

# Scale. Reach. Growth.

Annual Report and Accounts 2025



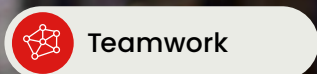


# Enabling the future of work by deploying a highly flexible and skilled workforce.

## Our vision

To be a world-class recruitment group, the clear market leader and trusted partner known for excellent service and integrity, driven forward by digital innovation.

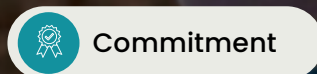
## Our values



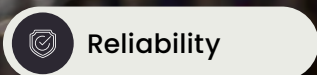
Teamwork



Respect



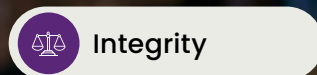
Commitment



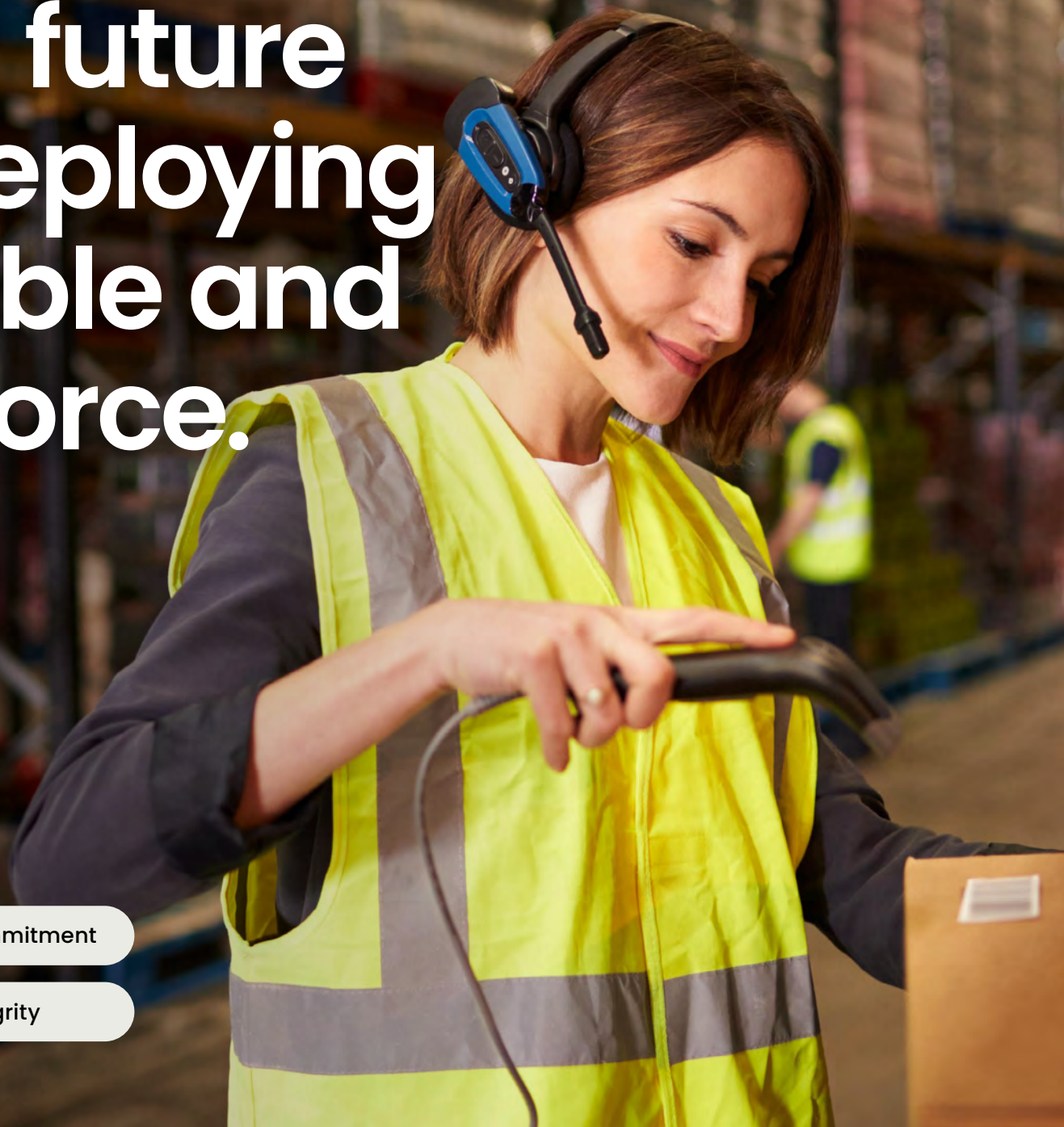
Reliability



Creativity



Integrity





## Financial Highlights\*

# Exceptional performance.

## Revenue

**£1,106.7m** ↑ 11.5%

2024: £992.9m

## Gross sales value\*\*

**£1,301.1m** ↑ 15.9%

2024: £1,122.3m

## Gross profit

**£78.3m** ↑ 10.6%

2024: £70.8m

## Operating profit\*\*\*

**£13.0m** ↑ 31.3%

2024: £9.9m

## EBITDA\*\*\*

**£16.5m** ↑ 31.0%

2024: £12.6m

## Reported profit after tax

**£4.8m** ↑ £15.6m

2024: £(10.8)m restated loss

## Net debt

**£(2.5)m** ↑ £7.4m

2024: £4.9m cash

## Pre-IFRS 16 net cash

**£1.5m** ↓ £8.1m

2024: £9.6m

## Diluted earnings per share

**4.4p** ↑ 1.5p

2024: 2.9p

\* All values relate to continuing activities apart from Reported profit after tax.

\*\* Gross sales value represents the value of consideration received or receivable for the supply of services, including agency sales, (excluding fees) net of VAT.

\*\*\* FY 2024 operating profit and EBITDA are stated after charging £0.2m of non-underlying expenses.



# One of the UK and Ireland's leading recruitment groups.



## Strategic Report

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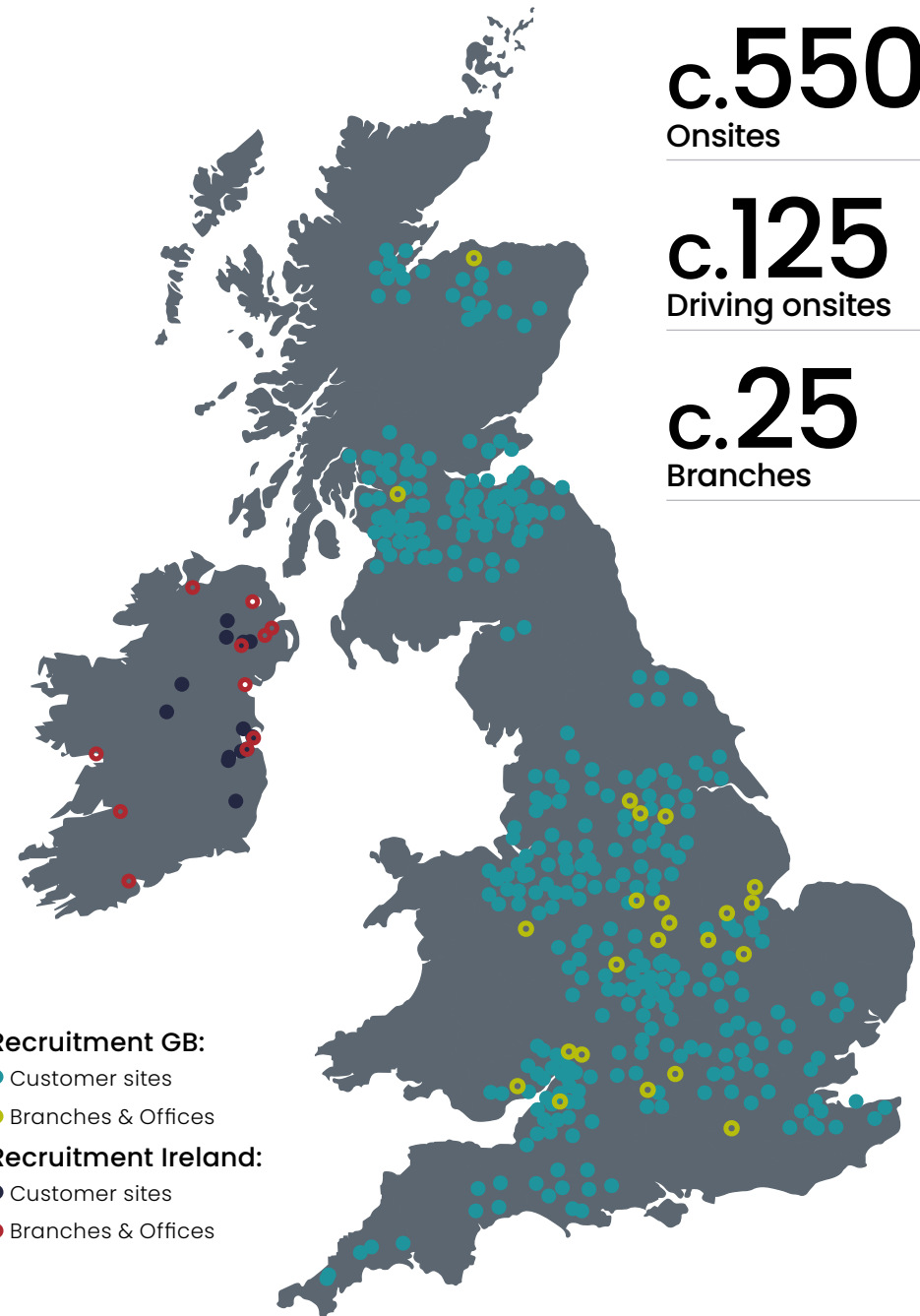
## At a Glance

Staffline is one of the largest recruitment businesses operating across the United Kingdom and the Republic of Ireland. It is a market-leading provider of flexible blue- and white-collar workers across a range of sectors, operating from its customers' own sites its own branches and offices.

c.550  
Onsites

c.125  
Driving onsite

c.25  
Branches



### Staffline Recruitment GB

Recruitment GB is one of the largest recruitment businesses operating across England, Scotland and Wales

Workers deployed every day

up to **c.38,000**



- Food and related 57%
- Manufacturing 12%
- Logistics 17%
- Driving 11%
- Other 3%

→ Read more on page 12

### Staffline Recruitment Ireland

Recruitment Ireland is a leading workforce solutions provider operating across the island of Ireland

Workers deployed every day

up to **c.4,700**



- Food and related 37%
- Local government 36%
- Industrial 20%
- Banking 4%
- Other 3%

→ Read more on page 19



## Chairman's Statement

# Outstanding results.



**Everything we are doing is aimed at building a more profitable, cash-generative and resilient business.**



### Introduction

I would like to thank our temporary workforce, staff and management for their exceptional work during 2025. It has been a demanding year, but the significant progress we have made reflects their effort and commitment.

We made strong financial progress during the year, increasing profit before taxation by 48%, rising to £7.4m from £5.0m.

At the same time, we continued to reduce the number of shares in issue, buying back stock and lowering the share count from 142 million to 123 million – a 13% reduction during the year. We believe these purchases have been made at a significant discount to their intrinsic value. Since we began the buyback programme in 2023, the total number of shares outstanding has fallen by 27%, from 166 million to 121 million today.

Each share owned today represents a larger ownership stake in a more profitable business than it did before. That combination is powerful, and it sits at the heart of how we think about creating long-term shareholder value. Growing the profits of the business while reducing the number of shares outstanding at a discount to their worth is a twin engine of value creation over time.

### A strategic focus on value creation

In my previous statement, I said that our most important goal was to improve profit after tax and that remains the case. Everything we are doing is aimed at building a more profitable, cash-generative and resilient business over time. The important point is that we did not need to make acquisitions to achieve this. Organic growth remained strong during the year. Our scale, market reach and reputation mean we are well placed in a market where many customers are reducing the number of suppliers they work with. This continues to create opportunities to win new business and strengthen existing relationships.

However, growth on its own is not the goal. We are focused on turning that growth into profit. As the business scales, we are beginning to see the benefits come through, with additional revenue and gross profit contributing more meaningfully to operating profit than in the past.

This has strengthened our gross profit to operating profit conversion, bringing it closer to the levels achieved by the best-in-class operators in our sector during more favourable market conditions. This is an important shift and gives us confidence that we are moving in the right direction.

We are also keeping a close focus on how the business is run day to day. That means controlling costs, generating cash, and being disciplined about where we invest. We will continue to invest where we see good opportunities, but we will remain disciplined. If the returns are not there, we will not deploy capital for the sake of it. We are encouraging an ownership mindset across the Group, where decisions are made with long-term value in mind. We are aligning management incentives with this approach.

### Looking ahead

There will always be challenges in the wider economy, but the fundamentals of the business are solid and improving. We have a stronger platform, clearer strategic priorities and better financial discipline. If we continue to execute in this way – growing profits while reducing the share count at attractive prices – we believe we can continue to increase earnings per share and deliver meaningful long-term value for our shareholders.

As we look to the future, there remains a clear role for a business like Staffline. Our passion for helping our customers achieve their objectives through first-class recruitment is reflected in the long-standing relationships we have built, as well as our continued success in securing new contract wins. We look forward to building on this momentum in the year ahead.

### Tom Spain

Chairman  
23 March 2026



## Market Environment

# Opportunities in a changing landscape.

In a changing recruitment market marked by uncertainty and structural change, Staffline is steering towards a more focused, scalable model centred on flexible labour supply in sectors with enduring demand.

Focusing on your core business we have disposed of our training/skills division (PeoplePlus) and sharpened our focus on Recruitment GB and Recruitment Ireland operations. Allowing greater resource concentration and clarity of purpose.

### Cooling labour market

Ability to fulfil customers' demand requirements increases with good supply of temporary labour.



### Slow down in demand for permanent recruitment

Focus on temporary labour supply allows us to gain market share in resilient segments.



### Macroeconomic uncertainty

Providing customers with flexible workforce options allows them to manage uncertainty of demand.



### Employment legislation

Scale and strong corporate governance means customers trust their flexible labour supply is being delivered in a compliant manner.





## Investment Case

# A strong platform for growth.

Staffline has been transformed over the past five years with a focus on a robust governance environment, strong finances, close customer relationships and flexible and adaptable operational delivery, leaving it well positioned for a prosperous future.

### Firm foundations

**1 Market leader**  
Scale and geographic coverage with the reputation as the quality supplier in the sector

**c.550**  
onsite locations

**2 Largest listed blue-collar recruiter**  
The listing requirements and obligations of regular reporting and transparency ensure a trusted recruitment partner

**c.100,000**  
workers placed

**3 Blue-chip customers**  
Enviably long-term customer relationships with large brands and strong position in niche markets

**49%**  
of Top 20 customer market share

**4 Strong finances**  
Healthy balance sheet and cash generative with defensive sectors such as food and logistics

**+10.6%**  
YoY increase in Gross profit

**Strong cash generation**

**Increasing organic and market share growth**

**Expanding into new markets**

**Sustainable and consistent profits**



## Our Business Model

# Delivering flexible recruitment solutions.

Our focus is to make a positive difference to people's lives and to our customers, for whom those people work.

## Our drivers of success

### Talent

- Succession and leadership
- Talent attraction and retention
- Productivity incentives
- Compensation

### Reach

- Presence across the whole UK
- Onsite and branch network
- 450 locations
- 40,000 workers deployed each day

### Operational excellence

- Focus and simplicity
- Clear leadership
- Organisational design
- KPI reporting

### Tech and innovation

- Digital transformation
- Cyber security and data management
- Automation and AI
- Technology supply chain

### Customers and branding

- Leveraging existing customers
- Focus on growth sectors
- Growing sales pipeline
- Cross-selling



### Financial strength

- Strong balance sheet
- Tight working capital management
- Significant financing headroom
- Interest rate hedging





# Our strategic priorities.

Through its four strategic priorities, Staffline continues to lead the market as a trusted partner in providing flexible workforce solutions.

## Capitalise on market leadership

Staffline's divisions have market-leading positions in the supply of blue-collar temporary workers. Our focus is on taking advantage of our strengthened balance sheet to expand our market share to drive growth.

### Progress in FY 2025

Continued organic market share growth in existing customers, including a significant new strategic partnership with a leading logistics provider.

### Future outlook

Further market share growth with top customers in distribution and food retail supply chain.

## Broaden portfolio of services

Further expand existing expertise and technology capabilities to grow revenues from higher margin services including permanent recruitment and managed services.

### Progress in FY 2025

Successful year for Managed Service Provider, Datum RPO, with increased demand for specialist support in supply chain consolidation.

### Future outlook

Broadening Managed Service Provider offering to current customer base.

## Grow in the Republic of Ireland

RoI has an attractive recruitment market, allowing us to invest in additional branches and fee-earners. Our priority is expanding our high-margin white-collar recruitment service and retaining existing key public sector contracts in Northern Ireland.

### Progress in FY 2025

Delivered profitable first full year for An Garda Síochána, the national police and security service of the RoI.

### Future outlook

Extended the An Garda Síochána contract for a further two years.

## Drive cash generation to deliver value for shareholders

Continue to strengthen the balance sheet to maintain competitive advantage, and, when appropriate, return excess cash to shareholders.

### Progress in FY 2025

Purchased 19.3m shares for £6.5m, supported by the proceeds from the disposal of PeoplePlus.

### Future outlook

Strong trading to generate surplus cash for working capital investment or return to shareholders.





## Chief Executive Officer's Review

# Outperforming the wider recruitment market.



**We introduced a strategy to focus on delivering organic revenue growth, ensuring high levels of corporate governance and maintaining robust fiscal management.**

## Introduction

Staffline delivered an exceptional financial and operational performance during FY 2025, outperforming the wider recruitment market and highlighting our position as a trusted provider of recruitment services. In 2021, we implemented the current strategy: focusing on profitable market share growth, ensuring high levels of corporate governance and creating a strong fiscal base from which to invest in organic growth and our share buyback programmes.

This important shift in the Company's strategic approach has underpinned our recent market share gains and financial progress, enabling Staffline to continue to grow its share in all the recruitment market segments within which it is represented across the UK and Ireland.

Notably, this includes a significant strategic partnership with a leading logistics provider secured in the period, alongside other new account wins. Successful market share gains have also been secured by developing strong relationships with our existing customer base and consolidating our reputation for service excellence and high governance standards. This has yielded faster growth in market share with existing customers, alongside a healthy conversion rate of our new business pipeline.

The disposal of PeoplePlus in February 2025 enabled us to focus on what we do best: recruitment and managing the outsourcing of our customers' high-volume temporary workforce. The consideration was £12.0m, including £2.0m of deferred consideration, contingent on the achievement of various performance metrics.

Proceeds from the disposal strengthened our balance sheet and facilitated our ongoing share buyback programme, supporting the Board's capital allocation policy and accelerating shareholder returns.

Having now transformed into a pure-play recruitment platform, revenue across our two divisions increased 11.5% to £1,106.7m (2024: £992.9m), reflecting the strength of the focus on recruitment. Additionally, operating profit grew 31.3% to £13.0m (2024: £9.9m), exceeding market expectations and underpinned by ongoing tight cost control. Net cash on a pre-IFRS 16 basis was better than expected at £1.5m despite ongoing working capital investment in the business and our share buyback programme. The Company reported a 10.6% uplift in gross profit, driven by an increase in temporary hours worked in Recruitment GB and permanent white-collar recruitment fees in Ireland. This performance highlights the strength of our cash-generative model that has proved so resilient in the challenging recruitment sector.

We have maintained our disciplined approach to managing operating costs, implementing a restructuring programme in H1 2025 that has created a leaner organisation, delivered meaningful cost savings and reduced overheads across the business of c.£3.0m. More generally, tighter control of our cost base has improved operational efficiency and enabled us to effectively navigate ongoing macroeconomic headwinds. This disciplined approach resulted in a further improvement of our gross profit to operating profit conversion, increasing from 14.0% to 16.6%.



## Chief Executive Officer's Review continued

Staffline's FY 2025 results clearly demonstrate the scale of our transformation since setting new operational targets at the end of 2020 and recapitalising during H1 2021. We have reshaped the business through the divestment of non-core operations, prudent management of our cost base, and a sharp focus on growing our customer base organically, allowing us to achieve another exceptional set of results.

### Strategy

We remain focused on our established 'Going for Growth' strategic priorities which remain broadly unchanged.

Our overarching key objective is to grow our market share organically in the UK and Ireland recruitment sectors notwithstanding macroeconomic weakness and unexpected turbulence in the jobs market. Our strategy is not to wait for an economic upturn but to create value through seizing opportunities in defensive food manufacturers and supermarkets, as well as market-leading logistics outsourcers, essential public services and volume RPO solutions.

Staffline continues to reinforce its reputation as a trusted recruitment specialist, leveraging our scale and reach, balance sheet strength, portfolio of services, and reputation for strong governance to achieve market share gains and expand our existing customer base.

Our strategic priorities therefore remain unchanged:

- **Enhance the Group's market-leading position** by further leveraging Staffline's scale, reach and excellence in delivery to grow market share in blue-collar temporary recruitment, organically.
- **Broaden our portfolio** by growing, where appropriate, white-collar and adjacent permanent recruitment activity, including RPO and managed services.
- Continue to **expand in the Republic of Ireland** by securing new contracts and growing the Group's footprint and headcount.
- **Increase shareholder returns** whilst maintaining a healthy balance sheet and returning excess cash to shareholders in the form of share buybacks directly from annual trading cash flows.

We believe the simplification of our business model to pure-play recruitment following the disposal of PeoplePlus has enabled us to better navigate market headwinds, delivering another excellent financial and operational performance in FY 2025 whilst simultaneously delivering shareholder returns through our share buyback programme.

## Operational review

### Recruitment GB

Our Recruitment GB division delivered a revenue uplift of 13.6%, with gross profit increasing 12.9% to £64.0m and operating profit up 30.0% to £14.3m. This excellent financial performance reflects sustained demand for Staffline's temporary and outsourced recruitment services alongside the impact of our cost savings programme. Operating profit conversion from gross profit now stands at a sector beating 22.3% (2024: 19.4%).

We remain focused on organic growth, with our Recruitment GB division winning new business and expanding existing customer mandates. Despite underlying like-for-like demand remaining broadly flat on 2024, temporary hours worked, were up 6.8% year-on-year, reflecting the benefit of our additional market share gains. FY 2025 also benefited from a record Q4 festive peak, with temporary worker hours up 11.1% on FY 2024 and representing a five-year high.

Additionally, the Company secured a significant new strategic partnership with a leading UK logistics provider in May 2025 to outsource 100% of its agency labour services to Staffline. This partnership has significantly increased Staffline's operational footprint and further validates our competitive advantage over industry peers. At 31 December 2025, c.2,000 temporary staff had been onboarded under the partnership, and we continue to collaborate with the internal leadership team to deepen our strategic integration and support their requirements across their multiple divisions.

An excellent operational performance has been supported by our cost reduction programme, which is expected to reduce business costs by c.£2.4m per annum. This enables us to effectively mitigate the impact of higher labour costs and ongoing inflationary pressures whilst still providing world-class recruitment services.

