

MOBILISING
FOR GOOD

Corporate Responsibility Report 2010

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MOBILISING FOR GOOD

Dear shareholder

The past year has been tough for the world economy. Yet against this background it is encouraging to see that corporate responsibility ('CR') has gained further momentum. Watchwords like governance, accountability, risk control, ethics and sustainability have taken on greater prominence. Put each of these words into a search engine and you will hit upwards of 450 million web pages. For Hays, they are integral to the way we want to do business, building trust with people and organisations we rely on for our success.

Our whole business model is based on providing a service that is very relevant in the world we live in today, namely helping organisations find the people they need to flourish and helping individuals find the next role to further their own careers and livelihoods. We take our role in this process very seriously, not just because it drives our business but also because it is a meaningful and responsible role in society in general. This holds true wherever we operate, whether it be helping to solve local employment issues in any one of our many markets, helping multinationals tap into global talent pools or bringing our services to new markets such as Brazil and India.

We have continued to integrate CR into everything we do, for example, this year we have measured our global carbon footprint for the first time. While our business has a low environmental impact, we work to reduce it each year.

We also seek to use our scale to make our contribution toward national and international charitable appeals. I was proud of our response to the January Haiti earthquake appeal, which saw Hays employees from 22 countries working together to help earthquake victims, and within many of our regions we support local charities, by both volunteering and donating.

We have been operating our new CR business plan for a year now, co-ordinated by our Corporate Responsibility Steering Group. Already we have achieved a number of our early milestones. There remain many challenges ahead but I am confident that we will meet them with ingenuity and resolve.

Alistair Cox
Chief Executive

**WE HELP ORGANISATIONS
FIND THE PEOPLE
THEY NEED, WHICH IS
A MEANINGFUL AND
RESPONSIBLE ROLE
IN SOCIETY.**

£293,000

RAISED FOR GOOD CAUSES

77%

EMPLOYEE ENGAGEMENT LEVEL



FTSE4Good



2010 ACHIEVEMENTS

Strategy

We set up a Corporate Responsibility Steering Group to link our worldwide businesses, to set priorities and deliver improvements. This is a cornerstone of our CR strategy. To provide focus and measurable progress, we established a three-year rolling CR business plan, which we are implementing.

Employees

'ManagementDirect' was introduced to all Hays employees. ManagementDirect is a comprehensive desktop information and learning resource created in partnership with the Chartered Management Institute.

'Fast Forward', our flagship global executive development programme for our most senior leaders, was launched.

In response to the TALKback Survey results, we introduced 'You Choose' flexible benefits in the UK with a wide range of reward options including health monitoring and annual leave trading.

Environment

For the first time, we have measured our scope 1, 2 and 3 global carbon emissions in accordance with the Greenhouse Gas Protocol – an industry-leading step providing reliable emissions data that will enable us to target CO₂ reductions more effectively.

Community

Hays has always been fervent in its support for good causes. The UK Hays Charity Forum was formed in 2009. This multi-disciplinary and business-led Forum has been an engine for innovation in our UK fund raising, engaging with employees and clients alike and encouraging active participation.

Ethics

Reflecting our efforts to improve accountability to our many stakeholders, we have published expanded CR policy statements on our corporate website at haysplc.com, including new statements of business and public policy principles.

2011 OBJECTIVES

Strategy

While the Corporate Responsibility Steering Group currently represents the key CR disciplines from our regions, we will broaden representation from our global businesses.

We will improve accountability for CR issues by establishing a new process for stakeholder engagement and progressing the quality and depth of our CR reporting online and through the annual report.

Employees

Our inaugural Advanced Management Programme was launched in August 2010 and through this we aim to deliver a broad-based executive curriculum to our senior managers across the Group.

Establishment of a standard approach to health and safety management and compliance across our principal countries of operation remains a priority, to promote consistency and to improve monitoring and control of risk.

Environment

Measurement of our global carbon footprint has provided granular insight into our energy usage by office and country. We will use this new data to target spend on the most effective energy reduction measures worldwide.

Community

We want to continue developing our internal network, engaging employees and clients through improved communications and creative participation opportunities to benefit good causes, particularly to help the disadvantaged into the workplace.

Ethics

We continue to roll out targeted training on priority issues to our senior leaders and managers, including ethical, risk and governance matters. In particular, we will review our anti-corruption policies and procedures in the new financial year and will reinforce them globally through training and other promotional steps.

