making available certain other information about the Scheme in the form of an annual report. The Trustee also has a general responsibility for ensuring that adequate accounting records are kept and for taking such steps as are reasonably open to them to safeguard the assets of the Scheme and to prevent and detect fraud and other irregularities, including the maintenance of an appropriate system of internal control.

Trustee's Responsibilities in respect of Contributions

The Trustee is responsible under pensions legislation for preparing, maintaining and from time to time reviewing and if necessary revising a Schedule of Contributions showing the rates of contributions payable to the Scheme by or on behalf of the Employer of the Scheme and the dates on or before which such contributions are to be paid.

The Trustee is also responsible for keeping records in respect of contributions received in respect of the Scheme and for adopting risk-based processes to monitor whether contributions that fall due to be paid are paid into the Scheme in accordance with the Schedule of Contributions. Where breaches of the schedule occur, the Trustee is required by the Pensions Acts 1995 and 2004 to consider making reports to the Pensions Regulator and to members.

Hays Pension Scheme Independent Auditor's Report

To the Trustee of Hays Pension Scheme

Opinion on the financial statements

In our opinion the financial statements:

- show a true and fair view of the financial transactions of the Scheme during the year ended 30 June 2025 and of the amount and disposition at that date of its assets and liabilities, other than liabilities to pay pensions and benefits after the end of the year;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- contain the information specified in Regulation 3A of the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, made under the Pensions Act 1995.

We have audited the financial statements of Hays Pension Scheme ('the Scheme') for the year ended 30 June 2025 which comprise the Fund Account, Statement of Net Assets (available for benefits) and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice) and the Statement of Recommended Practice – *Financial Reports of Pension Schemes* (revised 2018).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's 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 are independent of the Scheme in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Emphasis of matter – financial statements prepared on a basis other than a going concern basis

We draw your attention to note 1 of the financial statements which explains that the Trustee and the Principal Employer are working together to complete the buy-out of the Scheme and the Scheme will then be wound-up. Accordingly, the financial statements have been prepared on a basis other than that of a going concern as described in note 1. The financial statements do not include any adjustments as a result of preparing them on a basis other than going concern. Our opinion has not been modified in respect of this matter. Our responsibilities and the responsibilities of the Trustee with respect to going concern are described in the relevant sections of this report.

Hays Pension Scheme Independent Auditor's Report

Other information

The Trustee is responsible for the other information. The other information comprises the information included in the annual report and financial statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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 in this regard.

Responsibilities of the Trustee

As explained more fully in the Statement of Trustee's Responsibilities, the Trustee is responsible for the preparation of the financial statements and for being satisfied that they show a true and fair view, and for such internal control as the Trustee determines 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 Trustee is responsible for assessing the Scheme'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 Trustee either intends to wind up the Scheme or has no realistic alternative but to do so.

Auditor's 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 auditor's 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.

Extent to which the audit was capable of detecting irregularities, including fraud

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:

- Obtaining an understanding of the Scheme's legal and regulatory frameworks, focusing on those which we determine to be the most significant, and how the Scheme complies with these.
- Enquiring of the Trustee, and where appropriate, the administrators or consultants as to whether:
 - the Scheme is in compliance with laws and regulations that have a material effect on the financial statements;
 - they have knowledge of any actual, suspected or alleged fraud; and
 - any reports have been made to the Pensions Regulator.

Based on our understanding of the Scheme, we consider the most significant laws and regulations that have a direct impact on the financial statements are the Pensions Acts 1995 and 2004 and those that relate to the reporting framework (Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, Financial Reporting Standard 102 and the Statement of Recommended Practice 'Financial Reports of Pensions Schemes' 2018 ('The SORP')); we also considered the extent to which non-compliance might have a material effect on the financial statements.

Hays Pension Scheme Independent Auditor's Report

Auditor's responsibilities for the audit of the financial statements (continued)

We evaluated incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of override of controls by the Trustee and those involved in the preparation of the financial statements and underlying accounting records. We determined that the principal risk was related to the posting of inappropriate journals, which may act to conceal fraudulent activity.

Audit procedures performed to respond to the identified risks included, but were not limited to, the following:

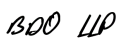
- Testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.
- Enquiring of management and the Trustee with regard to actual and potential litigation and claims.
- Reviewing the disclosures in the financial statements and testing to supporting documentation to assess compliance with relevant laws and regulations, as detailed above.
- Reviewing minutes of meetings of the Trustee.
- Reviewing any significant correspondence with the Pensions Regulator.
- Performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- Evaluating the design and implementation of controls associated with the journal entry process.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that 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, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Scheme's Trustee in accordance with Regulation 3 of the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, made under the Pensions Act 1995. Our audit work has been undertaken so that we might state to the Scheme's Trustee those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Scheme's Trustee for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

C17EC688DFBB4C8...

BDO LLP
Statutory auditor
Glasgow
United Kingdom

Date 08 September 2025

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

Hays Pension Scheme
Fund Account for the year ended 30 June 2025

	Note	2025 £'000	2024 £'000
Contributions and benefits			
Employer contributions	4	20,027	17,718
Other income	5	3,014	-
		<u>23,041</u>	<u>17,718</u>
Benefits paid or payable	6	(21,139)	(21,443)
Payments to and on account of leavers	7	(1,698)	(500)
Administrative expenses	8	(2,401)	(2,343)
Other payments	9	(44)	(46)
		<u>(25,282)</u>	<u>(24,332)</u>
Net withdrawals from dealings with members		<u>(2,241)</u>	<u>(6,614)</u>
Returns on investments			
Investment income	10	17,665	13,596
Change in market value of investments	11	(59,413)	(6,076)
Investment management expenses	13	(489)	(1,061)
Net (deficit)/returns on investments		<u>(42,237)</u>	<u>6,459</u>
Net decrease in the fund during the year		(44,478)	(155)
Net assets of the Scheme			
As at 1 July		<u>518,169</u>	<u>518,324</u>
As at 30 June		<u>473,691</u>	<u>518,169</u>

The notes on pages 17 to 27 form part of these Financial Statements.