The division's results were underpinned by the performance of our managed services provider, Datum RPO, which had another successful year with increased demand for its specialist support in audit services and supply chain consolidation as customers prioritised governance and operational efficiencies.



## Chief Executive Officer's Review continued

### Operational review

#### Recruitment Ireland

Recruitment Ireland achieved 10.3% growth in permanent white-collar recruitment fees, an impressive result in the context of weaker business confidence and cautious hiring strategies, particularly in Northern Ireland in the first half of 2025. This was driven by successfully generating placements in the health and social care and public services sectors. Gross profit and operating profit increased by 1.4% and 7.1% respectively, with the turnaround from H1 2025 largely attributable to the 2.4% year-on-year growth in temporary hours worked in Q4 2025 following a normalisation in the mix of services, which had seen a swing towards permanent recruitment solutions in the first half of the year.

Trading conditions were more favourable in the Republic of Ireland in H2 2025, where there are less fiscal constraints on the government as a result of the budget surplus. New customer wins and market share gains delivered higher volumes in the Republic of Ireland, particularly in temporary hours. In addition, the division secured strategic wins in the public sector with the Health and Social Care Northern Ireland and Agri-Food and Biosciences Institute contracts.

More broadly, new office openings led to a recovery in branch-led high street recruitment and broadened Staffline's regional footprint. Strict cost management across the division further underpinned performance, ensuring that financial results exceeded original management expectations and positioning the business strongly for continued growth.

### Current trading and outlook

Staffline delivered excellent results in FY 2025 in a tough trading environment, exceeding market profit expectations. This was achieved through a culmination of organic growth, driven by market share gains and new business wins, tight cost control, and driving efficiencies across the Group.

Looking ahead, we remain committed to our 'Going for Growth' strategy and cautiously optimistic about FY 2026 performance in the context of ongoing market headwinds impacting the recruitment sector.

The Group remains well-placed to deliver ongoing growth by continuing to offer its customers excellent quality of service combined with scale and reach.

As a result, the Board expects trading to continue in line with its expectations for the year ending 31 December 2026.

#### Albert Ellis

Chief Executive Officer  
23 March 2026





## Operational Review

# Recruitment GB

At a Glance

### £1.0bn

Division revenue

### 49m

flexible workforce hours delivered (+6.8%)

### c.550

Onsite operations

### 96%

customer retention, up 1% year-on-year

### 13.6%

Year-on-year revenue growth



### Up to 38,000

workers deployed every week



Market share of our top

### 20

customers



### £64.0m

Gross profit (+12.9%)

### 750

recruiters supporting customers and candidates



## Operational Review: Recruitment GB continued

# Growth driven by market share.

### At a glance

2025 marked another strong year of progress for Recruitment GB. We delivered our fifth consecutive year of operating profit growth, outperforming a contracting recruitment market whilst navigating rising employment costs and continued economic uncertainty.

This performance did not happen by chance. It reflects the strategy we set out in 2022 and, more importantly, the way our people have delivered it – through investing time and energy into exceptional customer relationships, disciplined execution and a shared belief in Good Work, from the inside out. By staying close to our customers, supporting our teams and putting people at the heart of everything we do, we have continued to grow in a declining market.

### 2025 performance

2025 was another year of exceptional performance for Recruitment GB, driven by our long-term focus on organic growth, service excellence and customer closeness. The strategic initiatives we launched in 2022 have now delivered four consecutive years of share growth across our top 20 customers, supported by several landmark new business wins in the second half of the year.

Our continued investment in building scale in the blue-collar market, underpinned by strong governance and strategic partnerships, resulted in a 6.8% year-on-year increase in temporary hours, with Q4 temporary hours 11.1% ahead of the prior year in a quarter which is always the busiest. In fact, peak trading performance reached a five-year high for maximum weekly hours, reinforcing our position as a leading provider of blue-collar recruitment solutions in the UK.

Growth was broad-based. Within 3PL, we continued to increase our penetration and believe that we are now the UK's largest supplier to the country's leading logistics operators. We also delivered strong organic growth and new business success across Food, Manufacturing, Driving and Security.

A significant strategic milestone was the award of a major new partnership with a national logistics provider in May 2025. By year end, around 1,800 temporary workers had been onboarded, expanding our operational footprint and creating more opportunities for people to access safe, fair and meaningful work.

Alongside these customer-led gains, we maintained a disciplined focus on cost efficiency. Through careful cost management, improved operational productivity and targeted strategic investment, we were able to deliver a meaningful year-on-year improvement in operating profit.



**Peak trading reached a five-year high, underlining the scale, resilience and capability of our model.**



**Five consecutive years of operating profit growth – delivered by our people, for our customers, through Good Work from the inside out.**

**Frank Atkinson**

Managing Director, Recruitment GB





## Operational Review: Recruitment GB continued



### Datum RPO, Talent.One and permanent recruitment

2025 was also a pivotal year for Datum RPO, our Recruitment Process Outsourcing business. Strong retention and new contract wins delivered another year of high performance, reinforcing Datum's position as a trusted extension of our customers' teams.

In parallel, we successfully launched Talent.One, our independently managed workforce solution, within one of the UK's largest 3PL organisations. Talent.One provides enhanced visibility, compliance and assurance at a time when customers are rightly demanding higher standards of governance from their labour partners.

The permanent recruitment market continued to face severe headwinds, with three consecutive years of contraction. Against this backdrop, our permanent recruitment business delivered a broadly flat year-on-year performance, representing a strong relative outcome and a clear outperformance of the wider market.

### Market context

Looking forward, while 2026 is not expected to bring employment cost increases on the scale seen in 2025, the full impact of last year's Employers' NIC changes and inflationary pressures have yet to be fully felt. Many employers remain focused on cost mitigation, and business confidence continues to be affected by global and national economic uncertainty.

Regulatory change will also shape the year ahead. Key elements of the Employment Rights Act, the introduction of umbrella company legislation and the establishment of the Fair Work Agency are expected to increase employer costs and compliance requirements.

Despite these headwinds, we enter 2026 with confidence having proven our ability to navigate market headwinds in the past. Our scale, financial strength, high governance standards and customer-centric operating model position us strongly in a market where customers continue to consolidate their labour supply chains.

With compliance embedded as a core strategic competence, a strong culture of teamship and a long-term approach to customer partnerships, I am confident that Staffline is well placed to navigate the challenges ahead and deliver another year of sustainable growth – continuing to support people into work and enabling Good Work across the UK.



## Case Study

# Powering logistics at scale.



## How Staffline became Culina Group's workforce partner of choice

Culina Group is one of the UK's leading logistics providers, operating at the heart of the nation's supply chain.

With more than 125 sites nationwide and teams supporting high-volume, 24/7 distribution for some of the country's best-known brands, Culina's success depends on scale, resilience and absolute workforce reliability.

Managing that complexity requires more than labour supply. It demands visibility, consistency and a partner capable of operating seamlessly across an entire national network.

## A single partner for a complex national operation

In early 2025, Culina took the strategic decision to consolidate and strengthen its workforce provision. The goal was clear: move to a single, expert recruitment partner that could deliver full visibility, scalability and consistent standards across every site.

Staffline was appointed to lead Culina's workforce recruitment solutions - selected for its national scale, governance-led approach and proven ability to deliver in complex, high-volume logistics environments.

The scope was significant. Staffline assumed responsibility not only for Culina's internal labour provider, The Logistics People, but also for the full second-tier agency supply chain.

Securing the partnership without any prior trading history between the two organisations was a strong endorsement of Staffline's model: built on strategic partnership, transparency and delivery confidence from day one.

## Mobilising at pace - without disruption

Delivering a transition of this scale required meticulous planning, open communication and absolute alignment between both organisations.

Staffline worked closely with Culina's leadership and site teams to ensure continuity across a fast-moving logistics operation, while simultaneously laying the foundations for a unified, future-ready workforce model.

Key elements of the mobilisation included:

- Registering and onboarding more than **1,800 workers across 125 sites**
- Completing Right to Work checks across the temporary workforce
- Onboarding **54 agencies** onto a new Managed Service Provider (MSP) platform 'Talent.One'
- Embedding consistent operational practices across sites
- Implementing a robust Management Information (MI) framework to support visibility, governance and performance

Behind the process sat the real driver of success: experienced people on the ground, acting not simply as a supplier, but as a trusted extension of Culina's operation.



**Staffline mobilised at pace, onboarded thousands of workers and aligned seamlessly with our operational standards.**

**Dominic Kerrigan**

Chief People Officer, Culina Group





## Case Study continued

**Culina Group's workforce delivery at scale**

**125**

logistics sites supported nationwide

**2,000**

workers registered and onboarded

**54**

agencies integrated into a single MSP framework called Talent.One

### **Governance, visibility and confidence restored**

With the new workforce model in place, Culina gained immediate improvements in oversight, control and confidence.

The centralised MSP system Talent.One now provides consistent processes, clearer reporting and stronger governance across all sites, while maintaining the flexibility required in a demanding, round-the-clock logistics environment.

The result is a workforce operation that is easier to manage, more transparent and better aligned to Culina's long-term strategic objectives.

### **A partnership built for the long term**

Culina's decision to partner with Staffline was rooted in shared ambition, aligned values and a commitment to doing things the right way.

Today, the relationship operates as a true strategic partnership - defined by collaboration, accountability and a 'one team' culture across both organisations.

Together, the two businesses continue to drive operational resilience, continuous improvement and innovation across one of the UK's most complex logistics networks.

This project represents more than a successful transition. It marks the foundation of a long-term partnership between two industry leaders - demonstrating what's possible when expertise, scale and trust work hand in hand.



**The integration of our internal provider and wider agency network has strengthened our workforce model and improved visibility and control.**



## Case Study

# Baked for efficiency.



### How Staffline helped to strengthen Hovis's workforce delivery

Hovis is one of the UK's most recognisable bakery brands, with over 130 years of baking heritage.

Operating across eight bakeries, a flour mill and multiple distribution centres, and employing more than 2,800 colleagues, the business manages a complex national supply chain that demands operational efficiency, workforce consistency and dependable delivery at scale.

Staffline first partnered with Hovis in 2011, supplying flexible labour across multiple locations. Over nearly 15 years, the relationship was built on reliability, site presence and responsive service – foundations that support Hovis's high-volume manufacturing and logistics operations.



**This wasn't a future roadmap – the technology was already live, proven and delivering.**

### A return driven by evolution, not history

In 2024, as Hovis reviewed its workforce strategy, discussions with Staffline were shaped not only by past delivery, but also by the evolution of Staffline's offering.

Staffline demonstrated significant investment in technology-enabled recruitment, automation and workforce management – capabilities that were already live in its other customers' operations and operating at scale. At Hovis, this technology now supports workforce delivery across all eight Hovis sites, with 127+ front-line managers actively using the system every day to plan shifts, manage bookings, and oversee operations.

Alongside technology, Staffline re-emphasised its focus on quality, consistency and operational standards, giving Hovis confidence in both day-to-day delivery and long-term workforce management.

### Implementing a modern, end-to-end workforce solution

Following detailed planning in August 2025, Hovis confirmed Staffline as its chosen workforce partner once again. The work on the implementation of Staffline's technology-enabled recruitment model was carefully coordinated to protect operational continuity while enabling the adoption of a modern, end-to-end workforce management solution.

Automation now underpins the full worker lifecycle – from labour ordering and shift fulfilment to time and attendance and payroll. Facial-recognition clock-in and automated approvals mean payroll can be completed by 7:00am every Monday, improving accuracy, governance and confidence.

Real-time reporting provides Hovis with greater visibility of demand, performance and spend, helping managers make informed decisions across all sites and increasing operational control.



## Case Study continued



Automation has delivered greater visibility, stronger governance and cleaner data across every site.

### More time on site. More value delivered.

By reducing manual processes and streamlining administration, Staffline teams are now able to focus on what matters most – being present on site, understanding daily operational challenges, and delivering a proactive, high-quality service.

Automation has enabled each agency colleague to more effectively book shifts and manage their time, while around 80% of out-of-hours bookings are now handled automatically. The result is a workforce model that is simpler to manage, more transparent, and more reliable across multiple locations.

### Expanding the partnership

As confidence and momentum has continued, the partnership will naturally expand into additional areas, reflecting the trust re-established between the two organisations.

Today, Hovis and Staffline operate within a collaborative, long-term partnership, built on consistent delivery, shared expectations, and the right balance of people and technology to support every site effectively.

### Hovis | Technology-led workforce delivery at a glance

8

sites supported across bakery, mill and distribution

127+

front-line managers actively using automation daily

80%

of out-of-hours bookings automated



## Operational Review

# Recruitment Ireland

At a Glance

### £102.1m

Division revenue

### +9.2%

Growth in permanent billings (£3.2m)

### +22%

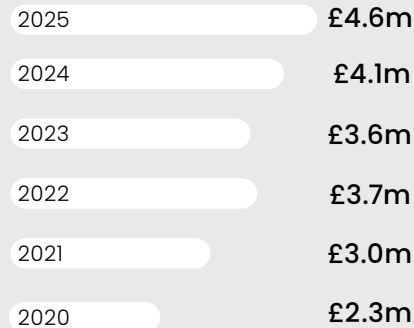
Temporary hours in RoI

### £14.3m

Gross profit (+1.4%)



100% Gross profit increase in RoI



### +31.8%

Growth in RoI permanent recruitment

### c.4,700

Temporary workers deployed weekly

### £3.0m

Operating profit (+7.1%)

### +7.5%

NI branch network revenue & market share

### 4.9m

Temporary labour hours delivered

### 578

Active customers supplied



Operational Review: Recruitment Ireland continued

# Delivering in a demanding market.

**2025 was a year that tested resilience across the recruitment sector. Against a backdrop of economic uncertainty, cost pressures and subdued hiring sentiment, our focus remained firmly on disciplined execution, strong growth and long-term value creation.**

Despite facing the headwinds of surging legislative costs, we delivered unprecedented double digit EBIT percentage growth, while continuing to invest in our people, systems and geographic footprint. The business remained cash generative, with robust working capital management and strict cost control underpinning profitability.

I am particularly proud of the progress we have made in the Republic of Ireland, the strength of our public sector and RPO propositions and the return to growth in temporary hours in the second half of the year. These outcomes reflect the dedication of our teams and the strength of our customer partnerships.

As we look ahead to 2026, our strategy remains consistent and proven: building scale in high-volume temporary contracts, deepening our presence in growth markets, and leveraging our operational platform to deliver sustainable, profitable growth.

Well done to the teams on delivering a phenomenal result.

## 2025 Performance overview

In a challenging and competitive market, Recruitment Ireland delivered a resilient financial performance, underpinned by disciplined cost management, diversification across sectors and continued momentum in key growth areas. EBIT increased by 11.1% to £3.0m, reflecting improved operational leverage and tight cost control, while gross profit rose by 1.7% to £14.2m despite subdued market conditions. Revenue reached £102m, demonstrating the scale and resilience of the business in a tough trading environment. Throughout the year, Staffline Ireland remained cash generative, supported by strong working capital management. Operational performance strengthened in the second half of the year, with a return to growth in temporary hours and improved momentum across permanent recruitment and RPO.



**I am particularly proud of the progress we have made in the Republic of Ireland as well as the strength of our public sector and RPO propositions.**

**Tina McKenzie MBE**

Managing Director, Recruitment Ireland





## Operational Review: Recruitment Ireland continued

### Divisional highlights

#### Temporary Recruitment

Temporary recruitment remained the largest contributor to Staffline Ireland revenues during the year, with 4.9 million temporary hours delivered. While activity in the first half of the year reflected broader market softness, performance strengthened in the second half, with a return to growth and fourth-quarter temporary hours exceeding the prior year by 2.4%. The average weekly temporary workforce increased to approximately 4,500 workers, supplying 578 active customers across a broad range of sectors. Activity in the Republic of Ireland continued to grow, accounting for 22% of total temporary hours delivered and reflecting increased scale across the Irish branch network.

#### Permanent recruitment

Permanent recruitment delivered a strong performance despite a subdued hiring market. Permanent billings increased by 9.2% to £3.2m, supported by continued demand for higher-value roles and sector specialism. Growth was particularly strong in the Republic of Ireland, where permanent recruitment revenues increased by 31.8% following targeted investment and market share gains, with RoI now accounting for 59% of total permanent recruitment revenues. This performance reflects Staffline Ireland's focus on quality of delivery, strong customer relationships and a disciplined approach to growth.

#### RPO, public sector and large contracts

Staffline Ireland continued to build scale, visibility and earnings quality through large, strategic contracts across RPO, public sector and high-volume temporary recruitment. Growth in RPO was supported by large public sector customers including An Garda Síochána and the Electricity Supply Board in the Republic of Ireland, alongside continued momentum in Northern Ireland. Strong performance was delivered across public sector frameworks, including HSCNI and AFBI, while ongoing success in large temporary labour supply contracts with customers such as Nelipak, Diageo, EVRI and Hovis supported improved earnings visibility, economies of scale and a strong platform for sustainable growth.

#### Market context

Trading conditions during 2025 remained challenging, shaped by macroeconomic and structural pressures across labour markets.

Key factors included global trade volatility, ongoing inflation and wage pressures, changes to Employers' National Insurance and evolving employment legislation impacting temporary labour. Candidate availability remained constrained, particularly in Northern Ireland, due to demographic shifts, economic inactivity and immigration policy changes.

At the same time, technology and digital platforms continued to reshape recruitment dynamics, driving both efficiency gains and increased competition for talent and advertising spend.

Despite these headwinds, Recruitment Ireland strengthened its position as the dominant market leader in Northern Ireland with approximately 21% market share, and the second largest recruitment agency on the island of Ireland, with an estimated 5% market share.

#### Looking ahead to 2026

Staffline Ireland enters 2026 with a clear and consistent strategy that has already delivered results. The focus remains on driving continued growth in the Republic of Ireland, supported by the ongoing maturation of new branches and increasing contribution from established locations. Alongside this, Ireland will continue to scale large temporary contracts through disciplined pricing, operational efficiency and improved visibility on earnings. Further expansion across public sector and RPO activity remains a priority, with an emphasis on maximising placement opportunities across existing and new frameworks. Throughout 2026, Staffline Ireland will maintain tight cost control while continuing to invest selectively in systems, technology and people, ensuring the business remains well positioned to deliver sustainable, profitable growth and long-term shareholder value.

**21%**  
estimated market share  
in Northern Ireland





## Case Study

# Packaging success.



### How Staffline helped Nelipak Healthcare Packaging with their production operations and permanent recruitment.

As a global healthcare packaging organisation operating in highly regulated and technology-driven markets, our people are critical to delivering innovation, quality and patient safety.



**Their understanding of advanced manufacturing environments has enabled us to attract, retain and develop skilled talent aligned to our values and long-term growth ambitions.**

**Manufacturing Manager**  
Nelipak Healthcare Packaging.

Since January 2025, Staffline Recruitment Ireland has been a valued partner in supporting our workforce strategy at our Derry/Londonderry facility.

Staffline successfully managed the implementation of our recruitment partnership, including the seamless TUPE transfer of approximately 40 incumbent workers. They now provide an average of 50 onsite production operators each day, alongside supporting our permanent recruitment needs.

Their understanding of advanced manufacturing environments, combined with strong local labour-market insight, has enabled us to attract, retain and develop skilled talent aligned to our values and long-term growth ambitions. Over 30 temporary workers have already progressed into permanent roles, and Staffline has also supported the appointment of key leadership positions, including a Manufacturing Team Leader and Manufacturing Manager.

Staffline's partnership approach continues to support our focus on sustainable growth, employee engagement and progression – helping us build a motivated workforce capable of delivering excellence across healthcare and life-sciences supply chains.

### Nelipak Healthcare Packaging quality workforce delivery

# 50

onsite production operators

# 30

temporary workers progressed into permanent roles





## Case Study

# Supporting growth in an emerging sector.



### How Staffline helped ABFI with candidates across research, technical, support and operational functions.

The Agri-Food and Biosciences Institute (AFBI) is Northern Ireland's leading multidisciplinary scientific research organisation, supporting sustainable agriculture, food innovation, animal health, marine science and environmental protection. AFBI plays a pivotal role in advancing scientific discovery and delivering evidence-led solutions for the agri-food sector, rural economies and climate resilience.

Partnering with Staffline Recruitment Ireland has been a highly positive experience for AFBI. As an organisation at the forefront of scientific research, environmental protection and agri-food innovation across Northern Ireland, we need a talent partner who understands both the technical and community-focused aspects of our work.

Since June 2026, Staffline has supported AFBI with an average of 60 workers per week across a wide and varied range of specialist and operational roles. These include Scientific Officers, Ruminant Livestock Research Scientists, Dairy Technicians, Farm Labourers, Administrative Officers, Information and Corporate Governance roles, and Communications professionals.

Staffline has consistently delivered high-quality candidates across research, technical, support and operational functions, helping us scale expertise in areas that matter most – from bioscience and climate resilience to sustainable farming and digital systems. Their proactive engagement and strong local insight have enabled us to build flexible, skilled teams that directly support AFBI's mission to drive scientific excellence and deliver impactful outcomes for industry and society.

Staffline has supported AFBI with an average of

60

workers per week since June 2026



Partnering with Staffline Recruitment Ireland has been a highly positive experience for AFBI.

Deputy Head of Operations and Workforce Planning



## Financial Review

# Results exceed expectations.

**Excellent trading performance delivered operating profit of £13.0m, ahead of market expectations.**

### Introduction

The Group delivered a strong trading performance for the year, particularly in Recruitment GB, against a challenging macroeconomic and market sector backdrop in the UK. Operating profit on continuing activities, which increased by 31.3% to £13.0m (2024: £9.9m) is ahead of market expectations.

The successful financial performance was primarily driven by a 6.8% year-on-year increase in temporary hours worked in Recruitment GB, which arose from both existing and new customers in the third-party logistics sector.

### Continuing activities

Gross sales increased by 15.9% to £1,301.1m (2024: £1,122.3m) reflecting significant further new business growth in Recruitment GB. Reported revenue of £1,106.7m (2024: £992.9m) was higher than the previous year by 11.5%.

Gross profit increased by 10.6% to £78.3m (2024: £70.8m), with gross profit margin remaining at 7.1%.

Overhead costs were tightly controlled, despite considerable inflationary pressures. This contributed towards operating profit increasing by 31.3% to £13.0m (2024: £9.9m).

Net finance charges were £5.6m (2024: £4.9m), reflecting the ongoing high interest rate environment during the year. Additionally, the variance to last year is mainly due to the fact that during 2024 the 1.0% interest rate cap, purchased by the Group in October 2021, came to an end in October 2024. This generated £1.3m of income in 2024.

Therefore, on a like-for-like basis the gross interest charge would have been £6.2m in 2024, versus the £5.6m during 2025.

The Group ended the year with pre-IFRS 16 net cash of £1.5m (2024: £9.6m). The Group's significant success in delivering organic growth was enabled by its strong balance sheet position and significant financing headroom. The proceeds from the disposal of PeoplePlus of £6.2m were deployed in a new share buyback programme.

The Group's balance sheet remains a strong platform to capitalise on market share growth opportunities.