Supply Chain

In 2011, promoting the adoption of core CR principles by major suppliers in key countries beyond the UK will be a priority.

CORPORATE RESPONSIBILITY REPORT

VALUES

We are the world’s leading recruiting experts in qualified, professional and skilled work. By truly understanding our candidates and clients, locally and globally, we help people and companies achieve lasting impact. Our values aim to reflect this promise. Our values underpin our skills, behaviours and way of doing business. These values are:

Ambitious

As a results-orientated company we are continually driven to succeed. Our energy and dynamism makes us ambitious for our people, clients and candidates, and for the positive impact we know recruiting can have in their lives.

Passionate About People

We are a people business so we’re passionate about creating valuable relationships with everyone we work with. Our enthusiasm compels us to find the right person, believing this is fundamental to improving their life and work, allowing people to be all they can be.

Expert

As experts across many industry sectors and professions, our professional know-how and unique understanding of markets and people is shared with our clients, candidates and across our expanding global network.

Inquisitive

We’re always curious, wanting to understand more about people and the world of work. That’s how we build deeper knowledge into what makes people fit culturally and how companies and people can achieve their full potential.

For information on our business principles and policies, please visit haysplc.com/hays/corporateresponsibility.

EMPLOYEES

Our business is dependent upon our employees, not only those who deal with clients and candidates, but also those who support them. As a consequence, our people strategy continues to focus on ensuring that we have the necessary capabilities, resources and work environment appropriate for a high-performing organisation.

We want to attract, retain and develop the best people in the industry to work for Hays. In order to achieve this, we have focused on a number of key themes. In particular, 2010 has seen continued progress in the areas of employee engagement, succession planning, talent management and leadership development.

Employee engagement

Each year we receive a very good response to TALKback, our employee engagement survey, that runs across all the geographies in which Hays operates. 2010 participation levels were no exception with just over 70% of employees expressing their views and opinions in all aspects of their workplace environment, our brand, our values, our leadership and development activity and the work that we do for clients. Although slightly fewer employees participated in the 2010 survey, it shows that the majority of employees want to share their views with us and see a value in doing so.

Gathering our employees’ views enables us to understand and monitor levels of engagement and highlight any areas of concern that we need to address. Key drivers of employee engagement in Hays are career development, leadership and direction, culture and collaboration. Overall reported engagement levels were unchanged from the prior year, at 77%, reflecting positive responses to most of the items that make up this dimension. Given the amount of change that our employees have experienced during the year with new systems and ways of working, as well as the difficulties of operating in a challenging economic environment and the backdrop of the global financial crisis, this reflects the high level of commitment from our employees of which we are justly proud.

KPI: EMPLOYEE ENGAGEMENT



Employee engagement comprises a number of components that explore areas such as employees’ sense of belonging, discretionary effort, personal motivation and job satisfaction.

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Talent attraction, identification and development

Our resourcing, training and development programmes are designed to ensure that we have a pool of well qualified, talented individuals, able to meet both the operational needs of our business and our clients, as well as the future strategic challenges facing the Company. We are committed to providing our employees with opportunities to develop and grow their skills, but we will also continue to bring in new capabilities to the business through targeted, external recruitment.

Employees are encouraged to take a proactive approach to developing their careers. Employee training and development takes many forms, from the more traditional classroom teaching through to 'lunch and learn' sessions, e-learning, on-the-job coaching, development projects and secondments. In 2010 we worked closely with the Chartered Management Institute and launched an online global e-learning and resource centre 'ManagementDirect', which is available to all employees. This allows employees to develop their skills in a broad range of areas, explore a range of different media and learn at their own pace.

Additionally, Hays aims for all employees to have regular discussions with their managers regarding their performance, potential and their individual development needs.

Hays conducts an annual succession planning process to assess the strengths and development opportunities of the Group at all levels globally. The picture of Group succession is built bottom up by specialism, country and region. Succession plans are maintained for key areas of the business and are reviewed annually by both management and the Board.

Leadership development

The calibre of our leadership and management cadre is critical to the success of our business. 2010 saw the launch of 'Fast Forward', our flagship global executive development programme for our most senior leaders. This has been funded under the auspices of the Waxman Scholarship and combines formal classroom training at internationally renowned business schools with individual and team coaching, 'live' project-based work on global business issues and action learning. Work is also under way on developing our Advanced Management Programme, the 'Hays AMP' to deliver a broader executive curriculum to our key senior management populations in each region. In order that our executive development activity remains closely tailored and aligned to the succession planning needs of the business, we have also completed the first phase of running global executive development centres. This ensures that we have an objectively benchmarked understanding as to where our strengths lie and that we address any capability gaps with targeted responses.