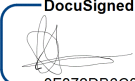
**Hays Pension Scheme
Statement of Net Assets as at 30 June 2025**

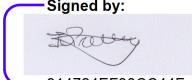
	Note	2025 £'000	2024 £'000
Investment assets			
Bonds	11	-	430,734
Cash instruments	11	-	4,143
Derivatives	14	-	51,661
AVC investments	17	3,530	3,735
Insurance policies	16	470,315	165,757
Cash deposits	11	-	12,776
Other investment balances	11	-	3,332
Reverse repurchase agreements	15	-	158,341
		473,845	830,479
Investment liabilities			
Derivatives	14	-	(53,245)
Repurchase agreements	15	-	(258,888)
		-	(312,133)
Total net investments		473,845	518,346
Current assets	21	4,802	2,585
Current liabilities	22	(4,956)	(2,762)
Net current liabilities		(154)	(177)
Net assets of the Scheme		473,691	518,169

The Financial Statements summarise the transactions of the Scheme and deal with the net assets at the disposal of the Trustee. They do not take account of obligations to pay pensions or other benefits which fall due after the year end of the Scheme year. The actuarial position of the Scheme, which takes into account such obligations, is dealt with in the Report on Actuarial Liabilities on page 28 of the Annual Report and these Financial Statements should be read in conjunction with this report.

The notes on pages 17 to 27 form part of these Financial Statements.

These Financial Statements were approved by Hays Pension Trustee Limited on 4 September 2025.

DocuSigned by:

 Sean Burnard
 0F872DB6C08D497.....Trustee Director 05-Sep-25

Signed by:

 Ian Pratt
 914724EF38CC44F.....Trustee Director 05-Sep-25

Hays Pension Scheme

Notes to the Financial Statements for the year ended 30 June 2025

1. Basis of preparation

The Financial Statements have been prepared in accordance with the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, Financial Reporting Standard 102 – The Financial Reporting Standard applicable in the UK and Republic of Ireland issued by the Financial Reporting Council and the guidance set out in the Statement of Recommended Practice (Revised 2018).

As disclosed under Scheme Developments on page 3 the Trustee and the Principal Employer are now working together to complete a buy-out of the Scheme in early 2026. As the Scheme will then have no pension liabilities or assets, the Trustee anticipates that the Principal Employer will then serve a winding up notice to the Trustee. The Scheme will then be wound up in 2026. As a result of the intended buy-out and winding up during 2026, the Trustee does not consider the Scheme to be a going concern and these accounts have been prepared on a basis other than that of a going concern. No adjustments arose as a result of ceasing to apply the going concern basis.

2. Identification of the financial statements

The Scheme is established as a trust under English law. The address for enquiries to the Scheme is included in the Trustee's Report.

3. Accounting policies

The principal accounting policies adopted by the Trustee of the Scheme are as follows:-

A. Contributions and other income

Contributions and other income are accounted for as follows:-

- (i) Employers' deficit reduction contributions are accounted for in accordance with the Schedule of Contributions.
- (ii) Employer's additional contributions and payments from the escrow account are accounted for as agreed between the Employer and the Trustee.
- (iii) Other income is on an accruals basis.

B. Transfers

Individual transfers out of the Scheme are accounted for when the member liability is discharged which is normally when the transfer amount is paid.

C. Benefits and expenses

Benefits are accounted for in the period in which they fall due. Where there is a choice, benefits are accounted for in the period in which the member notifies the Trustee of their decision on the type or amount of benefit to be taken, or if later or there is no choice, on the date of retiring or leaving.

D. Investments

- (i) Quoted investments are included in the Statement of Net Assets at their market value at the year end. UK listed securities and foreign securities quoted on a recognised stock exchange are stated at bid or single price market values with foreign investments being converted into sterling at the exchange rates ruling at the end of the year. UK listed securities traded through the London Stock Exchange Electronic Trading Service (SETS) are valued on the basis of the last SETS trading price.
- (ii) Gains and losses arising on the valuation of investments, together with exchange gains and losses arising on the translation of investments, are included as part of the change in market value of investments.
- (iii) Authorised Unit Trusts are valued at the bid or single price listed in the Stock Exchange Daily Official List showing the date of Statement of Net Assets.
- (iv) Unauthorised Unit Trusts Exempt Funds are valued at the bid or single prices calculated on the last working day of each month during the period.
- (v) Funds invested by members to secure additional benefits are included in the Statement of Net Assets as AVC investments and stated at the value as advised by the provider.

Hays Pension Scheme
Notes to the Financial Statements for the year ended 30 June 2025

3. Accounting policies (continued)

D. Investments (continued)

- (vi) Valuations of bonds are stated at the fair-market values on a 'clean' basis (i.e. excluding interest). Accrued interest at the period end is included in other investment balances.
- (vii) Foreign income is converted into sterling at the rate ruling at the date of transaction. Foreign income due at the year end and foreign currency assets and liabilities are converted at the exchange rates ruling at the year end. Differences arising on translation of current assets and liabilities are included in the change in market value of investments. The investment managers have taken appropriate action to safeguard against adverse exchange rate fluctuations.
- (viii) Annuity Policies have been valued by Charlie Royle FIA at the amount of the related obligation, determined using the most recent Scheme Funding valuation assumptions updated for market conditions at the reporting date.
- (ix) Pooled investment vehicles and cash instruments were valued at closing bid price or NAV single price as at the year end, as advised by the investment managers.
- (x) The Scheme's functional and presentational currency is pounds sterling.

E. Management Expenses

- (i) Professional and administration fees and expenses of the Scheme (charged in accordance with a fee agreement approved by the Trustee) are borne by the Scheme and accounted for on an accrual basis.
- (ii) The fees of the Investment Managers are accounted for on an accruals basis and are based on the market value of the total funds under their control. These agreed costs are borne by the Scheme. Where management fees are not separately invoiced but reflected in the unit price, the fees disclosed to the Trustee for the year have been shown as a sale proceed and the cost included with the investment management expense.

F. Derivative contracts

- (i) Derivative contracts are valued at fair value. The fair value, being the unrealised profit or loss on the contracts, is shown as a separate line within investments.
Derivative contracts are fair valued at bid price for asset positions and the offer price for liability positions. Where there is no bid/offer spread available, the mid, single price will be used. Derivative contracts' changes in fair value are included in change in market value where the economic purpose of the contracts relates to assets. Where the economic purpose relates to income the change in fair value is included in investment income.
- (ii) Swaps are valued at the current value of future cash flows arising from the swap determined using discounted cash flow models and market data at the reporting date.
- (iii) 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.
- (iv) Exchange traded futures are valued as the sum of the daily mark-to-market, which is a calculated difference between the settlement prices at the reporting date and the inception date.

G. Repurchase agreements

Repurchase agreements (where the Scheme has sold assets with the agreement to repurchase at a fixed date and price) are included in the accounts at the fair value of the repurchase price as a liability. The assets sold are reported in the appropriate asset class in the investments note at their fair value reflecting that the Scheme retains the risks and rewards of ownership of those assets.