### Discontinued operation

On 24 February 2025, the Group disposed of its wholly owned subsidiary PeoplePlus Group Ltd, which encompassed the whole of the PeoplePlus division. The consideration for the sale was £12.0m, including £2.0m of deferred consideration.

The consideration was on a cash free, debt free basis, subject to a deduction of £5.1m of advanced payments received for future revenue. The net proceeds of the disposal (including the deferred consideration) were expected to be £6.9m. Of the £2.0m deferred consideration, which was contingent on the commencement of potential new contracts, £1.3m has been received in the year. A provision has been raised against the recoverability of the remainder of the deferred consideration.

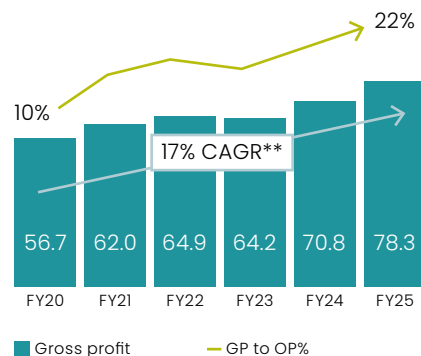


**The Group has delivered excellent trading results, a gross profit increase of 10.6% expanding its market share, supported by its balance sheet strength, despite significant macroeconomic headwinds.**

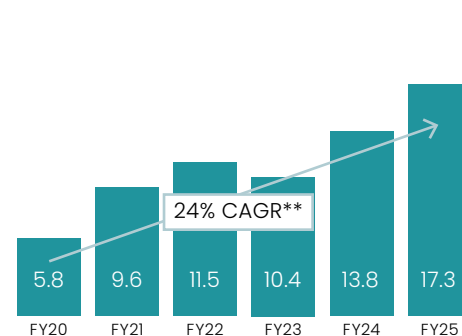
**Daniel Quint**

Chief Financial Officer

Gross profit (£m) and Gross profit to operating profit\* conversion ratio (%)



Operating profit\* (£m)



The Group set out a plan in 2020 to transform its profitability by increasing its gross profit through organic growth in market share, as well as controlling its overhead cost base. As a result, gross profits have increased from £56.7m to £78.3m at a CAGR of 6.7%, and gross profit to operating profit conversion increased from 10% to 22%. This generated an increase of operating profit from £5.8m to £17.3m since 2020, at a CAGR of 23.4%

\* Operating profit relates to divisional trading, and excludes Group costs.

\*\* CAGR - Compound Annual Growth Rate.





## Financial Review continued

### Divisional performance – continuing activities

	Recruitment GB 2025 £m	Recruitment Ireland 2025 £m	Group costs 2025 £m	Continuing activities 2025 £m	Discontinued operations 2025 £m	Recruitment GB 2024 £m	Recruitment Ireland 2024 £m	Group costs 2024 £m	Continuing activities 2024 £m	Discontinued operations 2024 Restated £m
<b>Revenue</b>	<b>1,004.6</b>	<b>102.1</b>	–	<b>1,106.7</b>	<b>10.2</b>	884.4	108.5	–	992.9	65.6
<i>Year-on-year revenue increase/ (decline)</i>	<b>13.6%</b>	<b>(5.9)%</b>	–	<b>11.5%</b>	<b>n/a</b>	15.9%	0.1%	–	14.0%	(1.9)%
Gross sales value <sup>3</sup>	<b>1,199.0</b>	<b>102.1</b>	–	<b>1,301.1</b>	<b>10.2</b>	1,013.8	108.5	–	1,122.3	65.6
<i>Year-on-year gross sales value increase</i>	<b>18.3%</b>	<b>(5.9)%</b>	–	<b>15.9%</b>	<b>n/a</b>	15.1%	0.1%	–	13.5%	(1.9)%
Gross profit	<b>64.0</b>	<b>14.3</b>	–	<b>78.3</b>	<b>2.6</b>	56.7	14.1	–	70.8	17.3
<i>Year-on-year gross profit increase</i>	<b>12.9%</b>	<b>1.4%</b>	–	<b>10.6%</b>	<b>n/a</b>	9.2%	14.6%	–	10.3%	4.2%
<i>Gross profit as a % of revenue</i>	<b>6.4%</b>	<b>14.0%</b>	–	<b>7.1%</b>	<b>25.5%</b>	6.4%	13.0%	–	7.1%	26.4%
Operating profit <sup>1</sup>	<b>14.3</b>	<b>3.0</b>	<b>(4.3)</b>	<b>13.0</b>	–	11.0	2.8	<b>(3.9)</b>	9.9	1.3
<i>Operating profit as a % of revenue</i>	<b>1.4%</b>	<b>2.9%</b>	–	<b>1.2%</b>	–	1.2%	2.6%	–	1.0%	2.0%
<i>Operating profit as a % of gross profit</i>	<b>22.3%</b>	<b>21.0%</b>	–	<b>16.6%</b>	–	19.4%	19.9%	–	14.0%	7.5%
Pre-IFRS 16 <sup>2</sup> net cash excluding unamortised refinancing costs	–	–	–	<b>1.5</b>	–	–	–	–	9.6	–
Post-IFRS 16 net (debt)/ cash excluding unamortised refinancing costs	–	–	–	<b>(2.5)</b>	–	–	–	–	4.9	–

### Key performance indicators – continuing activities

	Recruitment GB 2025	Recruitment Ireland 2025	Total Group 2025	Recruitment GB 2024	Recruitment Ireland 2024	Total Group 2024
Hours worked by temporary workers <sup>4</sup>	<b>48.7m</b>	<b>4.9m</b>	<b>53.6m</b>	45.6m	5.6m	51.2m
Gross profit per fee earner <sup>5</sup>	<b>£94.8k</b>	<b>£109.0k</b>	<b>£97.1k</b>	£86.6k	£107.2k	£90.0k

#### Alternative performance measures

1. FY 2024 operating profit is stated after charging £0.2m of non-underlying expenses.
2. Presented on a pre-IFRS 16 basis, which excludes lease liabilities, and also excludes refinancing costs.
3. Gross sales value represents the value of consideration received or receivable for the supply of services, including agency sales, (excluding fees) net of VAT.
4. Hours worked by temporary workers is the number of hours worked by temporary workers and charged to customers in the year.
5. Gross profit per fee earner is the gross profit for the year divided by the average number of operational staff responsible for revenue generation.



## Financial Review continued

### Key performance indicators – continuing activities continued

For management reporting purposes, Recruitment GB presents its “gross sales”, which includes sales under agency arrangements. The reporting of gross sales gives an indication of the full level of activity undertaken by the division. This value is adjusted for revenue reporting, in accordance with IFRS 15. The adjustment relative to reported revenue for the Group is as follows:

	2025 £m	2024 £m
Gross sales value	1,301.1	1,122.3
Agency sales	(194.4)	(129.4)
Revenue as reported	1,106.7	992.9

### Recruitment GB

Revenues in Recruitment GB increased by £120.2m to £1,004.6m. The division benefited from its strategy of driving organic growth, by the expansion of key strategic partnerships, renewed contracts with key customers and the acquisition of substantial new contract wins in the year.

Gross profit increased by 12.9% to £64.0m (2024: £56.7m), whilst maintaining gross profit margin at 6.4%. Increases in general pay rates combined with the increase in the National Minimum Wage in April 2025, from £11.44 to £12.21 per hour for over 21s (previously over 23s), do not impact absolute gross profit, as they are passed through to customers, but do negatively impact gross margin percentage achieved.

Temporary recruitment gross profit increased slightly as a proportion of the total to 94.7% (2024: 93.6%), with the remaining 5.3% (2024: 6.4%) of gross profit generated from permanent recruitment. Permanent recruitment fees decreased by 8.1% to £3.4m (2024: £3.7m). Hours worked increased by 6.8% to 48.7m (2024: 45.6m), reflecting new business in the third-party logistics sector and increased year-over-year supermarket and online retail volumes.

The division’s revenues are traditionally weighted toward the second half of the year due to increased “peak” workload during the run up to Christmas. Revenues in H2 2025 were 15.3% higher than H2 2024 at £566.7m (2024: £491.4m). This was driven by organic growth from contracts implemented in H2 2025, which led to an 11.1% year-on-year increase, and five-year high, in the traditional Q4 peak temporary worker hours.

The combined effect of growth and inflationary pressures that led to an increase in overheads, was partially offset by a cost reduction programme of c.£2.4m per annum. This supported the gross profit to underlying operating profit conversion ratio increasing from 19.4% to 22.3%, delivering a 30.0% increase in operating profit to £14.3m (2024: £11.0m).

**+12.9%**  
Gross profit

**22.3%**  
Operating profit  
to gross profit conversion  
(up from 19.4%)

### Recruitment Ireland

Revenues in the Recruitment Ireland division decreased to £102.1m (2024: £108.5m), reflecting a change of mix between temporary and permanent recruitment as well as a challenging H1 2025 due to Storm Eowyn. Temporary worker hours reduced to 4.9m (2024: 5.6m), although these did show signs of run rate recovery in H2 2025 with Q4 seeing temporary hours growing 2.4% year-on-year, driven by the strategic wins in the public sector with the Health and Social Care Northern Ireland and Agri-Food and Biosciences Institute contracts.

Gross profit increased to £14.3m (2024: £14.1m) and gross profit margin increased to 14.0% (2024: 13.0%). This came as a result of continued strong performance in permanent recruitment fees with a 10.3% year-on-year increase to £3.2m (2024: £2.9m). This was primarily driven by a strong performance in the Republic of Ireland, with both the Irish police, through the An Garda contract, as well as the newly won Electricity Supply Board contract.

Gross profit generated from temporary recruitment accounted for 77.8% (2024: 79.5%) of the total, with the remaining 22.2% (2024: 20.5%) of gross profit generated from permanent recruitment.

In April 2025, Recruitment Ireland reduced its cost base to reflect market conditions and, with continued strict cost control, was able to reduce direct overheads by £0.6m during FY 2025. As a result of these actions, operating profit for the year was ahead of prior year at £3.0m (2024: £2.8m).



## Financial Review continued

### Group costs

Group costs, which include Directors' remuneration costs, have increased to £4.3m (2024: £3.9m) reflecting an increased non-cash provision for share based payments across the wider Group.

### Group result

Group operating profit, which was ahead of market expectations, was £13.0m (2024: £9.9m), an increase of 31.3%.

The profit before taxation on continuing activities for the year was up 48.0% at £7.4m (2024: £5.0m) and the profit after tax on continuing activities for the year was £5.5m (2024: £4.1m).

### Net finance charges

Net finance charges were £5.6m (2024:£4.9m), reflecting the ongoing high interest rate environment during the year. Additionally, the variance to last year is mainly due to the fact that during 2024 the 1.0% interest rate cap, purchased by the Group in October 2021 in order to partially limit its exposure to higher interest rates, concluded in October 2024. This generated £1.3m of income in 2024. Therefore, on a like-for-like basis the gross interest charge would have been £6.2m in 2024, versus the £5.6m during 2025.

On 20 September 2024, the Group entered into an amortising interest rate collar agreement, comprising a cap element to reduce exposure to a SONIA interest rate above 4.75% and a floor element to pay a fixed rate of 2.51%.

The instrument has a term of five years effective from 14 October 2024, based on quarterly nominal amounts varying between £39.5m and £62.5m based on forecast borrowings over the term. The instrument was acquired for no upfront premium.

### Taxation

The total tax charge for the year was £1.9m (2024: £0.9m), which includes a corporation tax charge of £0.5m (2024: £0.2m), with the remainder relating to the movement of deferred tax balances. Remaining tax losses of £3.4m (2024: £12.1m) carried forward have been recognised as a deferred tax asset.

### Alternative Performance Measures

In the reporting of its financial performance, the Group uses a limited number of alternative performance measures that are not defined under IFRS, the Generally Accepted Accounting Principles ("GAAP") under which the Group reports. The Directors believe that these non-GAAP measures assist with the understanding of the performance of the business and are not given undue prominence in these financial statements. These non-GAAP measures are not a substitute for, or superior to, any IFRS measures of performance, but they have been included as an additional means of comparing performance year on year. The alternative performance measures used are described in Note 3.

### Non-underlying items

Non-underlying items of income or expenditure are items that are either non-recurring or of a particular size or nature such that they require separate identification. Non-underlying items are included in total reported results but are excluded from underlying results. Certain items can vary significantly from year to year and therefore create volatility in reported earnings. It should be noted that whilst the amortisation of intangible assets arising on business combinations has been added back, the revenue from those acquisitions has not been eliminated.

Non-underlying charges on continuing activities before tax amounted to £nil in the year (2024: £0.2m), which is analysed below.

Non-underlying expenses – continuing activities	2025 £m	2024 £m
Strategic consultancy	–	0.2

During 2024 the Group incurred costs for strategic consultancy.



## Financial Review continued

### Share buyback programmes

Further to the announcement of the disposal of PeoplePlus Group Limited on 24 February 2025, the Group announced the commencement of a share buyback programme to purchase ordinary shares of 10 pence each in the Company for up to a maximum aggregate consideration of £7.5m from the day of the announcement. The buyback was to be carried out in two tranches. The first tranche for up to 15,517,851 Ordinary Shares, being the unutilised proportion of the general authority to repurchase Ordinary Shares granted by shareholders at its Annual General Meeting held on 22 May 2024 ("Tranche 1"). The second tranche ("Tranche 2") for up to 12,440,000 Ordinary Shares, was conditional on the Company's shareholders approving the relevant resolution at the Company's Annual General Meeting, on 21 May 2025, which was approved.

Tranche 1 of the programme was completed on 11 April 2025, with 15,517,851 Ordinary Shares purchased for a total consideration of £4,843,086 at an average share price of 31.2p. Tranche 2 commenced on 1 August 2025, and, in the period to 31 December 2025, 3,800,592 Ordinary Shares were acquired for a total consideration of £1,670,192 at an average share price of 43.9p.

From 1 January 2026, the Company acquired a further 2,040,406 Ordinary Shares, which completed Tranche 2 of the buyback programme on 5 March 2026, for a total consideration of £986,714, at an average of 48.4p per share.

The Ordinary Shares purchased pursuant to the buyback programme have been cancelled. The share buybacks were operated in accordance with the terms of the Company's general authority to repurchase Ordinary Shares granted by shareholders at its Annual General Meetings, held on 22 May 2024 and 21 May 2025.

### Earnings per share

Statutory basic earnings per share on continuing activities in 2025 was 4.5p (2024: 3.0p) and diluted earnings per share was 4.4p (2024: 2.9p).

Following the share buyback programme, under which the shares purchased were cancelled, the weighted average number of shares (basic) is 121,960,649 (2024: 138,868,494).

# 4.5p

## Statutory earnings per share 2025

# £16.5m

## Underlying EBITDA

### Earnings before interest, taxation, depreciation and amortisation ("EBITDA")

The table below reconciles underlying EBITDA on continuing activities to operating profit.

Reconciliation of operating profit to EBITDA	2025 £m	2024 £m
Operating profit	13.0	9.9
Non-underlying costs	–	0.2
Underlying operating profit	13.0	10.1
Depreciation and loss on disposals	3.3	3.1
Underlying EBITDA	16.3	13.2
Share-based payments	1.1	0.7
Lease rental payments	(0.9)	(1.3)
Underlying EBITDA (pre-IFRS 16)	16.5	12.6

Note: Underlying operating profit is before goodwill impairment, reorganisation costs and other non-underlying expenses. EBITDA represents earnings before interest, taxation, depreciation and amortisation.

### Statement of financial position, cash generation and financing

The Group has continued to deliver strong trading cash flows with net cash (pre-IFRS 16) at the end of the year significantly ahead of market expectations, maintaining ongoing balance sheet strength.

The movement in net debt is shown in the table below. Strong trading cash flows were offset by the outflows from the short-term working capital demands of new business, increased finance charges, the share buyback programme and capital expenditure investment.



## Financial Review continued

### Movement in net debt

	2025 £m	2024 £m
<b>Opening net cash (pre-IFRS 16)</b>	<b>9.6</b>	<b>3.8</b>
Cash generated before change in working capital and share options	15.6	16.9
Principal repayment of lease liabilities	(0.7)	(2.0)
Change in trade and other receivables	(46.0)	(20.0)
Change in trade, other payables and provisions	34.9	23.9
Taxation and interest paid	(5.5)	(4.9)
Capital investment (net of disposals)	(5.0)	(4.4)
Proceeds from disposal of PeoplePlus	6.2	-
Own shares purchased	(6.5)	(4.4)
Other	(1.1)	0.7
<b>Closing net cash (pre-IFRS 16)</b>	<b>1.5</b>	<b>9.6</b>
IFRS 16 lease liabilities	(4.0)	(4.7)
<b>Closing net (debt)/cash (post-IFRS 16)</b>	<b>(2.5)</b>	<b>4.9</b>

Note: Underlying operating profit is before goodwill impairment, reorganisation costs and other non-underlying expenses. EBITDA represents earnings before interest, taxation, depreciation and amortisation.

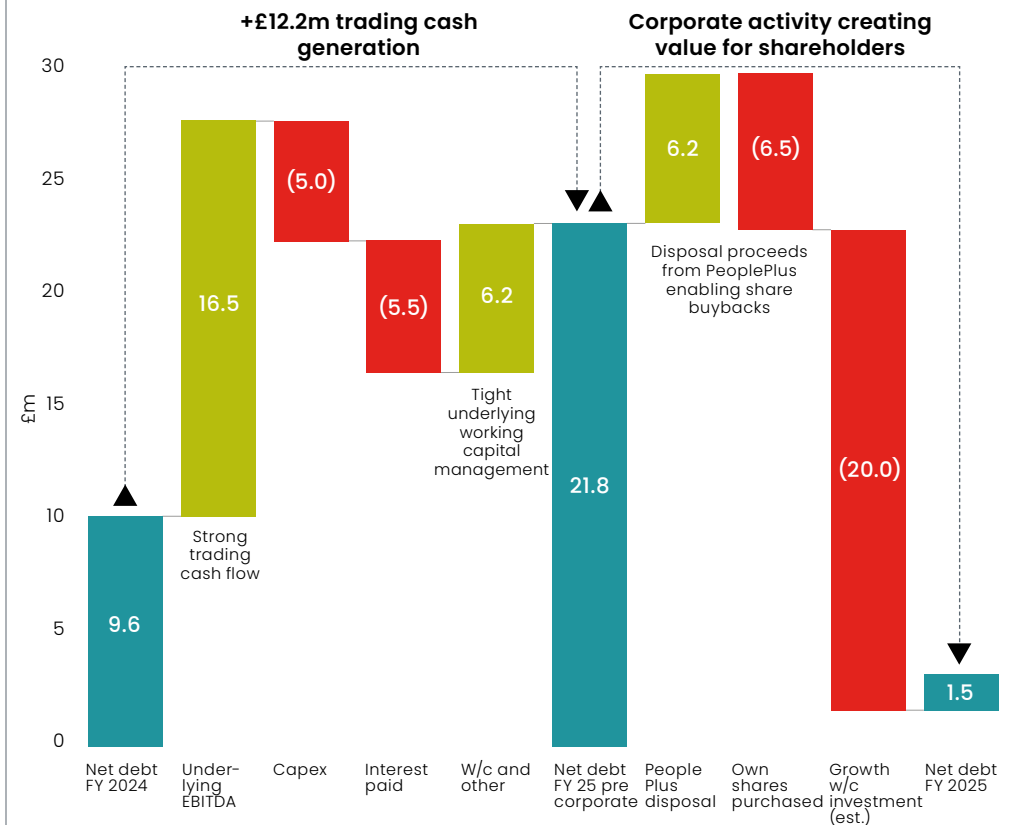
### Banking facility headroom

The Group's headroom relative to available committed banking facilities as at 31 December 2025 was £61.6m (2024: £75.9m) as set out below:

	2025 £m	2024 £m
Cash at bank	8.4	14.6
Undrawn receivables finance facility agreement	53.2	61.3
<b>Banking facility headroom</b>	<b>61.6</b>	<b>75.9</b>

### Net cash (pre-IFRS 16) bridge from January to December 2025

Strong cash generation enabling share buybacks and working capital investment



Note: Presented on a pre-IFRS16 basis



## Financial Review continued

### Working capital financing

The Group manages its working capital requirements using a Receivables Finance Agreement ("RFA"), and a number of separate, non-recourse, customer financing arrangements whereby specific customers' invoices are settled in advance of their normal settlement date via a funding intermediary.

The RFA leverages the Group's trade receivables with sufficient headroom and flexibility to manage the variability and size of weekly cash outflows. The key terms of the facility are set out below:

- i. maximum receivables financing facility of £60.0m over a four-year term, with a one-year extension option;
- ii. an Accordion option of up to an additional £20.0m, subject to lender approval;
- iii. security on all of the assets and undertakings of the Company and certain subsidiary undertakings;
- iv. interest accruing at a maximum of 2.25% over SONIA, with a margin ratchet downward to 1.5%, dependent upon the Group's leverage reducing to less than 1.00x;
- v. a non-utilisation fee of 0.35%;
- vi. maximum net debt (averaged over a rolling three months) to EBITDA leverage covenant of 4.0x; and
- vii. minimum interest cover covenant of 2.25x the last 12 months EBITDA to finance charges.

The balance outstanding on the RFA at 31 December 2025 was £6.9m (2024: £5.0m).

The balance funded under the customer financing arrangements at 31 December 2025 was £66.6m (2024: £74.1m).

### Dividends

The Board is not proposing a final dividend payment for 2025 (2024: £nil).

### Going concern

For the period to 31 December 2027, the Group's cash flow forecasts indicate ongoing headroom in the RFA and also full compliance with the financial covenants contained therein. The Group has sufficient day-to-day liquidity to ensure that short-term liabilities can be satisfied as and when they fall due.

The financial statements have been prepared on a going concern basis. The Directors have reviewed this basis and have made full disclosure in Note 3, concluding that there is a reasonable expectation that the Group and Company have adequate resources to continue in operational existence for the foreseeable future.

### Daniel Quint

Chief Financial Officer

23 March 2026





## Sustainability Report

# Providing access to work in a sustainable way.



Welcome to Staffline’s 2025 Sustainability Report.

Staffline recognises the value of social, environmental and governance matters and their importance to delivering our purpose of putting people into good work. Given the scope and scale of the Group’s activities, it is important that Staffline provides leadership and sets an example in operating sustainably.

Now focused entirely on recruitment following the disposal of the PeoplePlus business in February 2025, Staffline continues to play a pivotal role in changing lives by providing access to both temporary and permanent work, empowering communities and supporting the day-to-day activities of our customers and wider society.

Staffline actively seeks to ensure alignment between the clear commitments outlined in this report, which are overseen by the Sustainability Committee (formerly the ESG Committee) and the ambitions of our customers, partners and other stakeholders, many of whom are also leading by example on sustainability matters.

### Our approach.

Our focus is to make a positive difference to people’s lives, deliver social value and engage positively with the communities in which Staffline operates. As a major recruiter covering multiple sectors and with a reach extending across the UK and Ireland, we play a crucial role in enabling people into good work.