Values and behaviour

Hays believes that the way our employees work is just as important as what they do in the workplace. To supplement our leadership and management development activity, we have focused on the behaviours and values that are important to the way that we run the business. The Hays Leadership and Management Competencies cover key areas of, and expectations around, behaviour and are being embedded into our key, people-related processes.

Reward and recognition

We seek to reward and recognise people's contributions to the business appropriately, both as individuals and as a team. Programmes to achieve this are cascaded through the organisation to ensure that there is a focus on short and, where appropriate, long-term performance. Senior executive remuneration is linked to the Group's annual and long-term plans, which is described in the 2010 Annual Report and Financial Statements on pages 56 to 61 available on the Company's website, haysplc.com.

Diversity

Hays believes that diversity is a key driver of the organisation's effectiveness, both now and in the future. We actively encourage different viewpoints, styles and approaches, and are committed to providing a workplace free from discrimination of any kind. A notable success in this area has come in Australia, where once again we were awarded the 'Employer of Choice for Women' status for 2010. Hays was the first recruitment company to achieve this award and the only one to achieve it consecutively for eight years. This citation is awarded to non-government organisations that have demonstrated policies and practices that support women across the organisation and have had a positive outcome for both women and the business. This award strengthens our competitive edge and allows us to promote publicly our commitment to recruiting, developing and retaining women at Hays.

Each year, EOWA, an Australian Government department, assesses applications from a range of organisations to create a list of great places for women to work. Organisations on this list need to meet a series of criteria each year designed to ensure their workplaces have a focus on ensuring equity for all female staff.

By applying for and receiving this citation, organisations are not only meeting the criteria, they are publicly declaring their commitment to making their workplaces equitable.



USING OUR GLOBAL SCALE TO IMPROVE THE LIVES OF MANY

JUST SOME OF THE MANY EXAMPLES OF OUR CHARITABLE SUPPORT

CANADA



In support of the Canadian Breast Cancer Foundation CIBC Run for the Cure, several Hays ‘Recruiters for Hooters’ teams participated in the annual run raising funds for breast cancer research, and education and awareness programmes.

Employees from offices in the Toronto area raised £5,400 for the WWF, climbing the 1,776 steps of the CN Tower, the world’s second tallest building.

In our Vancouver office, business clothing was collected for Dress for Success – which equips women seeking employment and self-sufficiency to confidently tackle job interviews. Hays Vancouver also supports a local women’s crisis shelter providing transition housing to rape and abuse victims and their children.

HAITI



In January 2010, over 220,000 people died and 300,000 people were injured by the devastating Haiti earthquake. Hays employees from 22 countries joined together to raise £53,000 for the Unicef appeal. This money has gone towards Unicef’s relief projects giving safe water to 333,000 people, supplying 185,000 children with educational materials and preparing for the hurricane season.

Here are some of the initiatives our employees have undertaken on behalf of the Haiti victims:

- Hays Spain organised a ‘solidarity campaign’ for Haiti, generating financial support from 45 national and international clients, including names such as Hugo Boss and Verifone. In recognition of their generosity, Hays Spain published all 45 client logos in El País.
- Hays Belgium donated €20 for every vacancy filled during 12 days in February, while Hays Germany donated €10 for every placement over five days in the same month.
- Across our APAC region we raised over Aus \$20,000. A National Marketing Day was the focus of activity and for every job registered on the day, Hays donated \$10 to the appeal.

BRAZIL



Last Christmas, employees from the Rio de Janeiro office gave up their usual ‘Secret Santa’ tradition in order to shower the children of Lalec (Lar Amor Luz e Esperança da Criança) with a ‘Social’ Secret Santa. Lalec is a shelter for abandoned children suffering from social vulnerability, giving care and hope to children until they are reintegrated into society.

Hays employees spent the day with the children, distributed gifts and donated some much needed items to the shelter. The team decided they had benefited more from this visit than the children themselves.



£95,000 raised in the UK – we began our relationship with Hays UK's official charity partner, Action for Children, in 2009.