Hays Pension Scheme
Notes to the Financial Statements for the year ended 30 June 2025

3. Accounting policies (continued)

H. Investment income

- (i) Income from pooled investment vehicles was accounted for when declared by the fund manager for distributions. Accumulation funds retained income within the fund and was recognised in the change of unit price within change in market value.
- (ii) Income from bonds is accounted for on an accruals basis and includes income bought and sold on purchases and sales of bonds.
- (iii) Receipts from the Bulk Buy-in policy and Aviva individual policies are accounted for on an accruals basis within annuity income. Aviva annuities are paid direct and matching pension payments are included within benefit costs in the Fund Account.

4. Employer contributions	2025	2024
	£'000	£'000
Employer contributions		
Deficit reduction funding	-	17,718
Contributions received from escrow account	6,000	-
Contributions from employer in respect of bulk buy-in	12,600	-
Additional contributions	1,427	-
	<u>20,027</u>	<u>17,718</u>

Hays plc paid £nil in the year in respect of deficit reduction contributions and instead, agreed to pay equivalent contributions into an escrow account. An amount of £6.0 million was transferred into the Scheme from the escrow account. Hays plc paid an additional contribution of £12.6 million into the Scheme to fund the purchase of the buy-in. In addition, Hays plc paid additional contributions of £1.4 million in the year to assist in the on-going funding of the Scheme.

5. Other income	2025	2024
	£'000	£'000
Other income	14	-
Receipt due from escrow account	3,000	-
	<u>3,014</u>	<u>-</u>

The receipt due from the escrow account will be received to fund the £3.0 million deferred premium due to PIC at the year end.

6. Benefits paid or payable	2025	2024
	£'000	£'000
Pensions	17,013	16,754
Commutations of pensions and lump sums on retirement	3,923	4,529
Lump sums on death	203	160
	<u>21,139</u>	<u>21,443</u>

Pensions, commutations of pensions and lump sums on retirement include £16,009,000 (2024: £13,151,000, pensions only) in respect of annuity payments.

Hays Pension Scheme
Notes to the Financial Statements for the year ended 30 June 2025

7. Payments to and on account of leavers	2025	2024
	£'000	£'000
Individual transfers to other pension arrangements	1,698	500
	<u>1,698</u>	<u>500</u>
8. Administrative expenses	2025	2024
	£'000	£'000
Administration, actuarial and consultancy fees	1,791	1,957
Audit fees	42	40
Legal expenses	317	149
Trustee Directors' fees and other advisory costs	199	154
Miscellaneous expenses	52	43
	<u>2,401</u>	<u>2,343</u>
	<u><u>2,401</u></u>	<u><u>2,343</u></u>
9. Other payments	2025	2024
	£'000	£'000
Trustee insurance	44	46
	<u>44</u>	<u>46</u>
10. Investment income	2025	2024
	£'000	£'000
Income from bonds	4,134	6,487
Income from pooled investment vehicles	-	1,621
Net payments regarding swaps	153	-
Annuity income	16,009	13,151
Interest on cash deposits	1,675	794
Other investment income	194	254
	<u>22,165</u>	<u>22,307</u>
Net payments regarding swaps	-	(3,766)
Net payments regarding futures	(1,197)	-
Credit repo balance finance charges	(3,303)	(4,945)
	<u>17,665</u>	<u>13,596</u>
	<u><u>17,665</u></u>	<u><u>13,596</u></u>

Credit default swap and repo balance finance charges represent the finance costs incurred by investment managers to fund purchases of gilts to improve the efficiency of portfolio management.

Hays Pension Scheme
Notes to the Financial Statements for the year ended 30 June 2025

11. Reconciliation of net investments

	Value at 1 Jul 2024	Purchases at cost and derivative payments	Sales proceeds and derivative receipts	Change in market value	Value at 30 Jun 2025
	£'000	£'000	£'000	£'000	£'000
Bonds	430,734	733,011	(1,154,663)	(9,082)	-
Cash instruments	4,143	188,545	(192,688)	-	-
Insurance policies	165,757	355,667	-	(51,109)	470,315
Derivatives	(1,584)	658,607	(656,254)	(769)	-
AVC investments	3,735	-	(205)	-	3,530
	<u>602,785</u>	<u>1,935,830</u>	<u>(2,003,810)</u>	<u>(60,960)</u>	<u>473,845</u>
Repurchases agreements	(100,547)				-
Cash deposits	12,776			1,547	-
Other investment balances	3,332				-
	<u>518,346</u>			<u>(59,413)</u>	<u>473,845</u>

The change in market value of investments during the year comprises all profits and losses realised on sales of investments during the year together with gains and losses arising from the revaluation in the market value of investments held at the year end. Sale proceeds and derivative receipts include indirect investment managers' fees and performance related charges to the funds.

All investments, which now comprise of the two bulk buy-in policies and a few individual insurance policies and the AVCs are held in the name of the Scheme.

The companies managing the investments are registered in the United Kingdom and Ireland.

Derivatives, repurchase agreements and other investment balances in the prior year are showing the net position held.

12. Investment transaction costs

Transaction costs are included in the cost of purchases and deducted from sale proceeds in the reconciliation in Note 11 to the Financial Statements. Transaction costs include costs charged directly to the Scheme such as fees, commissions, stamp duty and other fees. The value of direct and indirect transaction costs is £nil (2024: £nil).

13. Investment management expenses

	2025 £'000	2024 £'000
Administration, management and custody	420	685
Performance fees	69	376
	<u>489</u>	<u>1,061</u>

Hays Pension Scheme

Notes to the Financial Statements for the year ended 30 June 2025

14. Derivatives

The Trustee had authorised the use of derivatives by the investment managers as part of the investment strategy for the pension Scheme. There were no derivatives held at the end of the year. The main objectives for the use of derivatives and the policies followed during the year are summarised as follows:

Total derivatives	2025 Assets £'000	2025 Liabilities £'000	2024 Assets £'000	2024 Liabilities £'000
Swaps	-	-	51,261	(52,969)
Forward foreign exchange	-	-	256	(132)
Futures	-	-	144	(144)
	<u>-</u>	<u>-</u>	<u>51,661</u>	<u>(53,245)</u>

OTC Swaps

A swap is a derivative contract in which two counter-parties agree to exchange a stream of cash flows against another stream with the magnitude of the cash streams being based on the rate of inflation, interest, credit default or an asset. All swaps were Over the Counter transactions (OTC).