**Our commitment to supporting people and communities and fulfilling our social, environmental and governance responsibilities across the Group’s activities remains integral to our business.**

**Daniel Quint**

Chief Financial Officer and Board member responsible for sustainability matters





## Sustainability Report continued

### Our strategy.

Our sustainability strategy sets out how we deliver against our responsibilities and is based around four key pillars.

#### 1. Making a positive difference to people and society

Purpose

To improve people's prospects by providing access to fulfilling work opportunities across the UK and Ireland by:

- Providing good work
- Engaging with communities
- Promoting access to work for disadvantaged groups

→ For more information see pages 34 to 36

#### 2. Supporting and developing our people

Purpose

To support our people to realise their potential in a high-performing, safe and inclusive working environment by:

- Supporting training, development and career progression
- Ensuring diversity, equity, inclusion and belonging
- Engaging with our workers and employees

→ For more information see pages 37 to 42

#### 3. Reducing our environmental impact

Purpose

To minimise the consumption of resources and creation of waste in our operations by:

- Managing energy use and carbon emissions
- Implementing good practice in other areas, such as waste management

→ For more information see pages 43 to 51

#### 4. Doing business in a responsible way

Purpose

To demonstrate high ethical standards across all levels of the business and at all times by:

- Promoting clear values and high ethical standards
- Ensuring sound governance, risk management and compliance
- Safeguarding data security

→ For more information see pages 52 to 54



# Sustainability Report continued



## Initiatives, accreditations and partnerships.

Staffline recognises the value of external assessment of its sustainability performance and seeks to achieve relevant formal accreditations and to establish partnerships that support both the Group’s sustainability objectives and its wider governance objectives.

Accreditations and partnerships maintained or secured during the year to 31 December 2025 include:

### Social

- Membership of Social Recruitment Advocacy Group (“SRAG”)
- Membership of Association of Labour Providers (“ALP”)
- Membership of Recruitment and Employment Confederation (“REC”) and Employment and Recruitment Federation (“ERF”)
- Founding role in Scotland Against Modern Slavery

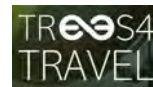
### Environmental

- ISO 14001 (Environmental Management System) certification
- EcoVadis bronze sustainability rating (Staffline Recruitment Limited) (June 2025)
- Carbon offsetting initiatives launched
- Carbon Reduction Plans updated and published annually

### Governance

- GLAA licenced business
- ISO 9001 (Quality Management System) certification
- Sedex 4-Pillar SMETA audit compliant (Recruitment GB)
- Safe Contractor certification (currently Brightwork only)
- Recruitment GB Supplier Code of Conduct ‘soft launched’

→ For further information please click on the relevant link below:





## Sustainability Report continued

# 1. Making a positive difference to people and society

Staffline does not operate in isolation. By providing individuals with access to work we support our customers as they deliver goods and services to their customers and keep society functioning day to day.

## Providing good work

### Recruitment GB

'Good work' sits at the heart of Staffline's purpose and defines how we create sustainable growth. We believe growth is achieved not by treating people as commodities, but by valuing them as individuals – recognising their potential, supporting their wellbeing and enabling access to fair, safe and meaningful employment.

This philosophy is embedded throughout our business, shaping how we support our workers, partner with our customers and contribute to society. For our workers, Good Work means opportunity, dignity, development and security. For our customers, it means a workforce that is responsibly governed, fully compliant and aligned to the highest standards – protecting their operations while delivering the benefits of an engaged, motivated and high-performing workforce.

By consistently bringing Good Work to life through our practices, partnerships and culture, we continue to strengthen our position as the home of Good Work – creating positive, lasting outcomes for the people, businesses and communities we serve.

→ **For further information about Recruitment GB and the sectors in which it operates please see pages 3 and 13 to 18.**

## Worker welfare and modern slavery commitments

As a leader in recruitment, Staffline is committed to creating ethical and rewarding employment opportunities. We take our responsibility seriously, striving to disrupt exploitation and tackle modern slavery, ensuring worker welfare is central to everything we do. We believe working to prevent modern slavery is one of our highest priorities and we work alongside other businesses, charities and organisations that take this matter as seriously as we do.

For nearly 10 years, Staffline has published annual Modern Slavery Statements outlining our aims, objectives and preventative measures in this area. Our commitment aligns with the Ethical Trade Initiative ("ETI") Base Code guidance and we continually review and improve practices in accordance with these standards. We strive to effectively consider the ETI 'Principles of Implementation' throughout our Modern Slavery Statement review, utilising continuous improvement plans and review mechanisms throughout the year.

Our experience grows year by year, working closely with the Gangmasters Labour Abuse Authority ("GLAA"), which will become the Fair Work Agency in 2026, the Home Office, police forces across the country and through collaborating and sharing insights with anti-slavery networks in all regions of the UK. Staffline supports working together to eradicate this criminal activity, sharing valuable insights that enable us to refine our compliance measures and enhance our safeguards and target our training across our business.



## Sustainability Report continued

**c.540**  
customer locations serviced  
by Recruitment GB workers

**c.96,000**  
individual Recruitment GB  
workers completed at least  
one shift in 2025

In 2026 we will continue to invest in training and support materials for our colleagues across the UK, promoting awareness of Staffline's Seven 'Red Flags' to help with the identification of Modern Slavery indicators (Seven Red Flags – Staffline 2023.pdf).

An assessment of our processes and practices against industry best practices will be completed to help shape our priorities and actions in the coming years and we will continue promoting our code of conduct with our trusted partners to promote commitments to compliance and best practice.

### Recruitment Ireland

Recruitment Ireland's most significant social impact is delivered through job creation and access to employment. During 2025, Staffline Ireland supplied c.4.9 million hours of work, supporting economic activity and service delivery across key sectors including healthcare, food production, logistics, manufacturing and the public sector.

We place a strong emphasis on worker welfare and quality of employment. Annual surveys demonstrate consistently high levels of satisfaction among temporary workers, with 91% rating their assignment as excellent or good and 93% rating communication as excellent or good.

Reliable pay remains a core priority, with 93% of workers confirming their weekly pay was accurate, while 85% believe Staffline cares about their mental health. Overall, nine out of ten temporary workers stated they would recommend Recruitment Ireland to friends or family.

Client feedback mirrors this strong performance, with 96% rating communication with their consultant as excellent or good, 93% rating issue resolution as excellent or good and 96% confirming consultants did everything possible to fulfil staffing needs.

Quality of service remains a differentiator, with 96% of customers rating the quality of staff provided as excellent or good and nine out of ten indicating they would recommend Staffline to other businesses. Our Dublin teams were recently awarded the 2025 ERF Best in Practice – Industrial, Warehousing & Logistics Award, reflecting our commitment to excellence.





## Sustainability Report continued

### Engaging with communities

#### Recruitment GB

##### Social Recruitment Advocacy Group

We are proud members of the Social Recruitment Advocacy Group ("SRAG"), which recognises that meaningful social change cannot be achieved by one organisation acting alone. Working with PeoplePlus and other like-minded member organisations, Staffline continues to support the collective effort to drive societal change across the UK.

##### Working with disadvantaged groups in society

Some pilot work has taken place in 2025 to help us build processes and staff training/support so that we can work more closely with prisons in 2026 and beyond to provide work opportunities for prison leavers and for those on temporary licence release.

##### Supporting the Framework charity

As part of our ongoing relationship with Framework (a UK-based charity dedicated to supporting homeless and vulnerable people), 60 refurbished electronic devices have been donated in 2025 to support individuals and families experiencing digital exclusion within our local communities. This donation helps widen access to essential technology for those who may otherwise struggle to afford it. The devices, which are fully serviced, data-wiped and prepared for reuse, will enable recipients to connect to vital online services, education, employment resources and social support networks.

### Supporting 'good work' beyond our borders

At Staffline, we believe that 'good work' extends further than the workplace – it reaches into our communities and even across continents. In late 2025, we were proud to share the Staffline story through donation of a number of refurbished tablet devices and mobile phones to a small school in Chitungwiza, a village in Zimbabwe. These devices, once part of our day-to-day operations, will now play a new role in helping children at St. Aidan's school access digital learning and educational resources.

This initiative reflects our commitment to reducing waste, supporting education and making a positive impact wherever we can and we are proud to support children in Africa and contribute to brighter futures.

#### Recruitment Ireland

Beyond its core operations, Staffline Ireland actively supports communities through charity partnerships with Cancer Fund for Children and Young Enterprise Northern Ireland. Employees are encouraged to contribute to their communities, with 20 volunteering and charity support days taken up during the year.

During 2025, employees took part in fundraising and outreach activities including bake sales, charity runs, toy donations, Christmas Jumper Day and CV and interview skills workshops across Ireland. These activities raised £2,133 for Cancer Fund for Children and delivered vital employment skills to hundreds of local school children.



**Digital access is no longer a luxury – it is a lifeline. By donating these devices, we are helping ensure more people can access opportunities, stay connected, and move forward with confidence. We are committed to making a meaningful difference where it is needed most.**

Steven Aston-Bell

Governance Director Recruitment GB



### Promoting access to work

#### Recruitment GB

##### Transport solutions

Staffline goes the extra mile by offering local and reliable transport solutions via Driving Plus and our network of trusted transport partners. This is an essential service for our workers who do not have their own transport, particularly in rural areas. Convenient pick-up points are offered to workers and the flexible service adapts to the seasonal demands of our customers.

##### Supporting a diverse temporary workforce

Staffline's worker registration and onboarding journey is available to new candidates across the UK in eleven languages, which helps us to promote an inclusive registration process. Our worker demographics data is reviewed periodically so we can ensure that further language translations are created wherever there might be a need.

#### Recruitment Ireland

As part of our ongoing investment in digital transformation, Staffline Ireland is undertaking a complete overhaul of our worker registration process, streamlining processes to reduce barriers to work and reducing time to hire. This includes the ability to provide translations and e-signatures via our mobile app and Dropbox Sign.



Sustainability Report continued

# 2. Supporting and developing our people

Staffline is committed to developing and maintaining a high-performance culture by consistently engaging with and developing our people in a working environment that is supportive and inclusive for all employees.



## Supporting training, development and career progression

**c.14,000**  
hours of employee training completed across GB and Ireland in 2025

**53**  
internal promotions across GB and Ireland in 2025

### Recruitment GB

#### We invest in learning and development

Our investment in learning is continuous across our business as we seek to nurture and retain talent.

Whether an employee is a seasoned professional or just starting a career with us, we have endless opportunities for growth, development and discovery. We offer a diverse range of resources, programmes and interventions designed to enhance skills, expand knowledge and support personal and professional growth.

Some examples of our focus on continual development are below:

- Creating the best start: every employee receives both business-wide and role-specific inductions including new line manager inductions for new or newly promoted employees.
- Tailored welcome days, ensuring that new starters can have the best start with skills development and meet and ask questions of our senior management teams.
- Monthly 1-to-1 sessions and formal reviews with line managers that focus on performance and development.
- Lunch & Learn sessions – hosted discussions focusing on specific topics, typically with a subject matter expert/specialist in attendance to share direct and learned experiences with attendees.
- On-the-job development and secondment opportunities.



# Sustainability Report continued

## Learning campaigns in 2025

Various learning campaigns have taken place during the year to help promote our continued commitment to professional development. The first was our Learning at Work Week which was focused on promoting all of Staffline's internal development and development/progression opportunities and highlighting the apprenticeships offer we have for teams via a live panel hosted by our Learning and Development Specialist.

Eleven colleagues completed apprenticeship programmes during the year, covering disciplines including Team Leader or Supervisor, HR Specialist, HR Support with CIPD, Business Management, Senior Leader, Digital Marketer and Associate Project Management. Twelve new apprenticeships were started during 2025, bringing our total apprentices in Staffline at the end of 2025 to 22.

Another highlight during 2025 was our Future of Work campaign, which explored the forces shaping tomorrow's workplace – from the rise of 'Generation Alpha', to the growing impact of AI and how we can adapt to a rapidly changing world of work. The week also covered various planned legislative updates for 2026 (including the Employment Rights Act 2025) and the online sessions throughout the week saw some of the strongest engagement levels we have ever seen.

During 2025, new employees joining Staffline attended 2,183 hours of structured workshop learning as part of their welcome and induction experience. Our online learning platform hosts a wide variety of modules and 9,168 hours of online learning was completed by our teams across the UK with over 2,000 further hours of workshop-based learning also completed.

## Talent Forum – developing employees with potential

The Talent Forum is our approach to supporting development for our middle managers who want to progress their careers. The programme is sponsored by members of the Staffline senior leadership team and supported by mentors from across the business.

The purpose of the programme is to build a self-driven development programme that supports our managers to drive their own development, career and growth; create strong succession where we need it most and ensure a healthy pipeline for the future; and to retain our talent and improve the overall experience of being part of the Staffline team.

As we look ahead to 2026, we will be celebrating the progress and achievements of Talent Forum participants at a graduation and recognition event. An evolution of this programme will launch during the year and will invite participants from across the business to develop their coaching leadership skills.

**22**  
active apprenticeships in Recruitment GB at year end



## Recruitment Ireland

Our people are central to Recruitment Ireland's success and the business is committed to creating an inclusive, supportive and high-performance working environment where colleagues are empowered to develop and progress.

During 2025, the business recorded nine internal promotions, reflecting a strong culture of progression and talent development.

Employee engagement remains high, with a 90.8% happiness rating recorded in the annual employee survey and 91.6% of employees stating they would recommend Recruitment Ireland as a place to work.

**91%**  
of Recruitment Ireland workers responding to surveys in 2025 would recommend Staffline as a place to work



## Sustainability Report continued

### Ensuring diversity, equity, inclusion and belonging

#### Recruitment GB

We aim to be as diverse as the stakeholders we serve and we know that our commitment to diversity, equity, inclusion and belonging is welcomed by our customers, candidates and employees. This is not a separate strategy or a statement of intent but is woven through every facet of our business: It is simply “Who we are”.

We are committed to three things:

1. **Raising awareness:** Promoting awareness of Diversity, Equity, Inclusion and Belonging (“DEIB”) matters across the business.
2. **Constantly evolving:** Creating an inclusive culture for all our people through policy changes, communication and introduction of new initiatives and benefits.
3. **Supporting the communities in which we operate:** Working alongside communities and customers who are aligned to our purpose to deliver more together.

#### Recruitment Ireland

The overall gender split across Recruitment Ireland is 68% female and 32% male. Women hold 56% of Senior Leadership Team roles, 60% of management roles and 71% of delivery and support positions.

In total, 23 women hold senior positions across executive, senior management and management roles.

# 60:40

female:male gender split (%) in Recruitment GB

# 33

nationalities represented across Recruitment GB employee population

# 5.0

years average length of service of Recruitment GB employees

(full years including continuous service transfers in)

# 134

Recruitment GB employees have 10 or more years’ service

(full years including continuous service transfers in)

### Engaging with our workers and employees

#### Recruitment GB

##### Your Voice

Your Voice is Staffline’s ongoing employee pulse survey initiative designed to gather timely, targeted feedback from colleagues across the organisation. The survey captures employee perspectives on key focus areas within our all-company action plan and helps the business continually improve its workplace experience.

Feedback gathered through our Your Voice survey, which is analysed and discussed with Your Voice Representatives (colleagues joining focused discussions throughout the year to ensure that all parts of the business are represented) directly informs decision-making, guiding actions that strengthen engagement, support workforce wellbeing and enhance operational effectiveness.

Now in its seventh year, 2025 saw us achieve our best ever response rate of 90.9%, with the highest scoring questions for the year being: “In my team, we all work together to enable people into good work”, “The work I do every day is in service of our purpose of enabling people into good work” and “I have a clear understanding of the company’s purpose and current objectives”.

Listening is only one part of engagement: action on feedback is also essential. Along with the continuation of other key disciplines/actions implemented in previous years, new practices implemented during 2025 in response to the surveys include:

- Making healthcare, medical and mental wellbeing support more accessible to our employees in real time through the promotion of wellbeing apps including articles, videos and live fitness classes, nutritional advice and recipes and access to retailer discounts and GP consultations.
- Introducing leased vehicle salary sacrifice schemes that include EV and hybrid vehicles, resulting in significant savings for employees and contributing to a cleaner environment.

Holiday purchase schemes are also available, giving our people the flexibility to purchase more annual leave days to suit their work/life balance and wellbeing.

#### Have Your Say

Staffline’s focus on experience and engagement is not just for our employees: it extends to our workers too. Six years ago, Staffline launched “Have Your Say”, a worker experience platform which enables our workers to have their say on their personal experience of working for us. Since its launch, more than 125,000 workers have provided us with over 550,000 unique survey responses, which in turn creates enormous value and market-leading levels of workforce insights.

Working in partnership with our customers, we monitor feedback and continually improve approaches and processes to create a better worker experience. Using automation and structured data tools, the insights generated from our Have Your Say surveys are shared with our customers in presentational easy-to-navigate packs, helping us to focus on maintaining areas of strength and focus on where experiences may be improved or enhanced.



## Sustainability Report continued

In 2025, Have Your Say survey responses were completed by 26,111 of our workers and the results show an 85% Happiness Rating and an 88% Advocacy Score. Other key highlights from the survey data showed that 91% of the respondents were happy with the training and support provided to them and 83% planned to stay with Staffline for at least 12 months.

**88%**  
of Recruitment GB workers responding to surveys in 2025 would recommend Staffline as a place to work

**83%**  
of Recruitment GB workers responding to surveys in 2025 intend to stay with Staffline for at least the next 12 months



### Recognising and rewarding our people

We continue to celebrate our people's wins, recognising and rewarding both team and individual success through formal monthly, quarterly and annual 'Stars' awards based on our values and results. This is in addition to formal incentive schemes.

Recognising and rewarding our employees for their exceptional contributions has been a cornerstone of Staffline's success in 2025. By acknowledging the efforts of our outstanding team members, we have inspired others to showcase their talents. This spirit of collaboration and shared commitment has played a pivotal role in driving the company's growth.

#### Stars Awards

Throughout the year, colleagues share the stories and successes of their teams and nominate a person or a team for a Stars award which is linked directly to one of the company values. On a quarterly cycle, all the nominations are reviewed and considered by Staffline's Managing Director and senior leadership team, with winners receiving a £250 voucher and runner-up nominations receiving a £50 voucher.

Reflecting on all Stars awards during the year, at the end of 2025 Staffline awarded a "Star of Stars" award, with the winning employee awarded a £1,000 voucher and receiving a certificate and recognition from the Recruitment GB Managing Director and senior leadership team for her outstanding contribution and demonstrating Staffline's values in action.

### Case Study

#### Staffline Stars Award Winner Klaudia Z

Klaudia has delivered an extraordinary transformation on one of the most challenging accounts within our logistics portfolio. After stepping into a larger, historically high attrition operation where Staffline had long struggled to meet expectations, she immediately rebuilt trust, strengthened communication, and elevated service quality. Her leadership has been so influential that the client has reshaped parts of its site strategy – including investment in induction processes, onsite facilities and training environments – as a direct result of her insight.

Klaudia has become a trusted and integral part of the client's operation, forming strong relationships and demonstrating a level of credibility rarely achieved by an agency partner.

This was exemplified when she co-hosted a live town hall with the site's General Manager – an unprecedented sign of confidence. Senior leaders from the client organisation have sent multiple messages praising the positive difference she has made.

Her worker engagement initiatives have driven a significant improvement in our internal pulse survey results and delivered measurable uplifts in performance and behaviour across the workforce. Klaudia strengthened her team and stabilised a complex site that had been challenging for us.

Alongside this, she completed the Staffline Talent Forum, demonstrating her potential as a future senior leader.

Klaudia's dedication, consistent excellence, and transformational impact make her truly deserving of her Star of Stars win. She is an outstanding ambassador for our business and a benchmark for exceptional account management.





## Sustainability Report continued

### Recognition Activities and Events

“Instant Awards” are used to recognise achievements and successes of colleagues across the business, with messages being posed on a recognition wall and vouchers being awarded for us on Staffline’s benefits experience platform.

In addition, Leadership Lunches are hosted by members of Staffline’s senior leadership team throughout the year to acknowledge and celebrate high performance, long service, Stars Award winners and to thank our Your Voice representatives for their contributions to our employee engagement and feedback campaigns.

### The ‘Good Times’ Newsletter

A monthly newsletter is published in Recruitment GB to celebrate internal promotions, new colleagues joining the business and to recognise length of service milestones. In 2025, 52 colleagues achieved their 5-year milestone, 32 achieved 10 years, 3 achieved 15 years, 8 achieved 20 years, 2 achieved 25 years and 4 achieved an incredible 30-year milestone.

### Recruitment Ireland

Recognition and reward form an important part of the Recruitment Ireland people strategy.

Quarterly league table rewards were issued to top performers across temporary, permanent, branch, onsite and key account teams, alongside recognition of 50 temporary worker Staffline Superstar Award winners as part of our worker retention strategy.

Long service is recognised in five-year increments and rewarded with vouchers. Fifteen colleagues reached or exceeded 20 years of service during 2025.

### Case Study

**Staffline Star Award Winner In Recruitment Ireland, recognising the people who power our organisation is a key part of our culture and our commitment to being a responsible employer.**

Our Reward and Recognition Scheme is designed to celebrate individuals who live our values and go above and beyond in their roles.

Brendan (Group Financial Accountant) is a standout example of how this culture of appreciation makes a real impact.

Brendan’s story highlights how Recruitment Ireland’s culture is built on appreciation, inclusion and shared success. Recognition is not only about performance – it is about living our values, supporting colleagues and contributing positively to the organisation.

Within his first year of joining Recruitment Ireland, Brendan was named a Shared Services Superstar, an award that recognises exceptional performance, teamwork and commitment to delivering excellence behind the scenes, earning a place as one of Recruitment Ireland’s top performers.



**Being recognised as a Shared Services Superstar in my first year was an incredible honour. It showed me that hard work doesn’t go unnoticed here. The recognition meant more than just the award itself – it was about knowing that the work we do in Shared Services is valued and seen as vital to the wider organisation. The incentive trip was an unforgettable experience, but what really stood out was feeling appreciated and celebrated alongside colleagues from across the company.**





## Sustainability Report continued

### Gender pay gap reporting ("GPGR")

On 5 April 2025, the Group employed c.930 monthly paid permanent staff and c.45,000 weekly paid temporary contractors. Overall, amalgamating all business areas and including the temporary workforce, the mean gender pay gap is 8.9% (2024: 7.7%). These results are affected by 98% (2024: 94%) of employees being temporary workers, of which, 60% (2024: 70%) are male and 40% (2024: 30%) female. The mean gender pay gap for temporary workers is 8.6% (2024: 7.1%).

All are paid the same hourly rate for the same work, irrespective of gender. The gap derives purely from the mix of roles performed by the workers and in particular the workers involved in the higher paid driving and manufacturing sectors, who are predominantly male. For the Group's permanent staff, the mean gender pay gap is 21.8% (2024: 16.7%).