Over 100 Hays employees, clients and friends took part in the 'Beat the Moon' charity challenge in May 2010, raising over £55,000 matched by a Hays UK contribution of £40,000. The challenge required participants to complete a series of physical challenges over the course of one day: cycling for nine miles, a nine mile trek to the top of Scafell Pike (the highest point in England), a canoeing stint on Wast Water, before finishing with a one mile run to the finish line before the moon rose.

GERMANY



£45,700 donated in Germany – continuing its social commitment to children with cancer, Hays Germany sponsors paediatric care within the oncology unit of a children's hospital in Heidelberg, helping the unit's young cancer patients.

NEW ZEALAND



£9,000 donated in New Zealand – United Way New Zealand helps support community initiatives providing funding assistance, time and skills to benefit the underprivileged across New Zealand. £4,500 was raised through charity auctions, event nights and golf tournaments, with Hays New Zealand donating £1 for every pound raised by employees. Hays New Zealand's Managing Director also acts as Vice-Chairperson for the charity, donating his personal time to promote the charity and its cause.

AUSTRALIA



£12,000 donated in Australia – our involvement remains as strong as ever with Camp Quality, a children's cancer charity using fun therapy to bring optimism and happiness to the lives of children and families affected by cancer. Camp Quality is known for its activity camps where cancer takes a back seat to allow 'the kids to be happy kids again'. This outstanding effort has enabled us to fund camps for over 35 children.

PORTUGAL



In May 2010, Hays Portugal celebrated 10 years supporting the work of Fundação Gil, an organisation that provides social support to children hospitalised for long periods and shelter for children in need of non-medical help.

CORPORATE RESPONSIBILITY REPORT



1.76
TONNES OF CO₂-e PER HEAD

MANAGING THE ENVIRONMENTAL IMPACT OF HAYS AND ITS SUPPLIERS

Whilst our business has a low environmental impact, we are committed to achieving continuous improvement in environmental performance and to preventing pollution. We seek to minimise our impact by reducing our use of energy, water and raw materials, increasing efficiency and re-using wherever possible.

Hays recognises that environmental initiatives do not work in isolation. So we are developing our environmentally-sensitive procurement arrangements that encourage suppliers and contractors to support our programmes and to minimise the impact of the goods and services that they provide to us. Before we select a large supplier in the UK, we establish by questionnaire, the supplier's policy, practice and targets in the areas of corporate responsibility and environmental management.

Actions taken under the Environmental Policy

Actions of particular note included:

- we have taken an industry lead in measuring our global carbon footprint in accordance with the Greenhouse Gas Protocol. This equips us to give greater focus to reducing our energy consumption in coming years;
- we promote recycling and the use of recycled materials and we design energy efficiency into new services and offices and manage energy efficiently in all operations; and
- in 2008, we joined the Green500 group funded by the London Development Agency to help deliver the Mayor of London's target to cut London's emissions by 60% by 2025. During the year, we were awarded the Green500 Gold Award in recognition of work undertaken since joining the scheme.



Trucost has collected, researched and validated environmental data from organisations across the world. The result is the world's most comprehensive data on corporate environmental impacts, covering Greenhouse Gases (GHGs), water, waste, metals and chemicals.

CO₂ Emissions

Our first global CO₂ emissions survey in accordance with the Greenhouse Gas Protocol took place in 2010. The results are shown in the table below.

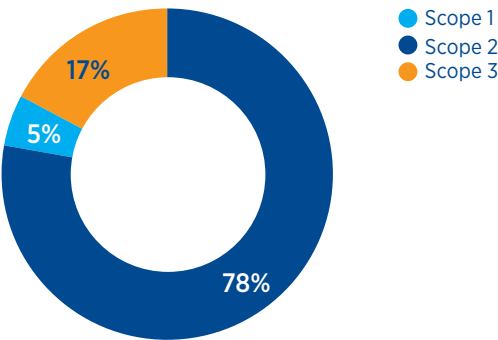
Data Source	Scope	Emission Source	CO ₂ -e tonnes	%
Company Data	Scope 1	Fossil fuel usage	573	5
	Scope 2	Electricity and district heating consumption	9,194	78
	Scope 3	Business travel	2,057	17
Total			11,824	100

(CO₂-e) carbon dioxide equivalent comprising carbon dioxide, methane and nitrous oxide.

Data was collected from 50 offices around the Group. These sites covered 66,578 square meters of floor space, or 49% of the total floor space of all Hays' sites globally. The relative GHG emissions were scaled up by Trucost so as to cover the total global floor space of the Group and to be representative of Hays' global activities.