The Trustee aimed to match the liability-driven element of the investment portfolio with the Scheme's long term liabilities, particularly in relation to their sensitivities to interest rate movements. Due to the lack of available long-dated bonds the Trustee held interest-rate and inflation swaps to extend the duration and match more closely with the Scheme's liability profile.

The contracts listed below were single forward OTC contracts.

Type of contract	Expires within	Notional Principal	Asset value £'000	Liability value £'000
Total 2025			-	-
Total 2024			<u>51,261</u>	<u>(52,969)</u>

Forward foreign exchange

In order to maintain appropriate diversification of investments within the portfolio and take advantage of investment returns a proportion of the underlying investment portfolio was invested overseas. To balance the risk of investing in foreign currencies whilst having an obligation to settle benefits in Sterling, a currency hedging programme, using forward foreign exchange contracts, was in place to reduce the currency exposure of these overseas investments to the targeted level.

The contracts listed below were single forward OTC contracts.

Expires within	Currency bought	Value of Currency bought '000	Currency sold	Value of Currency sold '000	Asset value £'000	Liability value £'000
Total 2025					-	-
Total 2024					<u>256</u>	<u>(132)</u>

Hays Pension Scheme
Notes to the Financial Statements for the year ended 30 June 2025

14. Derivatives (continued)**Futures**

	Expires within	Nominal value £'000	Asset value £'000	Liability value £'000
Total 2025			-	-
Total 2024			144	(144)

15. Repurchase agreements

The Scheme used sale and repurchase agreements (also known as repo transactions) to achieve the Trustee's liability hedging objective. The investment manager (Insight) was allowed to undertake repo transactions on the Scheme's gilt holdings to raise cash with which to buy additional gilts for efficient portfolio management. There were no repurchase agreements held at the year end.

Counterparty	Underlying asset	Repurchase date	Asset value £'000	Liability value £'000
Total 2025			-	-
Total 2024			158,341	(258,888)

16. Insurance policies

The Scheme held insurance policies at the year-end as follows:

	2025 £'000	2024 £'000
Bulk buy-in annuity policy (with PIC)	317,704	-
Bulk buy-in annuity policy (with Canada Life)	149,309	162,181
Annuity policy (with Aviva)	3,302	3,576
	<u>470,315</u>	<u>165,757</u>

In December 2024, the Trustee used most of the Scheme's assets to purchase from the Pension Insurance Corporation plc (PIC) a bulk annuity policy (known as a buy-in) costing an initial premium of £352.7 million and a deferred premium of £3.0 million (subject to adjustment either higher or lower following completion of data verification, which is planned to occur in Q3 2025). The Trustee remains responsible for the Scheme but, under the terms of the policy, PIC is now responsible for funding benefit payments due to all members and their beneficiaries - other than pensioners and the dependant pensioners who already have their pensions secured with an insurance company.

On 6 August 2018, the Trustee, in agreement with the employer, entered into a bulk purchase annuity policy (buy-in) contract with Canada Life Limited for a premium of £270.6 million in respect of insuring all future payments to the pensioner population of the Scheme as at 31 December 2017. The pension buy-in transaction was funded through the existing investment assets held by the Trustee on behalf of the Scheme. The balancing refund of £100,092 was received on 13 August 2020 from Canada Life.

The Trustee also holds an annuity policy that secures pensions payable to specified beneficiaries. This policy remains an asset of the Scheme and has been valued at £3,301,896 (2024: £3,576,230). The terms of the policy allows for increases in annual pensions. If the increase under the policy is greater than that permitted by the rules of the Scheme and legislation the Trustee is entitled to receive a rebate.

Hays Pension Scheme
Notes to the Financial Statements for the year ended 30 June 2025

16. Insurance policies (continued)

Annuity policies are included in the Financial Statements at a valuation undertaken by the Scheme Actuary using the Technical Provisions basis and assumptions as disclosed in the Report on Actuarial Liabilities on page 28.

17. AVC investments

The aggregate amounts of AVC funds are as follows:-	2025	2024
	£'000	£'000
Aviva Life & Pensions UK Limited	111	125
Prudential Life Assurance Company	3,419	3,610
	<u>3,530</u>	<u>3,735</u>

AVC investments are included at the 30 June 2024 value less cash movements in the year.

18. Fair value hierarchy

The fair value of financial instruments has been determined using the following fair value hierarchy:

- Level (1) The unadjusted quoted price in an active market for an identical assets or liabilities that the entity can access at the measurement date.
- Level (2) Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.
- Level (3) Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

As at 30 June 2025	Level 1	Level 2	Level 3	Total
	£'000	£'000	£'000	£'000
Insurance policies	-	-	470,315	470,315
AVCs	-	-	3,530	3,530
	<u>-</u>	<u>-</u>	<u>473,845</u>	<u>473,845</u>
As at 30 June 2024	Level 1	Level 2	Level 3	Total
	£'000	£'000	£'000	£'000
Bonds	430,734	-	-	430,734
Pooled investment vehicles	4,143	-	-	4,143
Insurance policies	-	-	165,757	165,757
Derivatives	-	-	(1,584)	(1,584)
AVCs	-	-	3,735	3,735
Repurchase agreements	(100,547)	-	-	(100,547)
Cash deposits	12,776	-	-	12,776
Income receivable	3,055	-	-	3,055
Other investment balances	277	-	-	277
	<u>350,438</u>	<u>-</u>	<u>167,908</u>	<u>518,346</u>

Hays Pension Scheme

Notes to the Financial Statements for the year ended 30 June 2025

19. Investment risks

FRS 102 requires the disclosure of information in relation to certain investment risks. These risks are set out by FRS 102 as follows:

Credit risk: this is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Market risk: the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

- *Currency risk*: this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in foreign exchange rates;
- *Interest rate risk*: this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in market interest rates;
- *Other price risk*: this is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Scheme had exposure to these risks because of the investments it makes in following the investment strategy set out below. The Trustee managed investment risks, including credit risk and market risk, within agreed risk limits which are set taking into account the Scheme's strategic investment objectives. As at 30 June 2025, all of the Scheme's assets are invested through the purchase of the bulk annuity policies with Canada Life and Pension Insurance Corporation plc (PIC), with the exception of residual cash held in the Trustee bank account and BNY Mellon (the Scheme's custodian).

Further information on the Trustees' approach to risk management and the Scheme's exposures to credit and market risks are set out below.

Investment strategy

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 ("DB") Section as they fall due.

In setting the investment strategy, the Trustee has taken into account considerations such as the strength of the employer covenant, the long-term liabilities of the DB section and the funding agreed with the Employer.