→ Details of the Group's gender pay gap reporting can be found on our website at: [www.stafflinegroupplc.co.uk/about-us/gender-pay-gap-report](http://www.stafflinegroupplc.co.uk/about-us/gender-pay-gap-report)

### Promoting health, safety and wellbeing

#### Recruitment GB

##### Mental health and wellbeing

Supporting mental health and wellbeing is central to our role as a responsible employer. A healthy, resilient workforce strengthens our culture, enhances performance and enables colleagues to thrive. Prioritising mental wellbeing helps ensure our people feel valued, supported and able to contribute at their best.

For this reason, Staffline's Wellbeing Centre – an online platform available to all employees, offers an abundance of resources including nutrition and dietary advice, money matters and financial wellbeing, training and exercise tips/techniques and various featured articles and reading materials.

During 2025, Staffline's Wellbeing Campaigns have included live talks to help with financial wellbeing on topics such as pension and salary finance, money saving tips through maximising the many discounts/offers available to employees via Staffline's benefits experience platform and a live exercise session for people to join remotely.

In addition, Staffline hosted a Men's Health Week during 2025 and this campaign included a men's health discussion panel, hosted by one of our Your Voice representatives and featured a number of senior male colleagues from our logistics division speaking openly and honestly about a range of important topics.

### Health and safety-related training

A programme of training operates continuously to help us ensure that there are skilled/trained fire marshals and first aiders in situ across all our office locations. In addition, various training modules are available to all employees covering a number of important topics including risk assessments, display screen equipment, fire safety and manual handling.

### Incidents and accidents

Staffline's internal reporting systems, which cover employees and temporary contract workers, confirm that there were 566 reported incidents/accidents during 2025, of which 29 were further reported to the HSE under the Reporting of Incidents, Disease and Dangerous Occurrences Regulations ("RIDDOR"). The reported incidents/accidents by category are broadly in line with published national averages data, albeit a substantially higher number of minor incidents and near misses are also recorded.

The highest number of incidents in Recruitment GB in 2025 was in the 'Other – general' category, with over 90% of accidents in this category falling into one of four sub-categories: Near misses; General sickness/feeling unwell; Cuts, bruises, sprains and scrapes; and Trapped digit. Five of these were RIDDOR-reportable accidents.

Recruitment GB's Accident Frequency Rate in 2025 was 11.61, which compares very favourably to the all-industries average\* of 21.25.

### Recruitment Ireland

The health and wellbeing of our people remains a key priority for Recruitment Ireland. All employees receive private healthcare cover from day one of employment, reflecting our commitment to supporting both physical and mental wellbeing.

Throughout the year, colleagues have had access to a range of health-focused initiatives, including Benenden Health assessments and wellbeing webinars delivered in partnership with Bluecrest Wellness. Sessions covered topics such as first aid, pain management, food and mood, and self-care, helping employees develop practical tools to support their overall wellbeing. We also recognise the importance of work-life balance, with approximately 20% of our workforce making use of flexible working arrangements, ensuring our people can thrive both professionally and personally.

Recruitment Ireland recorded 15 accidents and incidents during 2025, of which 9 were reported to the HSE or HAS (Ireland's Health and Safety Authority). The Accident Frequency Rate in Ireland was 10.83.

\* HSE published data for 2023–2024 – Non-Fatal Injury Rates (includes Labour Force Survey and RIDDOR data)

Sustainability Report continued

# 3. Reducing our environmental impact

Staffline remains committed to clear and comprehensive reporting that reflects ongoing development of the corporate reporting environment in relation to climate change and sustainability, including both mandatory requirements and discretionary good practice.

## Staffline Group PLC Board

Responsible for:

- ✓ Defining sustainability strategy based on recommendations from Sustainability Committee and input from external stakeholders
- ✓ Approving Sustainability Committee Terms of Reference
- ✓ Approving climate-related metrics and targets and monitoring achievement

### Sustainability Committee (chaired by Staffline Group CFO)

Senior management workstream leads from:

- ✓ Human Resources/People teams
- ✓ Marketing/Communications teams
- ✓ Divisional Governance teams
- ✓ Group Finance function
- ✓ Group Internal Audit function
- ✓ Company Secretarial function

Responsible for:

- ✓ Supporting delivery and ongoing development of the Board's sustainability strategy
- ✓ Reviewing emerging trends and good practice in sustainability management and reporting
- ✓ Developing Staffline's approach to management of sustainability-related risks
- ✓ Overseeing Staffline's internal and external reporting and wider communications on sustainability matters

### Audit and Risk Committee (chaired by Senior Independent Director)

Responsible for:

- ✓ Overseeing risk management and internal control arrangements in respect of climate-related and other risks
- ✓ Overseeing the Group's compliance with reporting and disclosure regulations

### Divisional Boards (chaired by Divisional MDs)

Responsible for:

- ✓ Overseeing implementation of Group strategy on sustainability matters

### Divisional Management Teams

Responsible for:

- ✓ Implementing Group strategy on sustainability matters
- ✓ Liaising with customers and suppliers around sustainability-related risks and opportunities
- ✓ Maintaining appropriate internal controls



## Sustainability Report continued

The following statement is structured in accordance with the guidance contained within “Implementing the Recommendations of the Task Force on Climate-related Financial Disclosures (“TCFD”)” published in October 2021 and incorporates the components of the Non-Financial and Sustainability Information Statement (“NFSI Statement”) required under the Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022.

### Governance and climate-related risks and opportunities

#### Governance structure

The graphic on page 56 sets out the component parts and respective responsibilities of Staffline’s governance framework for identifying, assessing and managing climate-related risks and opportunities.

#### The role of the Board

The Board is responsible for setting the Group’s overall business strategy and overseeing its delivery. Ensuring effective management of risks and opportunities including, but not limited to, those related to climate change is seen by the Board as a fundamental part of securing the Group’s long-term sustainability.

The Board sets and periodically reviews, the terms of reference of the Sustainability Committee (formerly the ESG Committee). The Group CFO, who chairs the Sustainability Committee and is the nominated Board member responsible for sustainability matters, provides a conduit between the Board and the Committee and reports regularly to the Board regarding the Committee’s activities.

The Audit and Risk Committee monitors the Group’s management of exposure to climate-related risks as part of its role in overseeing the Group’s overall risk management arrangements, as described below. It is also responsible for ensuring that the Annual Report and Accounts and all other public announcements fully comply with relevant laws and regulations and that all such information is presented in a true and fair manner.



#### The role of management

The Sustainability Committee is made up of senior managers from across the Group’s trading businesses and central functions. Its role is to support development and implementation of sustainability-related policies and initiatives and to promote awareness of sustainability-related risks including, but not restricted to, climate change. The Committee also plays a coordinating role in defining metrics and ensuring that data sets used in reporting on sustainability matters are robust and, where applicable, consistent across the Group.

As noted regarding Staffline’s processes for identifying and assessing climate-related risks (see below), the Sustainability Committee contributed to an initial internal risk assessment exercise around climate-related risks. The wider management teams across the business are central to Staffline’s overall risk assessment process as described on page 57, which considers climate change alongside other business risks.

The management teams within Staffline’s trading divisions are responsible for identifying and delivering opportunities to improve sustainability of the Group’s operations, including realisation of formally defined Carbon Reduction Plans (see pages 50 and 51 for further information).

### Strategy Climate-related risks and opportunities

In the opinion of the Board, Staffline is a low-impact business in environmental terms but as part of its commitment to doing business responsibly it should seek to reduce or eliminate such impacts where it is commercially sustainable to do so.

Staffline has adopted a strategy of positive engagement with its various stakeholder groups around sustainability matters, including climate change and the Group will continue to pursue active dialogue with all parties to better understand how their respective requirements are likely to develop in the short to medium term. This understanding will inform the development of the Group’s strategy in the medium term, but the Board believes that neither the Group’s overall strategy nor its core business model will be materially affected.

Climate-related risks and opportunities faced by Staffline are categorised as either direct (i.e. affecting Staffline’s business model, operations and/or financial position) or indirect (i.e. affecting customers’ business models, operations and/or financial position).

Direct impacts are easier to assess but are potentially less significant than indirect impacts, which are likely to manifest differently in nature, extent and timing across the various business sectors in which Staffline operates.



# Sustainability Report continued

The table below summarises the key climate-related risks and opportunities that the Board considers relevant to Staffline. None of the items listed is considered material in nature based on the potential impact on Staffline’s finances and/or operating model.

**Severity**

- Low**  
Long transition period and/or little or no operational disruption and/or financial impact
- Moderate**  
Medium transition period and/or limited operational disruption and/or financial impact
- High**  
Short transition period and/or high operational disruption and/or financial impact

**Proximity**

- Short term**  
Expected to crystallise within the next three years (FY 2026–2028)
- Medium term**  
Expected to crystallise within the next four to seven years (FY 2029–2032)
- Long term**  
Not expected to crystallise within the next seven years (FY 2033 or later)

	TCFD category	Potential impacts	Potential severity	Proximity	Staffline response
<b>Direct risks</b>					
<b>Carbon pricing via taxation or other means (e.g. carbon credits)</b>	Transition/Policy and Legal	Increased operating costs/reduced profitability	● Low to ● moderate	→ Short to → medium term	<ul style="list-style-type: none"> <li>• Carbon Reduction Plans including offsetting of some emissions</li> <li>• Offset costs by increasing margins where possible</li> </ul>
<b>Climate-driven increases in food and/or energy costs</b>	Transition/Market	Increasing wage expectations from employees and workers/pressure on margins	● Low to ● moderate	→ Short to → medium term	<ul style="list-style-type: none"> <li>• Constant monitoring of pay trends</li> <li>• Ongoing dialogue with customers</li> <li>• Targeted pay increases directed towards lower-paid employees</li> </ul>
<b>Increased regulation, including emissions limits, reduction targets and/or increased reporting</b>	Transition/Policy and Legal	Increased operating costs and administrative overheads	● Low to ● moderate	→ Short to → medium term	<ul style="list-style-type: none"> <li>• Ongoing monitoring of regulatory landscape</li> <li>• Use of external advisors to support strategy development and reporting</li> </ul>
<b>Unfavourable perception of Staffline’s commitment to sustainability among potential customers, employees and/or workers</b>	Transition/Market	Competitive disadvantage in winning new business and/or attracting or retaining people	● Low	→ Short to → medium term	<ul style="list-style-type: none"> <li>• Sustainability-related initiatives</li> <li>• Ongoing communication programmes</li> <li>• Extensive coverage of sustainability matters in Annual Report</li> </ul>
<b>Disruption due to extreme weather events</b>	Physical/Acute	Disruption of service delivery and/or support function activities	● Low	→ Medium to → long term	<ul style="list-style-type: none"> <li>• Business continuity plans and alternative ways of working</li> <li>• Flexible and resilient IT systems</li> </ul>
<b>Unsuitable properties due to e.g. lack of adequate air conditioning or exposure to flooding</b>	Physical/Chronic	Investment in upgrading or relocating activities	● Low	→ Medium to → long term	<ul style="list-style-type: none"> <li>• Compile business case for investment or relocation to remediate unsuitable properties</li> <li>• Revise qualifying requirements for selection of new properties</li> </ul>



# Sustainability Report continued

**Severity**

- Low**  
Long transition period and/or little or no operational disruption and/or financial impact
- Moderate**  
Medium transition period and/or limited operational disruption and/or financial impact
- High**  
Short transition period and/or high operational disruption and/or financial impact

**Proximity**

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- Medium term**  
Expected to crystallise within the next four to seven years (FY2029–2032)
- Long term**  
Not expected to crystallise within the next seven years (FY2033 or later)

	TCFD category	Potential impacts	Potential severity	Proximity	Staffline response
<b>Indirect risks</b>					
Changes in customers' operating models and/or supply chains, including demand for labour and/or operating locations	Transition/Market	Fulfilment challenges (volume, skills and location) affecting time to hire and cost of payroll	● Low to ● moderate	→ Short to → medium term	<ul style="list-style-type: none"> <li>Constant communication with customers directed towards developing long-term partnerships beyond simple transactional relationships</li> </ul>
Social change affecting customers' attractiveness as places of work if their sustainability performance is seen as deficient	Transition/Market	Fulfilment challenges as above	● Low to ● moderate	→ Short to → medium term	<ul style="list-style-type: none"> <li>Major customers are predominantly large listed PLCs, private companies or public sector organisations with stated commitments to long-term sustainability</li> </ul>
Changing consumer demand in specific business sectors e.g. food manufacturing due to climate and environment-related social change affecting consumer behaviour	Transition/Market	Fulfilment challenges as above	● Low	→ Medium to → long term	<ul style="list-style-type: none"> <li>Broad customer portfolio limits the Group's exposure and close relationships provide insight into likely shifts in customer/client operations and labour requirements</li> </ul>
<b>Opportunities</b>					
Operational efficiency through increased focus on sustainability of operations	Resource efficiency	Cost reduction	–	→ Short to → medium term	<ul style="list-style-type: none"> <li>Focus on cost base</li> <li>Active programme to achieve sustainable sourcing</li> </ul>
Increasing inward migration due to climate change in areas outside Europe	Markets	Increased availability of labour, particularly for blue-collar roles	–	→ Medium to → long term	<ul style="list-style-type: none"> <li>Develop strategies to target new labour pools as they emerge</li> </ul>
Placement of workers into higher skilled green technology roles in e.g. automotive and construction sectors	Markets	New customers/revenue streams Additional volume and/or higher margins	–	→ Medium to → long term	<ul style="list-style-type: none"> <li>Drive business development efforts in potential growth sectors, whether new or adjacent to currently active sectors</li> </ul>



## Sustainability Report continued

### Effect of climate-related risks and opportunities on Staffline's strategic, financial and operational planning

The Group is not a significant producer of greenhouse gases, waste, pollutants or tangible products requiring disposal at the end of their useful life. The Board does not consider climate change a material strategic threat to Staffline but recognises its implications for the overall business environment in which the Group operates.

Where relevant, the risks and opportunities referenced above are considered as part of ongoing decision-making processes, but none is considered material. Operational planning is driven largely by customer and client requirements, which may be affected by climate-related factors affecting those businesses.

Staffline seeks to maintain flexibility in its fixed cost base, making use of leased properties and fixed-term employment contracts in cases where permanent roles are not appropriate, such as project-focused roles with a limited duration.

### Business resilience to different climate scenarios

Staffline has demonstrated its ability to respond quickly and effectively to unexpected and far-reaching change while maintaining services to customers, which was tested and strengthened during and following the pandemic in 2020. Hybrid or home-based working patterns are now well established across the business, reducing but not eliminating dependence on fixed working locations.

The Board believes that different climate scenarios (e.g. a less than 2°C rise in temperatures vs a greater increase) would not lead to materially different direct impacts on the Group's activities and that any impacts would occur over a longer time period than was the case with the pandemic, giving more time to plan and prepare. Work to assess potential indirect impacts is an ongoing process of engagement with customers to understand their view of climate-related risks, how their activities might be affected by different scenarios and how this might affect Staffline.

A high-level review of the Group's property portfolio was carried out to identify properties that might be subject to risk of flooding or could become unsuitable due to lack of air conditioning in the event of a sustained rise in temperatures. Most properties were found to be at low risk of flooding, but some properties were found to be potentially unsuitable at certain times of year and would require either investment in air conditioning or relocation of activities to a more suitable property. Either of these situations will involve both initial outlay and ongoing costs that are likely to exceed current expenditure. An ongoing programme of refreshing individual site business continuity plans or defining such plans where they are not yet in place will ensure climate-related risks are given appropriate consideration.

### Risk management Identifying and assessing climate-related risks

The Sustainability Committee (formerly the ESG Committee) sponsored an initial internal risk assessment exercise during 2023 that assessed the proximity and potential severity of various effects of climate change, including increased temperatures, reduced precipitation, rising sea levels, increased frequency of extreme weather events and climate-change driven changes in the regulatory and tax environment. Impacts were assessed in terms of both direct impacts on Staffline and its operations and indirect impacts on customers' business models and operations, which are inevitably more difficult to predict with any degree of certainty. The nature and level of climate-related risks to the Group is not believed to have changed during 2025 and the Board is satisfied that the Group continues to have limited exposure to climate-related disruption of its supply chain because it is essentially people-based.

Direct impacts were categorised as potentially affecting one or more of the following: Staffline's business model; its operations and operating costs; its employees; or its workers. Indirect impacts were initially considered by customer business sector and potential implications were then mapped to the same broad impact categories as direct impacts. Climate-related risks are reflected in the Group's risk management process via inclusion within the appropriate component items on the Divisional and Group risk registers.

For example, the impact of carbon pricing and/or changes in taxation is considered as part of the overall regulatory environment and compliance risk landscape and impacts on availability of labour are considered as part of service delivery-related risks.

### Managing climate-related risks

The Board recognises the importance of identifying and managing climate-related risks, not least because of their scope and enduring nature and the opportunities for competitive advantage they may create. However, the Board regards climate-related risks as an integral part of the overall risk environment within which the Group operates and believes that risk management processes should address risk via an integrated approach that supports efficiency and effectiveness and reduces opportunities for duplication or conflict between risk management activities.

### Climate-related risks and Staffline's risk management approach

As noted above, climate-related risks have historically been reflected within the relevant component items on Divisional and Group risk registers, such as regulatory/taxation risk and service offer and delivery risk, which incorporates unpredictability of short- and longer-term customer demand for temporary labour. This reflects multiple factors, including changes in labour supply due to climate-related migration, changes to customers' business models and product offerings and the effect of, for example, future carbon pricing regimes on the aviation sector.



## Sustainability Report continued

It is not feasible to produce accurate long-term forecasts of future demand beyond broad market trends, which are affected by many factors other than and more significant than, climate change. Both of the Group's trading businesses maintain close relationships with their customers to review current and emerging trends and provide appropriate flexibility within relevant business plans, both operational and financial.

### Metrics and targets

#### Climate-related metrics

Measurement of Scope 1 and Scope 2 greenhouse gas ("GHG") emissions is well-established within the Group, with monitoring and reporting arrangements over current emissions for the sources included in Scope 1 and Scope 2 of the GHG Protocol now embedded.

A detailed review of the GHG Protocols and technical guidance was completed during 2024 and revisited during 2025 and the Group's assessment of the Scope 3 categories that it considers to be in scope in the context of its business operations has been documented. Development of Scope 3 emissions data gathering has continued during 2025. No further extension of the Scope 3 categories currently considered relevant to Staffline is anticipated.

# 18.5%

year -on-year reduction in net total emissions after offset

### Managing energy use and carbon emissions Energy and carbon reporting

At Staffline, we place great importance on the role we play in helping to protect the environment surrounding us and consider our environmental responsibilities to be integral to our business. We aim to fulfil these responsibilities through our actions and our corporate policies, supported by ISO 14001 (Environmental Management Systems) certification.

Table 1 and Table 2 respectively detail emissions and energy usage across all large UK entities in Staffline. Energy usage by subsidiaries outside the UK is not in scope for this report and is therefore excluded.

The year-on-year trend in Staffline's emissions Scope 1 and Scope 2 emissions is also presented in graphical format below. Scope 3 emissions will be added when sufficient consistent historical data to present a meaningful trend is available.

#### Total Scope 1 and Scope 2 emissions (tCO<sub>2</sub>e before offset)

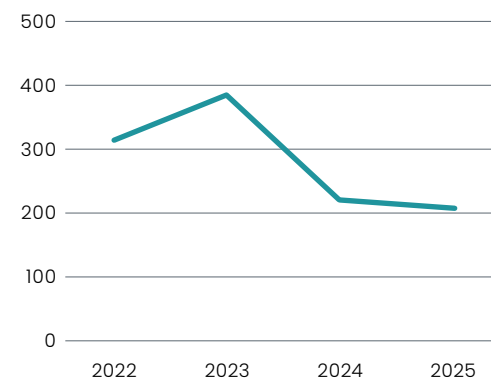


Table 1 – UK emissions in metric tonnes CO<sub>2</sub>e

	2025	2024	2023	2022
<b>Group total – Scope 1 (Gas)</b>	<b>83.21</b>	106.55	217.38	114.58
Staffline Recruitment Limited	<b>80.97</b>	103.47	217.08	114.58
Staffline Recruitment (NI) Limited	<b>2.24</b>	3.09	0.29	0.00
<b>Group total – Scope 2 (Electricity)</b>	<b>122.45</b>	120.62	171.34	201.48
Staffline Recruitment Limited	<b>93.61</b>	86.48	137.00	154.44
Staffline Recruitment (NI) Limited	<b>28.84</b>	34.14	34.34	47.04
<b>Group total – Scope 3 (Partial only)</b>	<b>1,827.10</b>	1,794.22	385.60	372.07
Staffline Recruitment Limited	<b>1,786.13</b>	1,742.73	340.49	332.35
Staffline Recruitment (NI) Limited	<b>40.98</b>	51.49	45.11	39.72
<b>Total emissions</b>	<b>2,032.76</b>	2,021.40	774.32	688.12
<b>Total carbon offset</b>	<b>421.17</b>	44.61	49.31	0.00
Staffline Recruitment Limited	<b>421.17</b>	44.61	49.31	0.00
Staffline Recruitment (NI) Limited	<b>0.00</b>	0.00	0.00	0.00
<b>Net total emissions</b>	<b>1,611.59</b>	1,976.79	725.01	688.12
<b>Efficiency ratios (average emissions per employee before offset)</b>				
Number of employees	<b>955</b>	917	865	934
Scope 1 and Scope 2 emissions	<b>0.13</b>	0.11	0.54	0.46
Scope 3 emissions (see Note)	<b>1.91</b>	1.96	0.45	0.40

Note: Scope 3 emissions monitoring includes employee homeworking and commuting data from 2024 onwards



## Sustainability Report continued

**Table 2 – UK energy consumption in kWh**

	2025	2024	2023	2022
<b>Group total – Scope 1 (Gas)</b>	<b>455,708</b>	583,762	1,182,230	623,133
Staffline Recruitment Limited	443,441	566,843	1,180,638	623,133
Staffline Recruitment (NI) Limited	12,267	16,919	1,592	0
<b>Group total – Scope 2 (Electricity)</b>	<b>700,138</b>	588,612	734,915	864,207
Staffline Recruitment Limited	535,235	422,005	587,609	662,432
Staffline Recruitment (NI) Limited	164,903	166,607	147,306	201,775
<b>Total consumption</b>	<b>1,155,846</b>	1,172,374	1,917,146	1,487,340
<b>Efficiency ratio</b>				
Number of employees	955	917	865	934
Average consumption per employee	1,210.31	1,278.49	2,216.35	1,592.44

Reported net total UK emissions in 2025 were 1,611.59 tCO<sub>2</sub>e, a year-on-year reduction of 365.20 tCO<sub>2</sub>e (c.18%) and continuing the trend of reducing both total emissions and per capita energy consumption.

Recruitment GB's published Carbon Reduction Plan confirms our intention to achieve Net Zero emissions from our UK direct operations by 2050 and sets out the targets and key initiatives and deliverables which will help to achieve this important objective. It commits to reducing our total carbon emissions by 4% year-on-year.