The Greenhouse Gas Protocol differentiates between direct and indirect emissions using a classification system across three different scopes:

WORLDWIDE EMISSIONS



- Scope 1 includes direct emissions from sources which a company owns or controls. This includes direct emissions from fuel combustion and industrial processes.
- Scope 2 covers indirect emissions relating solely to the generation of purchased electricity that is consumed by the owned or controlled equipment or operations of a company.
- Scope 3 (an optional reporting scope) covers other indirect emissions including third-party provided business travel.

Fuel use in company-owned vehicles is excluded from the 2010 results. However, we are currently working to improve our data collection on this source and have introduced limited data collection in the 2011 financial year.

Our CO₂ emissions vary with business activity through the full economic cycle. Also, we are currently increasing our headcount to exploit international growth opportunities. Because of this, we consider the best internal measure of our carbon footprint is tonnes of CO₂-e divided by our average Group headcount over each financial year. Internally, we will use this measure in addition to absolute CO₂-e figures. As our business has a low environmental impact, we have not designated this measure as a KPI and we may change how we present it in future years.

For the period 1 April 2009 to 31 March 2010, being the most recent period for which we were able to produce reliable figures, the average amount of Group CO₂-e emissions per employee was 1.76 tonnes. This is equivalent to 5,200 miles travelled in an average family car by each employee over the course of a year*, or equal to the quantity of greenhouse gases emitted by a typical UK household in two months.**

* DEFRA Passenger Road Transport Conversion factors

** Source: [Statistics.gov.uk/downloads/theme_economy/ET611Perry.pdf](https://statistics.gov.uk/downloads/theme_economy/ET611Perry.pdf)

PROMOTING HEALTH AND SAFETY

It is the policy of Hays that all reasonably practicable steps will be taken to ensure the health, safety, and welfare of its employees and the protection of others not in its employment. Hays recognises its statutory obligations to maintain standards of safety and its obligation to members of the public, contractors and visitors.

Managers work to provide and maintain safe and healthy working conditions, carry out suitable risk assessments of all premises and tasks carried out within them and monitor safety procedures. They involve employees, who are required to co-operate fully in the operation of the health and safety policy. The policy is reviewed annually and is revised appropriately in the light of legislative or organisational changes.

ACTIONS TAKEN UNDER THE HEALTH AND SAFETY POLICY

Actions of particular note included:

- we have continued to roll out our online training course promoting understanding, compliance and competency in health and safety. The course encompasses working safely, common hazards, managers' responsibilities and environmental and disability considerations; and
- work on the development of additional modules of the online training suite began in the year, covering manual handling, fire safety and display screen equipment. Development is on-going.

POLICIES THAT SUPPORT OUR BUSINESS AIMS

Our good conduct is a foundation for the trust our customers place in us. We are a commercial organisation and we will pursue the best possible economic return for our shareholders. However, in making economic decisions, we have regard to the impact of those decisions on other stakeholders, including society and the wider environment.

Throughout the 2010 financial year, our business operated in accordance with the June 2008 Combined Code on Corporate Governance published by the Financial Reporting Council. All Hays employees are aware of our Code of Conduct & Ethics Policy, which aims to ensure the Company's values are upheld.

For the first time this year, we published our Business Principles and Public Policy Principles, which can be found on our website at haysplc.com.

ACTIONS TAKEN UNDER THE CODE OF CONDUCT

Actions of particular note included:

- The Audit Committee continued its monitoring of reports to the confidential whistleblowing telephone hotline during the year. Of the 10 calls to our confidential hotline during the financial year, three involved employees seeking advice or information and none involved circumstances requiring investigation.
- All fee earning employees and their managers, comprising approximately 4,500 individuals from around the Group participated in our annual online competition law compliance training programme, and we achieved 100% completion rate for the programme.

CONTINUOUS IMPROVEMENT

We will maintain our commitment to continuous improvement in the area of corporate responsibility and we will seek to develop the quality of our reporting year-on-year. We continue to keep the need for any further KPI disclosures under review. In the 2011 financial year, our main priorities are:

- commencing meaningful reductions in our energy consumption, adjusted for cyclical and strategic growth;
- reviewing our anti-corruption policies and procedures in the new financial year and reinforcing them globally through training and other promotional steps;
- establishing a stakeholder engagement programme in relation to our CR activities; and
- promoting the adoption of core CR principles by major suppliers in key countries beyond the UK.