In December 2024 the Trustee agreed to invest the Scheme assets in a bulk annuity contract with PIC. The contract is a buy-in policy and covers accrued DB benefits for all deferred members, pensioner and dependant pensioner members not covered by the existing insurance policies already in place.

The Scheme also holds a small amount of residual assets as cash with their custodian, BNY Mellon. The Trustee has decided to terminate the mandate with BNY Mellon from 31 August 2025 and all cash assets will be held in the Trustee's bank account from 1 September 2025 onwards.

Hays Pension Scheme
Notes to the Financial Statements for the year ended 30 June 2025

19. Investment risk (continued)

Market risk

a) Currency risk

The Plan does not have exposure to any overseas currency risk as at 30 June 2025.

b) Interest rate risk

The Scheme's assets (which are minimal and used to aid cashflow requirements) are subject to interest rate risk because the Scheme's residual assets are held as cash and annuity policies are exposed to interest rate risk (due to the interest element in calculating the net discount rate when valuing the policies). However, the interest rate risk of the liabilities covered by the bulk annuity policies, has been transferred to the respective insurers.

c) Other price risk

The Scheme is exposed to direct other price risk of insurance policies due to the inflation element in calculating the net discount rate when valuing the policies. However, as with the interest rate risk, this risk has been transferred to the bulk annuity insurers.

Credit risk

The Trustee purchased a bulk annuity policy in December 2024 with PIC to supplement the already existing insurance policy with Canada Life. For these policies, there is the risk that the provider may default on its obligations to meet future benefit payments in respect of the Scheme's members. Before entering into the bulk annuity contracts, the Trustee obtained and carefully considered professional advice regarding the suitability of both insurers as bulk annuity providers. In addition, the Trustee is aware of regulatory oversight and intervention and, ultimately, that there is a level of protection offered to members by the Financial Services Compensation Scheme ("FSCS") and the Pension Protection Fund ("PPF").

20. Concentration of investments

Investments accounting for more than 5% of the net assets of the Scheme were:

	2025	2025	2024	2024
	£'000	%	£'000	%
Insight Segregated Portfolio	-	-	180,476	34.8
Annuity policy - Canada Life	149,309	31.5	162,181	31.3
Annuity policy - PIC	317,704	67.1	-	-
Insight LDI portfolio	-	-	158,189	30.5

21. Current assets

	2025	2024
	£'000	£'000
Receipt due from escrow account	3,000	-
VAT recoverable from employer	153	161
Pensions paid in advance	112	1,320
Prepayment	19	18
Other debtors	84	-
Cash balances	1,434	1,086
	<u>4,802</u>	<u>2,585</u>

The receipt due from the escrow account will be received to fund the £3.0 million deferred premium due to PIC at the year end.

Hays Pension Scheme
Notes to the Financial Statements for the year ended 30 June 2025

22. Current liabilities	2025	2024
	£'000	£'000
Deferred premium due to PIC	3,000	-
Unpaid benefits	518	372
Canada Life – July paid in advance	921	933
Tax deducted from pensions	27	278
Administrative fees payable	410	488
Investment management fees payable	80	691
	4,956	2,762

23. Related party transactions

During the year £199,561 (2024: £154,188) was charged to the Scheme by directors of the Trustee in respect of services provided to the Scheme. The charges were levied by O Lahav, P Dungate, I Pratt, C Hill and The Law Debenture Trust Corporation plc.

Three of the directors of the Trustee were deferred members of the Scheme and two were pensioners. Benefits for these members were accrued on the same basis as for all other members of the Scheme and in accordance with the Scheme Rules.

The Scheme has reimbursed Hays plc for the cost of the Pensions Manager. The amount of the reimbursement was £117,153 (2024: £109,620).

Hays Pension Scheme Report on Actuarial Liabilities

Under Section 222 of the Pensions Act 2004, every scheme is subject to the Statutory Funding Objective, which is to have sufficient and appropriate assets to cover its Technical Provisions. The Technical Provisions represent the present value of the benefits members are entitled to at the valuation date. This is assessed using the assumptions agreed between the Trustee and the Employer and set out in the Statement of Funding Principles, which is available to Scheme members on request.

The most recent full actuarial valuation of the Scheme was carried out as at 30 June 2024. This showed that on that date:

- The value of the Technical Provisions was: £529.7 million
- The value of the assets at that date was: £511.6 million

The method and significant actuarial assumptions used to determine the Technical Provisions are as follows (all assumptions adopted are set out in the Appendix to the Statement of Funding Principles).

Method

The actuarial method used in the calculation of the Technical Provisions is the Projected Unit Method.

Significant actuarial assumptions

Discount interest rate: term dependent rates are set by reference to the fixed interest gilt curve (as derived from Bank of England data) at the valuation date plus an addition of 0.3% per annum.

Future retail price inflation: term dependent rates derived from the Bank of England fixed interest and index-linked gilt curves at the valuation date.

Future consumer price inflation: term dependent rates derived from the assumption for future retail price inflation less an adjustment of 0.95% per annum before 2030 and 0.05% per annum after 2030.

Pension increases: derived from the term dependent rates for future consumer price inflation allowing for the caps and floors on pension increases according to the provisions of the Scheme's rules.

Mortality: 2024 Scheme specific Club Vita base tables, with future improvements in line with the CMI 2023 model calibrated to Club Vita with a 0% weighting for 2020 and 2021 data, a 15% weighting for 2022 and 2023 data, an initial addition to improvements of (A=0.25%), a smoothing parameter of (Sk=7.0), and a long-term improvement rate of 1.5% per annum.

Hays Pension Scheme Actuarial Certificates

Hays Pension Scheme (“the Scheme”)

Schedule of Contributions

This schedule sets out the contributions that will be paid to the Hays Pension Scheme (“the Scheme”). This schedule is dated 6 May 2025 and applies from date of signature until 6 May 2030. It replaces the previous schedule dated 2 December 2024.

This schedule has been prepared with the agreement of Hays plc¹ (“the Employer”) and after taking the advice of Alec Day (the Scheme Actuary). This schedule has been certified by the Scheme Actuary and the certificate is included in the appendix.

Regular contributions

The Scheme is closed to future accrual so there are no member contributions or ordinary Employer contributions payable.

Sponsor deficit reduction contributions

The 30 June 2024 actuarial valuation showed that the Scheme had a funding deficit relative to the Scheme’s statutory funding objective. The following payments were made to the Scheme: £6m from the escrow account; an additional contribution from the Employer to the Scheme of £12.6m on 11 December 2024 to meet the premium for the bulk annuity policy purchased for the non-insured members in the Scheme.