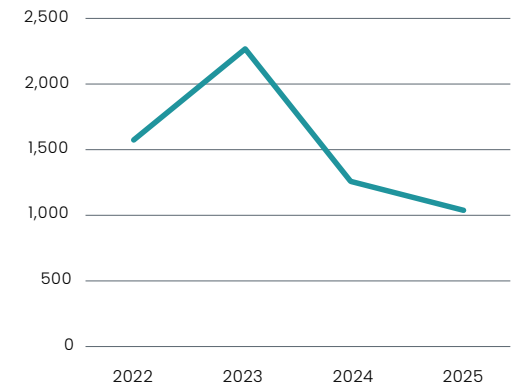
The methodology used to calculate our emissions is based on the Streamlined Energy and Carbon Reporting ("SECR") guidelines. A detailed review of the GHG Protocols and technical guidance was completed in 2024 and revisited during 2025. Measurement of Scope 1 and Scope 2 emissions is well-established in Staffline and we have documented our assessment of Scope 3 categories that we consider to be in scope in the context of our business operations. The UK Government's GHG Conversion Factors for Company Reporting for 2025 have been used to support all carbon emissions calculations.

Staffline's Scope 3 reporting arrangements cover the following:

- **Category 1** (Purchased goods and services)
- **Category 4** (Upstream transportation and distribution)
- **Category 5** (Waste generated in operations)
- **Category 6** (Business travel)
- **Category 7** (Employee commuting, which includes all methods of travel and considers emissions from hotel use)

In last year's report we outlined our plans to improve/enhance our Category 5 reporting, which has been achieved. In addition, we set out our plans to include Microsoft Office 365 carbon emissions data in our Scope 3 data for 2025 and the reporting arrangements for this are now in place and embedded.

**Energy consumption efficiency**  
(kWh per employee)





## Sustainability Report continued

### Recruitment GB

#### Promoting EV and hybrid vehicle use

Salary sacrifice car schemes are in operation and these offer a full range of vehicles including electric and hybrid vehicles. We expect the take-up and general use of electric and hybrid vehicles to increase over time. However, changes to the taxation of electric and hybrid vehicles, coupled with any changes to salary sacrifice schemes introduced in future budgets may suppress take-up rates in the longer term.

#### Carbon offsetting

Working with trusted partners to introduce meaningful and cost-effective carbon offsetting initiatives into our business operations is a critical part of plans to reduce our overall carbon footprint, as set out in our published Carbon Reduction Plan.

Staffline is now a proud partner of Trees 4 Travel (<https://my.trees4travel.com/staffline-recruitment/forest>). Trees are one of the most powerful absorbers of carbon emissions and by growing trees in developing countries as we travel we can help to restore eco-systems, biodiversity and support local communities through the dignity of employment. To help us achieve our carbon reduction target for 2025 we have planted 2,325 trees, removing 381.53 tCO<sub>2</sub>e.

Carbon emissions offsetting across all initiatives in 2025 totalled 421.17 tCO<sub>2</sub>e, which means that all carbon emissions generated during the year from business travel (vehicle mileage, train travel and air travel) were 100% offset and our 2025 business travel was fully carbon neutral.

Our 2026 environmental objectives and Carbon Reduction Plan will set out a commitment to continue with carbon offsetting activities in future years as part of our overall long-term to reach net zero emissions within Staffline's direct operations by 2050.

#### Landfill avoidance

All confidential wastepaper and general waste from Staffline's office locations is managed responsibly and recycled wherever possible.

In addition, working with our trusted partner organisation we ensure that all waste electrical and electronic equipment ("WEEE") is processed using Best Available Treatment, Recovery and Recycling Techniques ("BATRR"). Refurbishment and reuse of equipment is prioritised over any other option and when this is not possible all waste items follow whichever of the pathways below is appropriate, with none of our unwanted equipment going directly to landfill or standard waste disposal sites.

Following initial data sanitisation and removal of any identifying stickers/tags, items are processed as follows:

#### Successfully sanitised working or broken items of sufficient ongoing value

Several types of WEEE are repaired, refurbished or dismantled so that the whole item, or parts of it, can be reused for their original purpose or recovered. Items are cleaned, tested, repaired and graded before being listed for resale through our partner's consumer, reseller and refurbishment sales channels. Any faulty parts that are removed or replaced are processed as below.

#### Working or broken items with little value

If kit is of minimal value, or where the costs of repair/refurbishment outweigh the ongoing value, items are forwarded to an Approved Authorised Treatment Facility ("AATF") partner. This kit is stripped down, dismantled and shredded or otherwise destroyed. All shredded/destroyed items are split down and filtered into their core materials which are in turn forwarded to various refiners for ongoing reuse.

#### Mixed WEEE and faulty/scrap items

These items are separated upon receipt by our partner before being sent off to the relevant AATF recycling partner for splitting down as noted above. All items, including cables, power packs etc. are stripped of plastic coating to retrieve internal metals.

#### Recruitment Ireland

Recruitment Ireland is committed to reducing its environmental footprint and supporting more sustainable ways of working. A hybrid working model is embedded across the business, reducing commuting and business travel while supporting employee wellbeing and productivity. Salary sacrifice schemes such as Bike to Work and electric vehicle initiatives are available to employees, helping to make more sustainable travel options accessible.

## Implementing good practice in other areas

### Recruitment GB

#### Responsible partnering

Working with responsible businesses is a continuing key priority for Staffline, as we want to ensure that our partners share our commitment to helping to protect the environment. Our work with partner/supplier organisations has continued in 2025 to introduce new and/or stronger reporting arrangements to support our Scope 3 reporting arrangements and has been further strengthened following the introduction of Staffline's Supplier Code of Conduct during the year.

#### Energy Saving Opportunities Scheme

Staffline is committed to working with the UK Environment Agency and continuing to comply with the Energy Saving Opportunities Scheme ("ESOS"). Independent ESOS Compliant Energy Audits in accordance with ESOS Phase 3 regulations were completed and reported to the UK Government in late 2024 and the first progress update was uploaded during 2025 in order to maintain our compliance with the scheme.

#### EcoVadis Bronze Sustainability Rating

EcoVadis is the world's largest sustainability ratings provider, with over 100,000 companies rated and these ratings give companies a holistic view of their sustainability performance, enabling them to assess and share their current performance and what they must do to improve.



## Sustainability Report continued

EcoVadis evaluates companies across four key themes that are aligned with international standards such as GRI, ISO 26000, UN Global Compact:

- **Environment** (includes greenhouse gas emissions, energy, water and waste management)
- **Labour and human rights** (covers working conditions, child labour, health & safety, diversity and non-discrimination)
- **Ethics** (focuses on anti-corruption, anti-competitive behaviour, information management and data privacy)
- **Sustainable procurement** (examines how sustainability criteria are embedded in supplier management, procurement policies and sourcing)

Staffline Recruitment Ltd achieved a Bronze medal in 2025, which placed us the top 35% of all rated companies globally.

### Our commitment to reducing emissions

Our overall environmental objective is to minimise our impact on the environment and local communities through the continuous improvement of our environmental performance.

### 2026 Environmental Objectives

1. Maintain ISO 14001 Standard Certification for Staffline, Brightwork, Omega and Datum RPO
2. Continue 'making the switch' wherever we can, ensuring that our delivery locations are using renewable energy sources
3. Work closely with our trusted supply partners to reduce consumption, using environmentally friendly products where possible and working smarter to minimise the volume of deliveries in-year
4. Maintain our EcoVadis bronze medal award status in 2026
5. Continue to deliver on carbon offsetting initiatives to help towards achieving emissions reduction targets set out in our Carbon Reduction Plan

### Recruitment Ireland

Staffline Ireland continues to invest in emerging technologies to improve outcomes for customers, workers, employees and the environment. The launch of the Staffline Mobile App in 2025 has supported the expansion of online timesheets and digital engagement, reducing reliance on paper-based processes by approximately 100,000 sheets of paper per year, while also improving payroll accuracy, speed of processing and user experience.





## Sustainability Report continued

# 4. Doing business in a responsible way

Staffline regards sound governance and doing business in a responsible way as fundamental to the way the Group operates.

## Promoting clear values and high ethical standards

Staffline operates a zero-tolerance approach to unethical behaviour. The Group has defined clear policies on prevention of fraud, bribery, money laundering, facilitation of tax evasion, modern slavery, health, safety and environmental matters and other ethics-related areas.

Key policies are reviewed annually by the Board or appropriate Board sub-committee and employees are provided with training to ensure awareness of policies and Staffline's commitment to ensuring compliance. Completion of mandatory training is monitored, with any non-compliance escalated to line managers. Whilst the Board delegates responsibility for oversight of policy implementation to the Chief Executive Officer, day-to-day operational responsibility is delegated to management at specific locations or within specific functions.

The Group Whistle-blowing Policy covers all employees via an external service provider and Recruitment GB operates a separate internally managed "Speakup" process for temporary workers. Appropriate monitoring, including periodic audits and regular reporting to the Audit and Risk Committee on whistle-blowing reports received, is also in place.

Staffline maintains a clear zero tolerance position in relation to modern slavery. All permanent staff are provided with training on how to spot potential indicators of labour exploitation and the Recruitment businesses work proactively with regulatory bodies, the police and the Home Office. Brightwork, Recruitment GB's Scottish business, played a leading role in the creation of Scotland Against Modern Slavery ("SAMS"), a joint initiative with the Scottish Government and Police Scotland aimed at raising awareness of human trafficking and labour exploitation within the business community. This work was ongoing throughout 2025 and will continue in 2026.

**39**  
modern slavery/worker welfare investigations completed by Recruitment GB in 2025



## Sustainability Report continued

### Ensuring sound governance, risk management and compliance

Divisional control environments, particularly those relating to accounting, finance and legal/regulatory governance, have been significantly strengthened over recent years. All senior finance staff within the Group and Divisional teams are professionally qualified with previous experience outside Staffline. Financial reports and material balances undergo multiple levels of review, including variance analysis as part of month-end processes. External reporting and announcements of financial results are subject to external audit and input from the Group's Nominated Advisor.

Parts of both Recruitment GB and Recruitment Ireland's activities are overseen by the Gangmasters and Labour Abuse Authority ("GLAA"), which conducts regular checks on working conditions and payment practices to ensure workers are not being exploited. The UK Government will launch the Fair Work Agency ("FWA") in April 2026, marking one of the most significant transformations of employment rights enforcement in recent decades. The new agency will unify the responsibilities of multiple existing bodies including HMRC's National Minimum Wage Unit, the GLAA and the Employment Agency Standards Inspectorate into a single organisation with a strengthened mandate to enforce labour market legislation and protect workers' rights.

This consolidation is intended to end longstanding fragmentation in enforcement and provide clearer, more accessible pathways for both workers and employers. Staffline has established relationships with these agencies and a strong record of demonstrating best practice compliance with the GLAA and will continue working closely with the FWA and other regulators in 2026 and beyond.

Legal and regulatory risk, covering both compliance with existing requirements and the potential impact of future developments, is a standing item on Divisional and Group risk registers. Various professional services firms provide regular updates on regulatory developments and the Group makes use of a panel of legal firms to provide advice and/or deliver specific pieces of work as and when required.

Membership of trade bodies enables participation in consultations regarding future legislation and regulation. Several senior managers are also members of boards of relevant organisations, helping to shape both policy and organisations' position on matter affecting the recruitment sector.

Divisional Compliance teams undertake compliance monitoring work and, where appropriate, provide both specialist skills in investigations and general support to promote awareness and understanding across Staffline's operations. The Group's Internal Audit function also has a role in monitoring both legal/regulatory compliance and compliance with internal policies as well as providing assurance over the design and operation of internal controls.

Staffline seeks independent accreditation of its processes and practices where it is appropriate to do so.

Current certifications and accreditations are summarised on page 33 and work to secure other relevant external validations of the Group's processes and controls is ongoing.

The Group does not, as a matter of stated policy, make political donations and a formal policy covering donations and sponsorships is in place alongside formal logging of gifts and hospitality offered to or received from external parties. These logs are monitored and any items of note are reported to the Audit and Risk Committee.

#### Recruitment Ireland

Strong governance underpins Recruitment Ireland's approach to sustainability.

The business operates within a robust governance framework aligned to Group and PLC standards, ensuring accountability, transparency and effective risk management. Recruitment Ireland holds ISO 9001 accreditation, with zero non-conformances recorded in the most recent audit, reflecting a commitment to quality management and continuous improvement.

Recruitment Ireland's senior management team continues to ensure comprehensive compliance frameworks are in place across employment legislation, data protection, health and safety and safeguarding, supported by regular audits and clear reporting structures.





## Sustainability Report continued

### Safeguarding data security

Cyber security is a high priority for Staffline as the Group handles large volumes of both employees' and temporary workers' personal data. Maintaining the security of this information is vital to the Group's reputation so systems are constantly monitored and all employees are provided with regular awareness training to reduce the risk of data loss or leakage. Clear processes and reporting lines are in place for use when a potential or actual data breach is identified.

#### Recruitment GB

Recruitment GB has in place an Information Security Working Group, which meets regularly to consider the threat landscape and trends, data loss incidents, cyber security initiatives and projects that may have a security impact. Threat and incident data is included as a standing item within monthly Board reporting in Recruitment GB and quarterly reporting to the Audit and Risk Committee.

Data security impact assessments are also carried out in relation to any proposed systems changes, whether in the form of new software acquisitions or in-house developments.

Recruitment GB is now working towards both Cyber Essentials Plus and ISO 27001 accreditation by the end of 2026 as major business projects during 2025 have resulted in the original implementation timelines for this work being revisited and updated.

#### Recruitment Ireland

Recruitment Ireland achieved Cyber Essentials Plus accreditation in late March 2025 and work to achieve ISO 27001 accreditation during 2026 is ongoing.





## Principal Risks and Uncertainties

# Managing our risks and uncertainties.

The Board of Directors of Staffline Group PLC regards effective monitoring and management of exposure to risk as critical to the delivery of the Group’s strategic objectives and the creation of sustainable shareholder value.

The Group’s risk management framework and internal control systems are well-established and support robust risk management through multiple integrated “lines of defence”.

### Approach to risk

The Group’s risk management framework and internal control systems are central to the identification and assessment of both existing and emerging risks and the development of mitigating actions. These include avoidance, reduction and/or transfer of risk by deploying robust processes and systems, maintaining effective monitoring and reporting arrangements and purchasing of appropriate insurance cover.

The complex environments in which the Group operates present exposures to a wide variety of risks and uncertainties that require ongoing monitoring and management to mitigate against adverse implications for Staffline’s long-term performance.

Disposal of the PeoplePlus business in February 2025 has reduced the range of risks to which the Group is exposed, but the risk environment remains complex and unpredictable.

### Risk assessment methodology

A Group-wide Risk Management Policy was implemented in 2020 and is now embedded across the trading divisions.

The Group’s risk assessment methodology requires that risks are evaluated based on the likelihood of threats crystallising and the potential impacts should this happen. Impacts are considered in terms of business objectives around profitability, liquidity, reporting, regulatory compliance and reputation. The combination of likelihood and impact scores produces an overall risk score, which is used to rank risks based on the overall level of exposure they present.

Recruitment GB maintains functional risk registers covering areas such as operations, finance, technology and people, which are updated twice a year, reviewed by the divisional Risk and Compliance Committee and collated into a divisional risk register. Recruitment Ireland operates a more informal process based on quarterly review by the senior management team of a consolidated risk register that sets out all the risks identified by management.

## Risk appetite

The Board has defined its appetite for risk in terms of the five objectives used in the risk assessment methodology as described above, which allows areas of potentially excessive exposure to be highlighted.

This appetite, which is reassessed annually, was unchanged in 2025 and can be summarised as follows:

Risk management objective	Increasing level of risk →				
	Minimal	Low	Intermediate	High	Severe
<b>Profitability</b> Deliver financial results consistent with current budgets/forecasts and market expectations.			●		
	<b>Low-Intermediate</b>				
<b>Liquidity</b> Comply with all financing agreements and other commitments required to maintain external financing.		●			
	<b>Low</b>				
<b>Reporting</b> Provide timely, reliable and relevant key financial and non-financial information for internal and external audiences.		●			
	<b>Low</b>				
<b>Compliance</b> Maintain compliance with all relevant laws/regulations in the applicable jurisdictions and market sectors.		●			
	<b>Low</b>				
<b>Reputation</b> Maintain positive corporate reputation with investors, customers and other relevant stakeholder groups.			●		
	<b>Low-Intermediate</b>				



# Principal Risks and Uncertainties continued

## Risk management process

The Group has in place a standardised approach to risk management that provides a consistent framework within which the trading divisions can identify, assess and manage their risks. A three-year forward view is applied to ensure that emerging risks are included in the assessment process.

Risk management is an ongoing activity, supported by structured processes and documentation to facilitate communication and shared understanding between the trading businesses, compliance and internal audit functions and the Board. Where appropriate, external experts are engaged to provide advice, particularly in relation to legal, regulatory and compliance matters.

Divisional risk registers are reviewed and updated regularly and are consolidated annually to provide a Group view as part of the strategic planning and budgeting process. The Group-level risk register process and its outputs are formally reviewed alongside the underlying divisional risk registers by the Audit and Risk Committee on behalf of the Board.

The Board receives updates on key and emerging risks and any significant changes in the risk environment via routine monthly reports from divisional management and ongoing contact between senior management and executive Board members.

Staffline is a member of the Quoted Companies Alliance ("QCA") and trade bodies such as the Recruitment and Employment Confederation ("REC") and the Association of Labour Providers ("ALP") and actively participates in consultations around matters relevant to the Group's activities and the environments in which it operates. The Managing Director of Recruitment Ireland is a UK Board member and Vice Chair of the Federation of Small Business and actively promotes the interests of small and medium-sized businesses through interaction with government ministers and departmental officials.





# Principal Risks and Uncertainties continued

## Risk management and internal controls framework

The key components of the Group's risk management and internal controls framework and their interactions are summarised below:



**Key**

- Direct reporting lines
- ..... Indirect/informal reporting lines



# Principal Risks and Uncertainties continued

## Principal risks

The most significant risks and uncertainties to which the Board believes the Group is exposed are summarised below.

The assessment of these risks and the effectiveness of controls currently in place reflects management's view and is subject to change due to both internal and external factors affecting the overall risk environment in which the Group operates.

Risks are categorised as follows:

### Strategic

Threats with the potential to affect the Group's ability to achieve its strategic objectives.

### Operational

Threats inherent in the Group's day-to-day operations.

### Financial

Threats arising from the Group's management of its financial resources and/or movements in financial markets.

		Strategic objectives affected	Residual risk level	Year-on-year trend
Strategic	Economic conditions	1 4	High	→
	Labour market conditions	1 3 4	Medium	→
	Contract portfolio – Recruitment GB	1 2 4	Medium	→
	People	1 2 3	Medium	↓
	Sustainability and climate change	1 2 4	Low	→
Operational	Cyber security and IT systems	1 2 4	High	↑
	Legal and regulatory environment	1 2 3	High	↑
	Service delivery – Recruitment GB	1 2 4	Medium	→
Financial	Liquidity and covenant compliance	1 2 3 4	Low	→
	Interest rates	1 2 3 4	Low	→

### Strategic objectives

- 1 Capitalise on market leadership
- 2 Broaden portfolio of services
- 3 Grow in Republic of Ireland
- 4 Drive cash generation


### Risk trend indicators

- ↑ Increased year on year
- Stable year on year
- ↓ Decreased year on year




## Principal Risks and Uncertainties continued

Individual risks and the Group's response to each are summarised below

Risk description	Staffline response	Residual risk level	Year-on-year trend
<b>Economic conditions</b>			
<p>Economic conditions in the UK and Ireland affect the Group in a variety of ways, including unpredictable customer demand driven by consumer spending and the impact of the cost of living and higher interest rates on wage expectations on the part of both workers and permanent employees.</p> <p>Global factors including a constantly shifting US tariff regime, ongoing geopolitical competition between major powers and instability in the Middle East have all played a part in maintaining ongoing economic uncertainty during 2025 and into 2026.</p> <p>Changes to Employers' NIC thresholds and rates that came into effect from April 2025 have affected customers' long-term confidence. Further changes are widely expected to lead to business closures and job losses with consequent negative effects on consumers' disposable incomes.</p> <p>Ongoing cost of living challenges, not least food and energy price inflation, are likely to have a similar effect.</p> <p>Temporary labour volumes in both Recruitment businesses showed strong growth during H2 2025, but any reduction in customers' future labour requirements will inevitably affect the Group's revenues from both temporary and permanent placements.</p> <p>Increased unemployment presents potential opportunities for Staffline through an expanding labour pool and access to a wide range of roles and working patterns, but any sustained reduction in demand could have an impact across the Group.</p> <p>Economic pressures are also a key motivator for fraud, which is an inherent risk in any business.</p>	<p>Staffline provides temporary labour into a wide range of business sectors in both the UK and Ireland. The Group's strong presence in food production, food logistics, online retail and public services provides greater resilience than is the case in, for example, automotive or travel and tourism. This dilutes the Group's overall exposure to downturn in any specific sector.</p> <p>Flexible labour resourcing has historically provided the Group's customers with an important mitigation strategy in times of unpredictable demand from their end customers. Customers have largely adapted to changes to Employers' NIC from April 2025, but uncertainty around the Government's future tax policies remains.</p> <p>The Group maintains robust anti-fraud controls, both preventative and detective. Appropriate policies and staff training are in place and whistle-blowing processes are available to both employees and temporary workers. A comprehensive Group-wide fraud risk assessment was completed during 2024 and was updated during 2025 in response to the implementation of the Economic Crime and Corporate Transparency Act 2023, which introduced a corporate 'failure to prevent' offence.</p>	 <b>High</b>	→




## Principal Risks and Uncertainties continued

Risk description	Staffline response	Residual risk level	Year-on-year trend
<b>Labour market conditions</b>			
<p>The marketplace for temporary labour has been highly competitive for several years, with demand continuing to exceed supply during 2025. Proposed regulatory reforms around employment rights increased uncertainty across a range of sectors but some aspects of the proposals have been diluted as the Bill has passed through Parliament.</p> <p>Whilst businesses have largely adapted to increased costs in the form of Employers' NIC from April 2025, further increases in taxation cannot be ruled out. Reduced rates of pay growth as employers seek to offset increased costs are likely to constrain any growth in perm margins and put further pressure on temp margins.</p> <p>The permanent recruitment market in both the UK and Ireland remained challenging during 2025, driven by continued economic and political uncertainty driven by both global and national factors.</p> <p>Immigration remains a politically contentious topic affecting availability of foreign labour, which increasingly comprises non-EU nationals. It is not yet clear whether the Labour government's plans to reduce immigration will focus on skilled or unskilled labour, or both. However, increased levels of regulatory inspection and enforcement by the Fair Work Agency are considered likely.</p> <p>The labour market is further complicated by legislative and regulatory factors, as referenced elsewhere.</p>	<p>Both Recruitment GB and Recruitment Ireland continue to invest in digital technologies to increase their market presence and profile, speed up the process of attracting, onboarding and deploying workers to meet customer requirements and provide rich management information and insight for both Staffline and customer use. This is seen as key to attracting and retaining workers and customers in a competitive market. However, any prolonged downturn in hiring of temporary or permanent workers could have a significant impact on the Group's future performance.</p> <p>As a GLAA-licensed business, Staffline already has in place processes and controls to manage risks around right to work, supplying workers and paying them correctly.</p>	<p> <b>Medium</b></p>	<p>→</p>