The Employer will subsequently pay (or arrange to be paid from the escrow account) such additional contributions to the Scheme as required by the Trustee to meet any deferred premium or balancing premium due under the bulk annuity policies.

The Employer shall also pay to the Scheme any additional contributions required from time-to-time on the advice of the Scheme Actuary as required under the Scheme’s trust deed and rules, or otherwise as agreed by the Trustee and Employer.

Expenses, levies, fees and insurance premiums

The Employer will pay the Pension Protection Fund levy directly.

In addition to the Sponsor deficit reduction contributions, the Employer will pay to the Scheme such amounts as notified by the Trustee to the Employer as being reasonably required by the Trustee to cover the expenses of the Scheme, including but not limited to the following:

- Other pension scheme levies (except for the Pension Protection Fund levy) as payable by the Employer or the Trustee under the terms of the Pension Scheme Act 1993 and the Pension Schemes Act 2004.
- Any fees falling due to the Scheme administrator, investment managers or other professional advisors.
- Costs incurred in respect of the buy-out of the Scheme’s liabilities and winding up of the Scheme, including the purchase of Trustee insurance policies.
- Other expenses of the Trustee that are reasonably incurred in the course of performing its duty as Trustee.

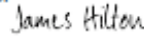
¹ Hays plc is a multi-employer scheme. The sponsors have nominated Hays plc to act as the representative on behalf of all the sponsors participating in the Scheme for the purpose of the Section 229(1) of the Pensions Act 2004.

Hays Pension Scheme Actuarial Certificates

Prepared by the Trustee of the Scheme

Signature  on behalf of the Trustee
Print name **Sean Burnard** Position **Director for LDPTC**
Date **06-May-2025 | 16:47 BST**

Agreed by the Sponsor

Signature  on behalf of the Sponsor
Print name **James Hilton** Position **Chief Financial Officer, London UK**
Date **09-May-2025 | 12:04 BST**

This schedule of contributions is provided to meet the requirements of section 227 of the Pensions Act 2004.

Hays Pension Scheme Actuarial Certificates

Hays Pension Scheme

Schedule of Contributions – Actuarial Certificate

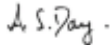
Adequacy of contributions

In my opinion, the contributions shown in this schedule are such that the statutory funding objective on 30 June 2024 could have been expected to be met by the end of the period specified in the recovery plan dated 6 May 2025.

Consistency with statement of funding principles

In my opinion, this schedule of contributions is consistent with the statement of funding principles dated 6 May 2025.

Please note that the adequacy of contributions statement in this certificate relates to the Scheme's statutory funding objective. For the avoidance of doubt this certificate does not mean that the contributions shown in this schedule would be enough to secure the Scheme's full liabilities with annuities if the Scheme were to wind up.

Signature	
Date	6 May 2025
Name	Alec Day
Qualification	Fellow of the Institute and Faculty of Actuaries
Name of Employer	Hymans Robertson LLP
Address	One London Wall, London, EC2Y 5EA

This certificate is provided to meet the requirements of regulation 10(6) of The Occupational Pension Schemes (Scheme Funding) Regulations 2005.

Hays Pension Scheme Compliance Statement for the year ended 30 June 2025

Constitution

The Scheme was established by an interim Trust Deed dated 28 June 1988 and is governed by the Definitive Trust Deed dated 17 March 1998, subsequent amendments and the Third Replacement Definitive Deed and Rules dated 12 June 2012, the Closure Deed dated 29 June 2012, Deed of Amendment dated 29 June 2017, and Deed of Amendment dated 30 April 2021.

Taxation Status

In accordance with the provisions of Schedule 36 of Finance Act 2004, the Scheme became a registered pension scheme under Chapter 2 of part 4 of the Finance Act 2004 with effect from 6 April 2006. The Trustee knows of no reason why this status may be prejudiced or withdrawn.

Calculation of Transfer Values

Transfer values paid during the year were calculated and verified in the manner required by the Regulations. None of the transfer values paid were less than the amount required by the Regulations.

Employer-Related Investment

The Trustee reviews its allocation to employer-related investments on an on-going basis and is satisfied that the proportion of Scheme's assets in employer-related investments did not exceed 5% of the market value of the Scheme's assets as at 30 June 2025, meaning the Scheme complies with legislative requirements. This will continue to be monitored on an annual basis.

Internal Disputes Resolution Procedure (IDRP)

The Trustee operates an IDRP and the response to the first stage of a complaint made under the IDRP is issued by the Pension Manager on behalf of the Trustee. The Pension Manager's contact details can be found on page 2.

Data Protection

The General Data Protection Regulations 2016/679 (Regulations) cover information which is held electronically, i.e. computer based information and extend data protection laws to cover paper-based records held for individuals.

The Regulations contain restrictions on the processing of special categories of data as defined in the Regulations, to which individuals must give their consent.

The Trustee and the Scheme Administrators hold personal information about members and beneficiaries under the Scheme (personal data) and are regarded as Data Controllers for data protection purposes. They will use the personal data for the purposes of administering the Scheme efficiently and for the purposes of calculation and settlement of benefits as and when due and to determine contribution levels. They are required to look after personal data in accordance with legal requirements. This means that they are responsible for deciding what personal information needs to be processed and the way in which that information is processed. In processing personal data, they may need to pass personal information about members and beneficiaries, to the Scheme's Actuary, auditors, legal advisers, insurers and such third parties as may be necessary for the purposes of administering the Scheme.

Full details of the types of personal data that are held, how the information is used and who it is shared with are set out in the privacy notice. The privacy notice also sets out the rights of those whose personal data is held, and who to contact to exercise those rights, make a complaint, or generally raise any questions. A copy of the current privacy notice is available from the Pensions Manager at the address shown on page 2 and on the Hays Pension Scheme website: www.hayspensionscheme.com.

Hays Pension Scheme Compliance Statement for the year ended 30 June 2025

The Pensions Regulator

The statutory body that regulates occupational pension schemes is the Pensions Regulator and can be contacted at:

The Pensions Regulator
Napier House
Trafalgar Place
Brighton
BN1 4DW
Telephone: 0345 600 1011
Email: customersupport@thepensionsregulator.gov.uk

Website: www.thepensionsregulator.gov.uk

Pension Tracing Service

A pension tracing service is operated by the Department for Work and Pensions and can be utilised by members who have lost contact with the pension scheme Trustee. The contact address and details for the service are as follows:

Pension Tracing Service
The Pension Service 9
Mail Handling Site A
Wolverhampton
WV98 1LU
Telephone: 0800 731 0193
From outside the UK: +44 (0)191 215 4491

Website: <https://www.gov.uk/find-pension-contact-details>

Please note that due to the ongoing impacts of Covid-19, the Pension Tracing Service is unable to deal with incoming postal queries. Please use one of their other contact channels listed above.

Money Helper (previously The Pensions Advisory Service)

Any concerns connected with the Scheme should be referred to the Pensions Manager of Hays plc at the address given on page 2, who will try to resolve the problem as quickly as possible. Members and beneficiaries of pension schemes, who have problems concerning their scheme and who are not satisfied by the information or explanation provided by the Administrator, the Pensions Manager or the Trustee, can consult with Money Helper. A local adviser can usually be contacted through a Citizen's Advice Bureau. Alternatively the Service can be contacted at:

Pension Wise
PO Box 10404
Ashby-de-la-Zouch
Leicestershire
LE65 9EH
Telephone: 0800 011 3797
From outside the UK: +44 (0)20 7932 5780
Email: contact.pensionwise@moneyhelper.org.uk

Website: www.moneyhelper.org.uk

Please note that due to the ongoing impacts of Covid-19, Money Helper might be unable to deal with incoming postal queries. Please use one of their other contact channels listed above.

Pensions Ombudsman

In cases where a complaint or dispute cannot be resolved, an application can be made to the Pensions Ombudsman for him to investigate and determine any complaint or dispute of fact or law involving occupational pension schemes. The address is:

The Office of the Pensions Ombudsman
10 South Colonnade
Canary Wharf
London
E14 4PU
Telephone: 0800 917 4487
From outside the UK: +44 (0)207 630 2200
Email: enquiries@pensions-ombudsman.org.uk
Website: www.pensions-ombudsman.org.uk

**Hays Pension Scheme
Independent Auditor's Statement about Contributions
for the year ended 30 June 2025**

To the Trustee of Hays Pension Scheme

Statement about contributions

We have examined the Summary of Contributions to Hays Pension Scheme ('the Scheme') for the year ended 30 June 2025 on page 35.

In our opinion, contributions for the year ended 30 June 2025, as reported in the Summary of Contributions and payable under the Schedule of Contributions, have in all material respects been paid from 1 July 2024 to 5 May 2025, at least in accordance with the Schedule of Contributions certified by the Scheme Actuary on 28 June 2024 and from 6 May 2025 to 30 June 2025, at least in accordance with the Schedule of Contributions certified by the Scheme Actuary on 6 May 2025.

Scope of work on statement about contributions

Our examination involves obtaining evidence sufficient to give reasonable assurance that contributions reported in the Summary of Contributions have in all material respects been paid at least in accordance with the Schedules of Contributions. This includes an examination, on a test basis, of evidence relevant to the amounts of contributions payable to the Scheme and the timing of those payments under the Schedules of Contributions.

Responsibilities of the Trustee

As explained more fully in the Statement of Trustee's Responsibilities set out on page 11, the Scheme's Trustee is responsible for ensuring that there is prepared, maintained and from time to time revised a schedule of contributions showing the rates and due dates of certain contributions payable towards the Scheme by or on behalf of the employer and the members of the Scheme. The Trustee is also responsible for keeping records in respect of contributions received in respect of any members of the Scheme and for monitoring whether contributions are made to the Scheme by the employer in accordance with the Schedules of Contributions.

Auditor's responsibilities for the preparation of a Statement about Contributions

It is our responsibility to provide a statement about contributions paid under the Schedules of Contributions and to report our opinion to you.

Use of our report

This statement is made solely to the Scheme's Trustee, in accordance with Regulation 4 of the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996, made under the Pensions Act 1995. Our audit work has been undertaken so that we might state to the Scheme's Trustee those matters we are required to state to them in an auditor's statement and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Scheme's Trustee, for our audit work, for this statement, or for the opinions we have formed.

DocuSigned by:

BDO LLP

C17EC688DFBB4C8...

BDO LLP
Statutory Auditor
Glasgow
United Kingdom

Date 08 September 2025

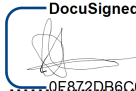
BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

Hays Pension Scheme Summary of Contributions for the year ended 30 June 2025

During the year ended 30 June 2025, the contributions paid to the Scheme by the employer under the Schedules of Contributions certified by the Scheme Actuary were as follows:

Contributions payable under the Schedules of Contributions	£'000
Contributions payable under the Schedules of Contributions and as reported in the Financial Statements	-
Other contributions payable :	
Employer contributions received from escrow account	6,000
Employer contributions in respect of bulk buy-in	12,600
Additional contributions	1,427
Total contributions payable per the Fund Account	20,027

Signed on behalf of Hays Pension Trustee Limited on 4 September 2025.

DocuSigned by:

 Sean Burnard Trustee Director 05-Sep-25
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Signed by:

 Ian Pratt Trustee Director 05-Sep-25
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This page does not form part of the statutory Financial Statements.

Hays Pension Scheme Implementation Statement

1. **Introduction**

This statement sets out how, and the extent to which, the Scheme's Engagement Policy has been followed during the year running from 1 July 2024 to 30 June 2025 (the "Scheme Year"). This statement has been produced in accordance with The Pension Protection Fund (Pensionable Service) and Occupational Pension Schemes (Investment and Disclosure) (Amendment and Modification) Regulations 2018, the subsequent amendment in the Occupational Pension Schemes (Investment and Disclosure) Regulations 2019 and the guidance published by the Pensions Regulator.

The statement is based on, and should be read in conjunction with, the relevant version of the Statement of Investment Principles ("SIP") that was in place during the Scheme Year. The latest SIP is dated March 2025.

Section 2 of this statement sets out the investment objectives of the Scheme and changes which have been made to the Statement of Investment Principles ("SIP") during the Scheme Year, respectively. Over the Scheme year, the Trustee updated the SIP to reflect the Scheme entering into a bulk annuity contract with Pension Insurance Corporation plc ('PIC') to insure, to the extent possible, the pension benefits of all remaining uninsured members in full.

A copy of the SIP is available at [Document store - Pension Scheme - Hays \(hayspensionscheme.com\)](https://hayspensionscheme.com)

The Trustee can confirm that all policies in the SIP on investment rights (including voting) and engagement have been followed during the Scheme Year.

2. **Investment Objectives of the Scheme**

The Trustee believes it is important to consider the policies in place in the context of the investment objectives they have set.

The primary objective of the Scheme is to provide pension and lump-sum benefits for members on their retirement and/or benefits on death, before or after retirement, and for their dependants.