## Principal Risks and Uncertainties continued

Risk description	Staffline response	Residual risk level	Year-on-year trend
<b>Contract portfolio – Recruitment GB</b>			
<p>Much of Recruitment GB’s business is derived from long-term contracts or framework agreements. It is essential that contractual service levels are achieved and maintained to secure contract renewals or extensions. A healthy pipeline of potential new business is also vital to ensure both growth and sectoral diversity to provide resilience.</p> <p>Unrealistic or unsustainable pricing of tenders by competitors to secure new business is a constant threat. However, this also provides potential opportunities to acquire market share from competitors who are experiencing financial challenges in the current economic environment and may be less able to secure long-term funding at sustainable cost.</p>	<p>Recruitment GB’s strategy remains one of developing long-term relationships with customers that offer rewarding work opportunities, pay appropriate pay rates to workers, provide appropriate margins for the services provided and offer opportunities to extend its service offer into potential growth areas such as related businesses or white-collar and permanent recruitment.</p> <p>The division’s customer portfolio and its pipeline of potential new business and contract renewals or extensions are closely monitored. All tenders and contracts are scrutinised by the Commercial team, who make appropriate recommendations to management regarding any terms that are outside the division’s standard terms and conditions. Certain contracts may, under delegation of authority arrangements, require approval at Group executive level or by the Board.</p>	<p> <b>Medium</b></p>	<p>→</p>





## Principal Risks and Uncertainties continued

Risk description	Staffline response	Residual risk level	Year-on-year trend
<b>People</b>			
<p>Staffline is a people-driven business and attracting and retaining the talent required to maintain and develop the Group's operations remains a challenge. Increases in the cost of employment and forthcoming changes to employment rights make getting hiring decisions right ever more critical.</p> <p>Candidates' and employees' expectations around pay, benefits and working arrangements continue to evolve and organisations' stances on environmental and social matters have become a significant factor in attracting and retaining staff.</p> <p>Competition for high-quality talent remains intense and the risk that existing and/or potential employees could be attracted away from the Group remains high. This affects not only middle and senior management levels but increasingly other levels of the permanent workforce. Availability of good candidates may increase as other organisations downsize to reduce their cost base, but this may not be in the best locations to fit with Staffline's requirements.</p> <p>Right-sizing is also an ongoing challenge with trade-offs between recruiting to support growth and cost containment, which may lead to increased workloads for key individuals in the short term.</p>	<p>Remuneration and benefits packages are regularly benchmarked against the market to ensure the Group's proposition remains competitive. The robust performance record over recent years and clear focus on recruitment also helps to position Staffline as an attractive prospect for potential employees.</p> <p>Succession planning and future resourcing needs are kept under regular review and discretionary pay awards may be made where specific high performers are seen as at risk of being attracted to roles outside the Group.</p> <p>Further information about the Group's employee engagement, development and retention programmes is set out in the Sustainability Report on pages 31 to 54.</p>	<p> <b>Medium</b></p>	<p>↓</p>
<b>Sustainability and climate change</b>			
<p>Climate change presents both direct risks to the Group's own operations and indirect risks through uncertainty about customers' responses and how these will affect their business models, supply chains and operations.</p> <p>Understanding and meeting customers' and other stakeholders' expectations around sustainability matters is likely to lead to some incremental costs to the Group. However, in the view of the Board, any risks to the Group are likely to be low-impact and to have no material implications for the long-term viability of the business.</p> <p>Any changes will have a gradual effect over a period of time, allowing the Group to adapt alongside its customers, but some uncertainty remains.</p>	<p>Carbon Reduction Plans are in place for those parts of the Group that are required to have them and opportunities to reduce energy usage and/or offset CO<sub>2</sub> emissions are actively pursued.</p> <p>Recruitment GB actively promotes its sustainability-related actions with its customers and recognises the part it plays in supporting these customers' own sustainability programmes.</p> <p>Opportunities to develop Staffline's business in the green energy sector and adjacent sectors are kept under review but are not currently seen as a significant growth area for either temporary or permanent recruitment business.</p> <p>Further information about sustainability matters and climate change-related risks is set out on pages 43 to 51.</p>	<p> <b>Low</b></p>	<p>→</p>





## Principal Risks and Uncertainties continued

Risk description	Staffline response	Residual risk level	Year-on-year trend
<b>Cyber security and IT systems</b>			
<p>The Group holds a significant amount of data relating to its workers, employees and customers and is heavily reliant on IT systems to operate and support its business activities. Disruption of systems availability or loss/corruption of data due to a deliberate cyber attack or failure of old or poorly maintained hardware or software could result in serious operational disruption, unexpected costs and/or adverse impacts on the Group's growth and diversification plans.</p> <p>A failure in key operational systems, particularly time and attendance and payroll systems, could lead to workers not being paid correctly and on time, with consequent reputational damage and/or worker attrition.</p> <p>Staffline is also exposed to indirect risk from disruption of its customers' businesses, as seen during two high-profile cyber incidents during 2025.</p>	<p>The Group constantly reviews and updates its cyber security arrangements. Robust security policies and practices are in place and Recruitment Ireland achieved Cyber Essentials Plus accreditation in late March 2025. Recruitment GB is working towards achieving both ISO 27001 and Cyber Essentials Plus accreditation as part of its information security strategy for 2026/27.</p> <p>Most core systems are hosted by major cloud service providers and disaster recovery plans with contractual recovery objectives are in place for these systems, which are replicated to minimise downtime and potential data loss. Recovery capability is tested regularly and business continuity plans are in place to ensure an appropriate response to systems outages and other disruption scenarios. Key payrolls could, as a last resort, be run and paid via manual processes if necessary due to extended system outages.</p> <p>A major upgrade programme involving replacement of Recruitment GB's temporary worker payrolling, billing and financial systems commenced during the second half of 2024 and is due to be completed during H1 2026.</p> <p>The planned migration of A La Carte, which currently uses legacy front-end systems, onto Recruitment GB's core Universe front office system now forms part of a wider information security strategy for 2026/27.</p> <p>The Group maintains both business interruption and cyber insurance policies. Whilst these may not fully cover all risks and potential losses, the Board is satisfied with the scope and level of mitigation provided, which is reviewed annually. The level of cover purchased has been substantially increased over recent years.</p> <p>Staffline's close working relationships with its customers allowed the business to proactively support two major customers during the disruption and recovery phases of their 2025 cyber incidents. Whilst there was some loss of revenue to Staffline, worker attrition was limited and a partnership approach was key to these customers' operations resuming quickly and efficiently.</p>	 <b>High</b>	





## Principal Risks and Uncertainties continued

Risk description	Staffline response	Residual risk level	Year-on-year trend
<b>Legal and regulatory environment</b>			
<p>The Group continues to operate in a fluid and highly complex legal and regulatory environment, particularly in relation to the supply of temporary labour. Staffline is responsible for the recruitment of workers and allocation of shifts to individuals, which introduces risk around right to work, modern slavery and, in certain sectors, gangmasters.</p> <p>The Employment Rights Act will significantly affect the regulatory landscape in 2026 and subsequent years as its various provisions are implemented. Government plans to establish a Fair Work Agency in April 2026 will combine the oversight and enforcement powers of several currently separate bodies, marking a step change in the regulatory environment. Guaranteed hours provisions and rules around short notice shift changes or cancellations will be critical for sectors that rely heavily on temporary labour either seasonally or throughout the year. Continued flexibility remains essential to both businesses and workers and organisations will need to find a new balance between worker protection and operational agility. This will increasingly depend on workforce providers being able to absorb risk, provide assurance and evolve as the regulatory environment changes.</p> <p>Other legislation will, for the first time, formally define umbrella companies and introduce a clearer regulatory framework that will create joint liability for PAYE and NIC non-compliance by umbrella companies.</p> <p>Home Office enforcement activity around Right to Work checks has increased during 2025 and significant financial penalties can be levied for non-compliance.</p> <p>Temporary workers generally fall under the direction and control of Staffline's customers while in the workplace but inadvertent breach of laws or regulations could expose the Group to liability.</p> <p>Other significant regulatory considerations arise in relation to data security and privacy, health and safety, environmental matters, and an ongoing increase in corporate reporting requirements.</p>	<p>Staffline regards compliance as a differentiator in the marketplace and has invested heavily in systems and people to ensure compliance is both built into processes and actively monitored.</p> <p>The Group actively engages with customers, regulators, external professional advisers and industry bodies to assess the requirements and implications of relevant regulations and working practices and any proposed changes.</p> <p>Staffline already has established relationships with the agencies that will be brought together as the Fair Work Agency and a strong record of demonstrating best practice compliance with the GLAA. This will continue in 2026 and beyond.</p> <p>Employees are given training on National Living Wage and National Minimum Wage regulations. A monitoring process has been established and sites that pay workers at minimum wage or only slightly higher rates, or are seen as higher risk due to the nature of the customer's operations, are regularly audited by in-house Compliance teams.</p> <p>Compliance with laws and regulations such as Right to Work checks and Agency Worker Regulations is also monitored through both planned audits and investigation of exceptions identified by data analysis.</p> <p>Preparations for the new umbrella regulations, including working with trusted third party audit firms, have been under way since late 2025 and the business is confident that it is adequately prepared for the April 2026 changes.</p> <p>Health and safety matters are closely monitored and regularly reported upon, with action plans drawn up where deficiencies or potential exposures are identified.</p> <p>Staffline continues to monitor and enhance its data protection arrangements, investigating and remediating any known data losses through process changes and, where necessary, providing additional training to staff members.</p> <p>Management will continue to monitor policy announcements and contribute to consultation processes in order to understand and, where appropriate seek to influence, the detail of proposed regulatory changes.</p>	<p> <b>High</b></p>	<p></p>




## Principal Risks and Uncertainties continued

Risk description	Staffline response	Residual risk level	Year-on-year trend
<b>Service delivery – Recruitment GB</b>			
<p>Tight labour markets for both temporary and permanent workers and unpredictable levels of customer demand provide a constant challenge and require agility and innovation to ensure that customers' needs are met as they arise.</p> <p>Shift patterns may be complex and unpredictable working patterns driven by fluctuating consumer demand can increase the risk of worker attrition.</p> <p>2025 has seen a marked increase in customers' engagement of third-party supply chain audit firms, particularly in the UK. Staffline is contractually obliged to provide information and other support to these firms, which can be time consuming and operationally disruptive.</p> <p>Failure to meet contractual service levels and/or customer expectations can lead to performance penalties and adverse impact on customer relationships.</p>	<p>Recruitment GB has established a strong customer proposition based on reliability, flexibility, use of technology and focus on compliance.</p> <p>Fulfilment rates are closely monitored and the management teams maintain close relationships with customers and hold regular service review meetings to discuss performance. Strengthening these relationships as part of developing long-term partnerships has remained an area of focus during 2025.</p> <p>Staffline continues to engage with third party audit firms but this requires resource to ensure all parties concerned remain compliant with GDPR and information security best practice.</p> <p>2025 has seen further new customer wins and increased share of existing customers' business, demonstrating continued confidence in Staffline's ability to deliver consistently high service levels. This success is expected to continue in 2026.</p>	<p> <b>Medium</b></p>	<p>→</p>
<b>Liquidity and covenant compliance</b>			
<p>Like most businesses, the Group is reliant on external financing to meet its short-term working capital requirements and longer-term investment plans.</p> <p>It is essential that such financing arrangements provide flexibility to allow unexpected events to be accommodated whilst, at the same time, limiting financing costs.</p>	<p>The Group Finance team forecasts and monitors cash flows and banking facilities on a daily and weekly basis and maintains compliance with the other information undertakings required under the facility. Thirteen and twenty six-week cash flow forecasts are also prepared on a weekly basis to identify potential pinch points and ensure that sufficient cash reserves (including undrawn facilities) are in place to meet the short-term needs of the business.</p> <p>As previously reported, the Group entered into a new financing arrangement in December 2023. This agreement involves two lenders and comprises a £60m Receivables Financing Agreement with a four-year term. Further details are provided in Note 21 to the Financial Statements on page 142.</p> <p>The Group has prepared financial forecasts covering the period to 31 December 2027 which show that sufficient headroom to meet reasonably foreseeable situations is expected to be available within the facilities and that compliance with the relevant covenants can be maintained for the full period of these forecasts.</p>	<p> <b>Low</b></p>	<p>→</p>



## Principal Risks and Uncertainties continued

Risk description	Staffline response	Residual risk level	Year-on-year trend
<b>Interest rates</b>			
<p>Whilst central bank interest rates have fallen during the last two years, they remain slightly higher than the historical medium term. Any further reductions in UK interest rates will be affected by macroeconomic and geopolitical factors as well as the future performance of the UK economy.</p> <p>Staffline has significant short-term working capital requirements that could, if not closely managed, drive significant financing costs that would adversely affect the Group's profitability.</p>	<p>As previously reported, in September 2024 the Group entered into an interest rate collar (cap and floor) arrangement with a five-year term. Further details are provided in Note 18 to the Financial Statements on page 139.</p> <p>This arrangement, coupled with the headroom available within the Group's current financing arrangements as referenced above, is expected to provide continued opportunities for volume and market share growth, particularly in Recruitment GB, by allowing a level of certainty around debt and financing costs in the short term that many competitors do not share.</p>	<p> <b>Low</b></p>	<p>→</p>



# Corporate Governance

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## Chairman's Introduction to Corporate Governance



### **Ultimate accountability for the governance of Staffline lies with our Board of Directors, the majority of whom are Non-Executive Directors, who can draw on their considerable experience in diverse areas of business.**

As an AIM-listed company, Staffline Group PLC has chosen to apply the Quoted Companies Alliance Corporate Governance Code for Small and Mid-Size Quoted Companies ("the QCA Code"). In doing so, we have established internal governance processes that reflect best practice. Ultimate accountability for the governance of Staffline lies with our Board of Directors, the majority of whom are Non-Executive Directors, who can draw on their considerable experience in diverse areas of business. The Board is supported by the Remuneration and Nominations and the Audit and Risk Committees, of which the Chairs and the majority of members are Non-Executive Directors. Our corporate values of teamwork, respect, commitment, reliability, creativity and integrity are driven by the Board and are at the heart of all our processes and decisions.

Since my appointment as Chairman, the Company and the Board have continued to build on the significant progress in maintaining and improving the Group's governance, operational and financial processes. The Group has also further strengthened its financial position.

The following pages of this Corporate Governance Report set out how the Group has complied with the QCA Code, the activities of each Board Committee and the actions that we have taken to strengthen further our internal processes and controls.

#### **Tom Spain**

Chairman

23 March 2026



# Governance At a Glance

## Attendance at meetings

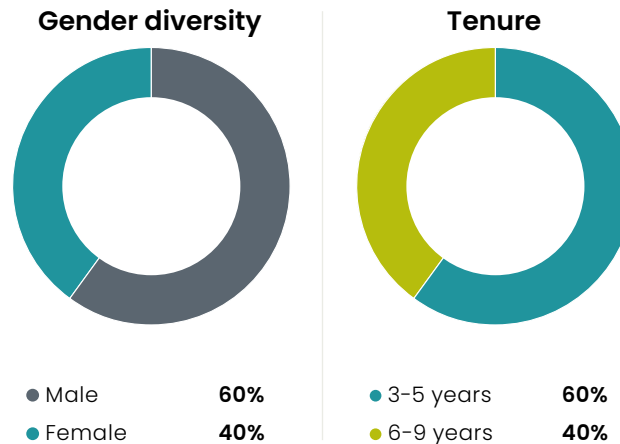
	Albert Ellis	Daniel Quint	Tom Spain	Catherine Lynch	Amanda Aldridge
Board meetings	16 16	16 16	16 15	16 15	16 15
Audit & Risk	-	-	-	4 5	5 5
Remuneration	-	-	-	2 2	2 2
Nominations	-	-	-	1 1	1 1
Combined Remuneration and Nominations	-	-	7 7	7 7	7 7

- Meetings held
- Number of meetings attended
- Chair

## Skills and experience

Skill area	Executives		Non-Executives		
	Albert Ellis	Daniel Quint	Tom Spain	Catherine Lynch	Amanda Aldridge
Sector experience	●	●			
Business strategy	●	●	●	●	●
Business transformation	●	●		●	●
Financial reporting	●	●			●
Governance and internal controls	●	●		●	●
Capital markets and financing	●	●	●		●
M&A/business development	●	●		●	●
HR/People	●			●	
Other Board experience	●	●	●	●	●

## Board composition



→ Read more about the Audit and Risk Committee on page 79

→ Read more about the Remuneration and Nominations Committee on page 86



## Our Board

Committee membership:



Audit and Risk Committee



Remuneration and Nominations Committee



Denotes Chair



**Tom Spain**  
Chairman

Appointed to the Board as Non-Executive Director on 28 July 2021, and acting as Interim Chairman from 26 May 2022 until 18 March 2024, when his appointment was made permanent.

With effect from 17 March 2025, Tom was appointed a member of the combined Remuneration and Nominations Committee.

### Background and experience

In his early career Tom worked as a stockbroker at Edward Jones. Tom holds the Chartered Institute for Securities and Investment qualification in Private Client Investment Advice and Management, as well as Chartered Insurance Institute Financial Planner status. Tom is a Chartered Wealth Manager and member of the Chartered Institute of Securities and Investment, as well as a member of the Personal Finance Society.

### External appointments

Tom Spain founded the business Henry Spain Investment Services Limited in 2010.



**Albert Ellis**  
Chief Executive Officer

Appointed to the position of Chief Executive Officer on 1 October 2020, having acted as an Independent Non-Executive Director for the Company from 17 March 2020.

### Background and experience

Albert brings considerable experience in the staffing and human capital sector having spent over 21 years at Harvey Nash, the technology recruitment and IT solutions group. Albert held the position of Group Chief Executive Officer for 14 years, and prior to that, Chief Financial Officer. Previously, Albert also held a number of senior finance roles within Hays Plc, the FTSE 250 recruitment company. Albert is a qualified Chartered Accountant.

### External appointments

Albert was appointed as a Non-Executive Director of HRnet Group with effect from 1 October 2022. HRnet Group, one of the largest Asia-based recruitment agencies, listed on the Main board of the Singapore Exchange ("SGX"), is the second largest shareholder in the Company (holding approximately 17% of the current issued share capital). Albert was formerly a Trustee of Asia House.



**Daniel Quint**  
Chief Financial Officer

Appointed to the Board on 18 May 2020. Appointed as Chief Financial Officer on 1 February 2021, having acted as Interim Chief Financial Officer since 17 December 2019.

### Background and experience

Daniel is an experienced Chief Financial Officer and a Fellow of the Institute of Chartered Accountants in England and Wales. With over ten years' board-level experience with private and public companies, Daniel also spent five years at Robert Walters plc, one of the world's leading professional recruitment consultancies, where he held the role of Finance Director (UK, Middle East and Africa). Most recently, Daniel was Interim Chief Financial Officer at AIM-listed Young and Co's Brewery PLC. Prior to this, Daniel spent three years as Chief Financial Officer of SPIE UK, the leading energy, safety and environmental solutions provider.

### External appointments

None.



**Catherine Lynch**  
Independent Non-Executive Director

Appointed to the Board on 1 January 2021. Catherine is Chair of the Remuneration and Nominations Committees and a member of the Audit and Risk Committee.

With effect from 17 March 2025, Catherine was appointed Chair of the combined Remuneration and Nominations Committee.

### Background and experience

Catherine is a highly experienced HR Director, with over 25 years' experience, and was formerly Chief People Officer at Mobico Group plc. Prior to that, she was Chief People Officer at Essentra plc and has held a number of HR Director roles at leading companies such as Rentokil-Initial plc, Flutter Entertainment plc, BGL Group and Santander and was Chief People Officer at Virgin Media for several years. Catherine is a Fellow of the Chartered Institute of Personnel and Development ("CIPD") and a member of the Advisory Board of Dial Global, a community focused on inclusion.

### External appointments

During the year Catherine was Chief People Officer at Mobico Group plc. With effect from 16 March 2026, Catherine was appointed a director of BPHA Limited, a Charitable Registered society, also registered with the Regulator of Social Housing.



**Amanda Aldridge**  
Senior Independent Director

Appointed to the Board on 17 April 2023 and appointed as Senior Independent Director on 7 April 2025. Amanda is Chair of the Audit and Risk Committee and was a member of the Remuneration and Nominations Committees. With effect from 17 March 2025, she was appointed a member of the combined Remuneration and Nominations Committee.

### Background and experience

Amanda is a Fellow of the Institute of Chartered Accountants in England and Wales and has extensive audit, governance and capital market experience having worked at KPMG LLP ("KPMG") for 33 years until 2017, including 20 years as a partner. During her time at KPMG, Amanda held numerous positions including Head of the Retail Sector practice before becoming Head of Contract Governance in the Risk Consulting Division.

### External appointments

Amanda is currently a non-executive director of Helical plc and Chair of the Audit and Risk Committee, a non-executive director of The Brunner Investment Trust Plc, a non-executive director of The Low Carbon Contracts Company Limited, and a non-executive director of AGS Airports Group Holdings Limited and subsidiaries. Amanda is a Fellow of the Institute of Chartered Accountants in England and Wales.

Committees:

Committees:



## Managing Directors



**Frank Atkinson**  
Managing Director, Recruitment GB

Having joined the business in late 2019 as Chief Operating Officer, Frank was appointed to the role of Managing Director, Recruitment GB, in April 2020.

### Background and experience

Frank brings a wealth of corporate leadership experience within FTSE businesses. He joined Staffline from Sky where he served as Sales and Commercial Director for the Commercial division of the UK and Republic of Ireland business, having joined the company in 2010. Prior to that, Frank was a main UK board director of the membership division of HomeServe PLC, leading the Customer Sales, Retention and Claims Handling operations for seven years as a Financial Conduct Authority Approved Person. Before that, Frank spent seven years in the business process outsourcing sector. Frank leads the operational and strategic delivery of the Recruitment GB businesses focusing on service delivery and growth.

### External appointments

None.



**Tina McKenzie MBE**  
Managing Director, Recruitment Ireland

Tina launched Recruitment Ireland in 2013 as a start-up after running various Randstad companies across the UK for over 11 years.

### Background and experience

A graduate of Ulster University, Tina built a global career across many sectors, returning to Northern Ireland in 2013 to found Staffline Recruitment across the island of Ireland. As Recruitment Ireland's first employee, Tina has grown the business to where it is today with 11 offices and thriving branch network, RPO, public sector, medical, executive search and OnSite divisions.

### External appointments

Tina chairs the Federation of Self Employed and Small Businesses ("FSB") in Northern Ireland and is Chair of the UK FSB Policy and Advocacy Board. She is a member of the Ireland Funds Global Board, is a Visiting Professor at Ulster University and was named one of the UK's most influential political figures by Politico.