The Scheme consists of a defined benefit section and in addition the Trustee is responsible for the investment of the assets relating to Additional Voluntary Contributions (AVCs) previously made by members.

In December 2024, the Trustee secured this objective by investing the Scheme assets in a bulk annuity contract with Pension Insurance Corporation plc (known as "PIC"). The contract is a buy-in policy and covers accrued DB benefits for all members not covered by other insurance policies already in place. In addition to these policies, the Scheme holds a small amount of residual assets as cash with their custodian, BNY Mellon. There is also a Trustee Bank Account operated by the Scheme's administrator. Any residual cash holdings will be used in meeting ongoing expenses and any imminent member payments/adjustments.

3. **Review of the SIP**

The Trustee keeps their policies under regular review, with the SIP subject to review at least triennially, and usually annually.

- During the year to 30 June 2025, the Trustee reviewed and formally adopted a new SIP in March 2025. The main change versus the SIP dated May 2024 was to reflect the decision to enter into a bulk annuity contract with PIC for the Scheme's uninsured liabilities, to the extent possible.

Hays Pension Scheme Implementation Statement

4. Policy on ESG, Stewardship and Climate Change

The Scheme's SIP includes the Trustee's policy on ESG factors, stewardship and climate change. This policy sets out the Trustee's high-level beliefs on ESG and climate change and the processes followed by the Trustee in relation to voting rights and stewardship.

The Trustee believes that environmental, social and governance ("ESG") factors have a material impact on investment risk and return outcomes, and that good stewardship, exercised through voting and engagement, can create and preserve value for companies and markets as a whole. The Trustee also recognises that long-term sustainability issues, such as climate change, present risk and opportunities that increasingly require explicit consideration.

The Trustee has considered all financial factors, including ESG factors, when setting the investment strategy. Given the buy-in policies in place, the responsibility for management of all financial factors including ESG factors has been delegated to the insurers. The Trustee reviewed the insurers' ESG capabilities as part of the insurer selection exercises.

5. Voting and Engagement

Since the Scheme had no equity exposure over the year (excluding the synthetic exposure which has now been unwound), voting statistics have not been included in this Statement.

Voting Activity

Until the bulk annuity transaction in December 2024, the Trustee delegated their voting rights to the investment managers. Since then, the purchase of the buy-in policies means the Trustee does not expect to appoint any further investment managers in future. The Trustee is therefore largely reliant on the policies of the bulk annuity providers in relation to responsible investment and corporate governance.

The Trustee does not use the direct services of a proxy voter.

Sample of most significant votes

The Trustee has classified "significant votes" as votes relating to the topics listed below. These topics have been chosen as they are deemed to be aligned with the views and priorities of the Trustees, on behalf of the Scheme membership, and the Company.

- Climate change;
- Modern slavery;
- Diversity and inclusion.

Over the year to 30 June 2025, there was no key voting activity undertaken on behalf of the Trustee given the nature of the Scheme's investments over the period.

Engagement Activity

The Trustee's investment consultant has requested, on behalf of the Trustee, that the investment managers confirm compliance with the principles of the UK Stewardship Code.

All of the Scheme's investment managers held over the year confirmed that they are signatories to the current UK Stewardship Code.

The Trustee's investment consultant has requested, on behalf of the Trustee, details of relevant engagement activity for the period from, Insight, the Scheme's investment manager held over the year, until disinvestment in December 2024.

Hays Pension Scheme Implementation Statement

Insight have provided an example of engagement activity undertaken over the year pertaining to the credit assets held by the Scheme, until December 2024 when these assets were disinvested from:

Company: Notting Hill Genesis

Date: Q4 2024

Insight commentary:

Insight engaged with Notting Hill Genesis, which was held within the Hays credit sub portfolio, in Q4 2024. The issuer is a UK housing association which owns and manages nearly 68,000 homes, 90% of which are in London and 82% of which are some form of affordable housing. The issuer is a provider of social housing, which means it has a clear mission focusing on social purpose.

Insight engaged with the issuer to discuss its governance performance after the Regulator for Social Housing (RSH) notes the issuer suffers “serious failings in delivery of the outcomes of the consumer standards and significant improvement is needed”, and “the landlord does not meet their governance requirements”. In addition, RSH indicated that the issuer has provided insufficient evidence that it has an appropriate and robust planning, risk and control framework that allows it to adequately manage and address risk.

Specifically, RSH assessed that the issuer’s risk and control framework is not sufficiently robust to enable the board to identify and manage all its risks in a timely way. Likewise, RSH also stated there is limited evidence of the board providing oversight of landlord health and safety compliance, due to the balance of reporting between committees and the board and a reliance on exception reporting, with health and safety risk oversight delegated between three different committees. As a result, RSH downgraded the issuer’s governance rating to G3 from G1 and its consumer grading was rated as C3, both of which mean the issuer is deemed ‘non-compliant’. Insight engaged to understand how the company intends to address the shortcomings.

On RSH’s assessment of the issuer’s Board’s visibility of health and safety risks, the issuer stated the relevant risks are reviewed by three sub-committees, which it feels is better from an assurance perspective rather than at the Board level. The issuer mentioned it plans to increase the Board’s responsibility of health and safety risks, while retaining the three sub-committees. The issuer discussed how it feels the Board’s current composition offers a good mix of skills to rectify the challenges highlighted by RSH and cited the appointing of a new Non-Executive Director to help it get through this regulatory judgement.

The issuer also stated RSH has communicated it is comfortable giving the issuer until March 2025 to formulate its plans.

By way of immediate follow-up, the company held a Funder’s Day shortly after the call, when a detailed presentation was delivered, with audience Q&A from a mixture of bank and bond funders, and further informal discussions took place with management. The Chairman made it clear the Board’s priority was to regain the G1 rating. He reiterated the relationship with the RSH was positive, close, and productive, with the need for the issuer to evidence clear progress to it. In Insight’s view, much of what was set out at the Funder’s Day appears sensible and importantly, it feels as if the right management team is in place.

A remediation plan and detailed voluntary undertaking will be delivered to the RSH by 25 March 2025 at which point the issuer will communicate to the market again. Thereafter, Insight expect a 12-18 month timeframe for the issuer to execute on its remedial plan, during which there will be periodic updates, and will look to meet with management again to properly gauge progress.

The issuer’s G score, as per Insight’s PRIME ESG Ratings model, may deteriorate but only slightly following RSH’s assessment, given MSCI looks at different metrics compared to the regulator. Insight note the relevance of the RSH assessment and will continue to monitor the issue’s governance performance, through continued engagement and stewardship.