In June 2023, Tina was awarded an MBE for Services to the Economy in Northern Ireland in the King's inaugural Birthday Honours. In January 2026, she was further honoured with the Freedom of the City of London, in recognition of her contribution to economic development, employment and public service.



**The Board is satisfied that it has an appropriate mix of skills and experience to deliver the Company's strategy.**





## Corporate Governance Report

Staffline Group PLC (“the Company”) is an AIM-listed company and is committed to maintaining the highest standards of corporate governance throughout its operations and ensuring that all of its activities are conducted transparently, ethically and efficiently. The Company believes that scrutinising all aspects of its business and reflecting, analysing and improving its procedures will result in its continued success and improve shareholder value.

In compliance with the AIM Rules for Companies, the Company has chosen to comply with the Quoted Companies Alliance Corporate Governance Guidelines for Small and Mid-Size Quoted Companies (“the QCA Code” or “the Code”). An updated version of the Code was published in November 2023 with companies expected to reflect the amended requirements in any disclosures made in relation to financial years commencing on or after 1 April 2024.

The requirements of the QCA Code 2023 and how the Company complies with each of them are set out below:

Principle

1

### Establish a purpose, strategy and business model which promote long-term value for shareholders

The Group’s purpose: Enabling the future of work by developing and deploying a highly flexible, robust and skilled workforce.

The Group’s vision is to be a world-class recruitment and training group, the clear market leader in the UK and the island of Ireland and a trusted partner known for excellent service and integrity, driven forward by digital innovation.

The Group’s strategy is to drive the long-term growth of the business. The Group’s business model is set out on page 7 and the strategic priorities of the Group are set out on page 8.

The Group comprises two operating divisions: Recruitment GB and Recruitment Ireland, details of which are provided in the Operational Reviews on pages 12 to 23.

The principal risks and uncertainties faced by the Group in achieving its strategic objectives are detailed on pages 55 to 66.

Principle

2

### Promote a corporate culture that is based on ethical values and behaviours

The Group’s corporate values are detailed on the Staffline Group website: [www.stafflinegroupplc.co.uk/about-us/strategy-vision-and-values](http://www.stafflinegroupplc.co.uk/about-us/strategy-vision-and-values), and are as follows:

- Teamwork: working together across the business to achieve more for our customers.
- Respect: taking time to understand, trust and support each other to achieve shared success.
- Commitment: demonstrating a relentless and driven ambition to exceed expectations.
- Reliability: fulfilling all our customer requirements, getting the job done.
- Creativity: solving problems and suggesting new ideas and insights; and
- Integrity: doing things the right way, for the right reason, ethically, honestly, every time.

These values are driven by the Board and are at the heart of all Board processes and decisions. Group policies including Anti-Bribery, Anti-Fraud, Anti-Money Laundering and Whistle-blowing policies, details of which are provided in the Audit and Risk Committee Report on pages 79 to 85, are owned by the Board.

The Board is committed to reducing the threat of modern slavery and human trafficking and the Group works with like-minded organisations to achieve this as described in the Sustainability Report on page 52, along with the commitment to health and safety and the approach to UK Data Protection Regulations.

Principle

3

### Seek to understand and meet shareholder needs and expectations

The Board is accountable to shareholders for the long-term success of the Group.

A dedicated email address exists to enable all current and prospective shareholders to contact the Group directly at [investors@staffline.co.uk](mailto:investors@staffline.co.uk). The Board recognises that, whilst the majority of shareholders are large institutions, the Company’s private shareholders are important and the Board welcomes dialogue with them.

The Company uses the “Investor Meet” platform at [www.investormeetcompany.co/staffline-group-plc/register-investor](http://www.investormeetcompany.co/staffline-group-plc/register-investor), for its investor presentations and the Board studies closely the polls, feedback, questions and analytics generated, demonstrating its shareholder engagement activities.

Links to presentation slides can be found in the Media Library at, [www.stafflinegroupplc.co.uk/investor-relations/media-library](http://www.stafflinegroupplc.co.uk/investor-relations/media-library).



## Corporate Governance Report continued

In addition to the formal institutional meetings at the half year and year end, the Executive Directors meet existing and prospective investors throughout the year as part of an ongoing investor engagement strategy. The Chairman also meets key shareholders during the year to discuss corporate governance matters and to listen to any concerns that are raised. The Independent Non-Executive Directors are also available to meet with shareholders and provide an independent point of contact on Board matters at the AGM and can be reached by email at [investors@staffline.co.uk](mailto:investors@staffline.co.uk).

During 2025, the Remuneration Committee Chair consulted with a number of the Company's major shareholders on certain remuneration issues, including the design and grant of options under the Long-Term Incentive Plan for Executive Directors and senior management.

All shareholders are encouraged to attend the Annual General Meeting ("AGM"). Shareholders will be able to attend the AGM 2026 in person and arrangements will be made to enable shareholders to submit written questions to the Board in advance of the meeting. Shareholders will be invited to vote by proxy, the results of which will be published on the website at [www.stafflinegroupplc.co.uk](http://www.stafflinegroupplc.co.uk) following the meeting.

Principle

4

### Take into account wider stakeholder interests, including social and environmental responsibilities and their implications for long-term success

The Board recognises its social, environmental, and economic responsibilities to wider stakeholders and is committed to act in a way which it considers to be most likely to promote the success of the Group, having particular regard to:

- the likely social, environmental, and economic consequences of any decision in the long term;
- the interests of the Group's employees and temporary workers;
- fostering strong and transparent relationships with customers, suppliers, regulators and investors;
- reducing the risk of modern slavery and other labour abuse mechanisms in our supply chains;
- the impact of the Group's operations on communities and the environment.
- setting high standards of business conduct; and
- the need to act fairly between shareholders of the Company.

This wider perspective underpins the Board's approach to setting the overall strategic direction of the Group and supports its core values, policies and procedures, which in turn, creates an environment in which the business and its employees can act with integrity and effectiveness, whilst driving profitable growth. This is demonstrated through Board decisions and within corporate policies.

The statement on Stakeholder Engagement, which sets out how the Board considered its stakeholders when making principal decisions, can be found on pages 77 and 78.

Principle

5

### Embed effective risk management, internal controls and assurance activities, considering both opportunities and threats, throughout the organisation

The Board maintains a strong system of internal controls to safeguard shareholders' interests and the Group's assets and regularly monitors its effectiveness. The system of internal financial controls in place is designed to provide reasonable but not absolute assurance against material misstatement or loss.

A clear structure of delegated authority levels covering a wide range of transactions is in place along with a formalised Schedule of Matters Reserved for the Board, which is reviewed annually. The framework provided by these documents provides clarity around the extent to which the Board, as the body that has ultimate responsibility for managing the Group's business and safeguarding the interests of its stakeholders, has chosen to delegate its authority in specific areas. Further delegation of authority within the divisions is also documented, with arrangements aligned to each division's particular organisational structure and operations.

Group-level policies intended to establish a standard approach across the business in relation to matters such as fraud, bribery, competition, whistle-blowing and conflicts of interest form part of mandatory training for most employees.

The Group's Head of Internal Audit oversees a robust, standardised approach to risk management at Group level that complements and builds upon divisional risk management processes, which are predominantly operationally focused. Further information about the risk management process and the criteria used to assess risk is provided in the Principal Risks and Uncertainties section on pages 55 to 66.

Regular updates on risk matters are provided to the Audit and Risk Committee and the Board through both management reports and the work of the Head of Internal Audit. The Head of Internal Audit works closely with divisional Governance and Compliance teams and facilitates the sharing of knowledge and good practice across the divisions.

The Group's divisions maintain independent compliance audit functions that sit locally within each division and are responsible for checking workers' legal employment status and compliance with industry body and regulatory standards e.g. Recruitment and Employment Confederation ("REC"), the Gangmasters and Labour Abuse Authority ("GLAA"), Agency Worker Regulations and National Minimum Wage Regulations. The Payroll teams in both divisions also receive ongoing training to ensure compliance with relevant legislation and procedures.

There is regular review of financial information, including year-to-date performance against current year budget, prior year and latest forecast, at all management levels up to and including the Board. Both risks to financial performance and potential opportunities are monitored to ensure that performance is in line with expectations and that opportunities are exploited.



## Corporate Governance Report continued

Principle

6

### Establish and maintain the Board as a well-functioning, balanced team led by the Chair

The Board provides leadership of the Group within a framework of prudent and effective controls which enable risk to be assessed and managed.

Whilst not strictly compliant with the QCA Code, the Board is satisfied that there is an appropriate balance of Executive and Non-Executive Directors, with two Executive and three Non-Executive Directors, two of whom are independent. Tom Spain, the Chairman, leads the Board and is responsible for promoting the strategic success of the Company and creating value for shareholders in the long term whilst ensuring that sound, effective corporate governance practices are embedded in the Group and in its decision-making processes.

Albert Ellis, Chief Executive Officer, is responsible for developing and delivering the Group's strategy within the policies and values established by the Board. Daniel Quint, Chief Financial Officer, is responsible for managing the financial resourcing, reporting and planning of the Group.

Amanda Aldridge and Catherine Lynch, the two Independent Non-Executive Directors, bring independent and objective analysis to all matters considered by the Board and its Committees using their substantial and wide-ranging experience. They monitor the Executive Directors' delivery of the Group's strategic objectives within the risk and governance structure agreed by the Board.

Non-Executive Directors are expected to commit two days per month to the Company. This includes attendance at Board and Committee meetings, strategy sessions, the AGM and meetings with shareholders and employees.

The Board meets at least six times each year. During 2025, the Board held 16 formal Board meetings.

Individual Directors' attendance at the Board meetings held in 2025 is summarised below:

Director	Number of meetings attended	Maximum number of meetings possible
Tom Spain (Chairman)	15	16
Albert Ellis	16	16
Daniel Quint	16	16
Catherine Lynch	15	16
Amanda Aldridge	15	16

Directors are given comprehensive, timely and relevant management information before each Board meeting. Directors are able to obtain independent professional advice in the course of their duties, at the Group's expense. All Directors submit themselves for re-election annually.

The Board delegates certain functions to its two principal Committees as follows:

#### Audit and Risk Committee

The Audit and Risk Committee works with management, the external auditor and the Group's internal audit and governance teams to oversee Staffline's financial reporting, internal control and risk management processes.

#### Remuneration and Nominations Committee

The Committee ensures that remuneration arrangements support the strategic aims of the business and enable the recruitment, motivation and retention of senior executives in a manner that is aligned to shareholder interests, while also complying with the requirements of relevant regulations.

In addition, the Committee reviews the structure and composition of the Board and its Committees, particularly the skills, knowledge and experience of the Directors. Succession planning and approval of Board appointments form an important part of the Committee's responsibilities.

Details of the members of the Board and its Committees are set out on page 70.

Detailed reports for the Audit and Risk Committee and Remuneration and Nominations Committee are provided on pages 79 to 85 and 86 to 92, respectively.

With effect from 17 March 2025, the Board combined the roles of the Remuneration and the Nominations Committees. Catherine Lynch was appointed Chair of the combined Remuneration and Nominations Committee.



## Corporate Governance Report continued

Principle  
**7**

### Maintain appropriate governance structures and ensure that, individually and collectively, directors have the necessary up-to-date experience, skills and capabilities

The Board currently comprises the Chairman, two Independent Non-Executive Directors and two Executive Directors, who provide a range of experience and backgrounds detailed in the “skills and experience” matrix on page 69. With effect from 17 March 2025, the roles of the Remuneration and Nominations Committees were combined and on 7 April 2025, Amanda Aldridge was appointed as Senior Independent Director.

The Board believes that the Company has a strong, independent, highly qualified and diverse Board with the right people in place to lead the business. Biographical details of the Directors are set out on page 70.

Tom Spain, the Chairman, is responsible for leading the Board, facilitating the effective contribution of all members and ensuring that it operates effectively in the interests of the shareholders. Tom founded Henry Spain Investment Services Limited in 2010 and is actively engaged in the business.

Amanda Aldridge, a qualified Chartered Accountant, has significant financial expertise, specifically in financial management, control and reporting. Amanda also has extensive audit, governance and capital markets experience having worked at KPMG LLP for 33 years until 2017, including 20 years as a partner. During this time, Amanda held numerous positions including Head of the Retail Sector practice before becoming Head of Contract Governance in the Risk Consulting Division.

Catherine is a highly experienced HR Director and formerly Chief People Officer at Mobico Group plc, a FTSE 250 company. Prior to that, she was Chief People Officer at Essentra plc and has held a number of HR Director roles at leading companies such as Rentokil-Initial plc, Flutter Entertainment plc, BGL Group and Santander and was Chief People Officer at Virgin Media for several years. Catherine is a Fellow of the CIPD and is currently a member of the Advisory Board of Dial Global, a community focused on inclusion. Catherine is also a director of BPHA Limited, a Charitable Registered Society, also registered with the Regulator of Social Housing.

Albert Ellis and Daniel Quint are both Chartered Accountants with over 40 years’ board-level experience at private and public companies between them.

Albert was appointed as a Non-Executive Director of HRnet Group Limited with effect from 1 October 2022. HRnet Group Limited is the second largest shareholder in the Company (holding approximately 20% of the current issued share capital).

With effect from 17 March 2025, the Board combined the roles of the Remuneration and the Nominations Committees. The Committee is responsible for the recruitment and appointment of Directors but ensures that the whole Board participates in the process.

Directors are encouraged to keep their skills up to date by attending appropriate training courses. Directors are either currently, or have previously been, members of other boards.

Principle  
**8**

### Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement

The Board Performance Evaluation is conducted on an annual basis and includes an external evaluation at least every three years. During the latter part of 2025, under the guidance of Catherine Lynch, as Chair of the Remuneration and Nominations Committee, an internal evaluation was conducted, focusing on the Board’s remit and key issues it faces. In particular, the Board considered how it discharges its strategic remit and reviews key issues facing the Group.

As required, Directors discussed any matters with the external consultant as appropriate and the overall outcome of the evaluation, including recommendations and actions, was discussed with the Board.

Principle  
**9**

### Establish a remuneration policy which is supportive of long-term value creation and the company’s purpose, strategy and culture

The Remuneration Policy developed by the Remuneration Committee ensures that remuneration arrangements support the strategic aims of the business and enable the recruitment, motivation and retention of senior executives in a manner that is aligned to shareholder interests while complying with the requirements of relevant regulations.

Further information about the Remuneration Policy and how it supports long-term value creation and the Company’s purpose, strategy and culture can be found on pages 88 to 90.

Principle  
**10**

### Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders

The Board represents and promotes the interests of the Group’s shareholders and is accountable to them for the long-term success of the Group. The statement on Stakeholder Engagement can be found on pages 77 and 78.

The Executive Directors hold regular meetings with institutional shareholders. They also provide updates on the performance of the Group to shareholders and wider stakeholders at the interim and annual results presentations.

The Executive Directors also hold regular meetings and maintain an ongoing dialogue with the Group’s lenders.

Corporate Governance Report continued

# Delivering sustainable value for stakeholders.

## Employees

Supportive, inclusive culture where they experience real opportunities for development and a rewarding career.



## Partners

Working with our partners through the labour supply chain, using workforce deployment technology allowing us to deliver for our customers.



## Customers

Provide them with high class specialist recruitment services.



## Suppliers

Seek strong and enduring partnerships on fair terms.



## Investors

Strong cash generation driven by consistent profit delivery enabled by strong financing arrangements with significant headroom.



## Communities

Contributing to the communities we work within.





## Corporate Governance Report continued

### Stakeholder Engagement

**Section 172 of the Companies Act 2006 requires the Directors to act in a way that they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:**

- a) the likely consequences of any decision in the long term;
- b) the interests of the Company's employees;
- c) the need to foster the Company's business relationships with suppliers, customers and others;
- d) the impact of the Company's operations on the community and the environment;
- e) the desirability of the Company maintaining a reputation for high standards of business conduct; and
- f) the need to act fairly as between members of the Company.

In the decisions taken during the year ended 31 December 2025, the Directors have acted in the way they consider to be in good faith, most likely to promote the success of the Company and its continuing reputation for high standards of business conduct, and for the benefit of its stakeholders, having regard to the stakeholders and matters set out in Section 172 of the UK Companies Act 2006.

### How we engage with our key stakeholders

#### Staffline as a responsible employer

**The Board is committed to being a responsible employer and creating a working environment where employees are engaged, informed and involved.**

Throughout the year the Group's divisions provide valuable opportunities to share, listen and learn via in-person meetings, regular online communications, employee forums, annual conferences and quarterly town hall meetings. The Group's aim is to do more of what our people like and improve upon what they tell us they want from an employer of choice. We offer opportunities to feed back to the respective leadership teams in each of the Group's businesses through regular management and leadership events. We gather and analyse personnel management data through regular employee pulse/voice surveys across each of the Group businesses and respond transparently to what our people are telling us by sharing findings and planned actions at all levels of each business. Colleagues tell us that they value regular communication with their managers and the Group's medical benefits and annual leave packages. We continue to review the benefits offer on an ongoing basis.

Further information about Staffline as a responsible employer can be found in the Sustainability Report on pages 37 to 42.

#### Staffline as a responsible partner for temporary workers

**Temporary workers are an integral part of Staffline's customers' businesses and the Group's ethos in respect of these workers is summed up by its mission statement "Providing Good Work".**

The Group's divisions are committed to paying workers accurately and on time, and to ensuring all relevant rules and regulations, such as Agency Worker Regulations, National Minimum Wage, National Living Wage, and holiday pay rules, are complied with.

Further information about how Staffline partners with its temporary workers can be found in the Sustainability Report on pages 34 to 36.

#### Staffline as a responsible partner for customers

**Staffline is committed to developing long-term partnerships with its customers, supporting their businesses as they adapt to meet their own customers' changing needs.**

Staffline is committed to operating compliantly and maintains independent compliance audit functions that sit locally within each division and are responsible for checking workers' legal employment status and compliance with industry body and regulatory standards e.g. Recruitment and Employment Confederation, the Gangmasters and Labour Abuse Authority and National Minimum Wage and National Living Wage regulations. The Payroll teams in both Recruitment divisions also receive ongoing training to ensure compliance with relevant legislation and procedures.

Staffline also works with a number of blue chip customers to introduce innovative ways of working that deliver productivity gains to the customer and provide additional revenue for the Group.

Further information about how Staffline works with its customers can be found in the Sustainability Report on pages 52 to 54.

#### Staffline as a responsible partner for investors and lenders

**The Group maintains regular dialogue with its shareholders and finance providers in support of its long-term partnerships.**

The Executive Directors engage with the investor community and with lenders via face-to-face meetings and regular presentations, typically connected with trading updates and other finance-related events. The Group seeks the support of shareholders through long-term relationships based on transparency and trust.



## Corporate Governance Report continued

### Staffline as a responsible partner for the community and the environment

**The Group's commitment to supporting people and the related environmental, social and governance responsibilities is integral to our business.**

In the opinion of the Board, Staffline is a low impact business in environmental terms but as part of its commitment to doing business responsibly, it should seek to reduce or eliminate such impacts where it is commercially sustainable to do so.

Further information about how Staffline works with its customers can be found in the Sustainability Report on pages 52 to 54.

### Staffline as a responsible business partner and maintaining high compliance standards

**The Group's commitment to maintaining its reputation and doing business in a responsible way is integral to our business.**

Sound governance and doing business in a responsible way are fundamental to the way the Group operates.

Further information about how Staffline ensures a high level of compliance and maintains its reputation can be found in the Sustainability report on page 53 and in the Corporate Governance Report on pages 72 to 75.

## Our principles in action

Key decisions made by the Directors during 2025 are described below and in the Strategic Report on pages 1 to 66.

### Disposal of PeoplePlus.

During 2024, partly as a result of the general election, the pipeline for new contracts and the timing of tender results, stalled considerably, impacting the prospects for the division. Following the receipt of an approach from an interested party, the Directors considered the disposal of PeoplePlus to be for the long-term benefit of shareholders. Accordingly, negotiations for the disposal commenced in the second half of 2024, eventually culminating in the disposal on 24 February 2025. Further details can be found in Note 10 to the Financial Statements and in the Financial Review on page 24.

### Share buyback programme

Further to the announcement regarding the disposal of PeoplePlus Group Limited on 24 February 2025, the Group announced the commencement of a share buyback programme to purchase ordinary shares of 10 pence each in the Company for up to a maximum aggregate consideration of £7.5 million from the day of the announcement. The buyback was to be carried out in two tranches. The first tranche for up to 15,517,851 Ordinary Shares, being the unutilised proportion of the general authority to repurchase Ordinary Shares granted by shareholders at its Annual General Meeting held on 22 May 2024 ("**Tranche 1**"). The second tranche ("**Tranche 2**") for up to 12,440,000 Ordinary Shares, was conditional on the Company's shareholders approving the relevant resolution at the Company's next Annual General Meeting, held on 21 May 2025, and was approved. Tranche 1 of the programme was completed on 11 April 2025, with 15,517,851 ordinary shares purchased for a total consideration of £4,843,086 at an average share price of 31.2p. Tranche 2 commenced on 1 August 2025 and in the period to 31 December 2025, 3,800,592 shares were acquired for a total consideration of £1,670,192 at an average share price of 43.9p. The Ordinary Shares purchased pursuant to the buyback programme have been cancelled.



# Audit and Risk Committee Report



**Amanda Aldrige**  
Chair of the Audit and Risk Committee

The Audit and Risk Committee works with management, the external auditor, the Group’s internal audit function and divisional governance teams to oversee Staffline’s financial reporting, internal control and risk management processes.

A decision to rename the Committee to better reflect its full remit was taken following the Board performance review conducted in late 2024 and the Committee became the Audit and Risk Committee with effect from 17 March 2025.

### Membership and meetings

The Audit and Risk Committee comprises two members, Amanda Aldridge (Committee Chair and Senior Independent Director) and Catherine Lynch (Independent Non-Executive Director). Further information about individual Board and Committee members can be found on page 70.

The Committee meets at least four times a year as required by its terms of reference, which are available at [www.stafflinegroupplc.co.uk/about-us/corporate-governance](http://www.stafflinegroupplc.co.uk/about-us/corporate-governance). Meetings are scheduled at appropriate intervals throughout the financial reporting and audit cycle, with additional meetings held as required to consider specific matters arising.

Attendance in 2025:

Director	Number of meetings attended	Maximum number of meetings possible
Amanda Aldridge	5	5
Catherine Lynch	4	5

The Chairman, Chief Executive Officer, Chief Financial Officer, Group Financial Controller, Group Head of Internal Audit and the external auditor are invited to attend all scheduled meetings of the Committee and other meetings as appropriate to the business to be considered.



## Audit and Risk Committee Report continued

Committee agendas are structured around an underlying annual cycle of review and monitoring of financial reporting and internal control matters. Key items covered by this annual cycle during the year are summarised below:

Meeting	Financial reporting matters	Internal control matters
<b>March</b>	External audit findings and approval of results announcement. Review of external auditor's performance. Approval of Annual Report and Accounts.	Review of internal control observations arising from external audit. Annual review of internal control environment. Presentation on cyber controls by Recruitment GB Chief Information Officer.
<b>June</b>	Approval of agreed upon procedures for the half year.	Internal control presentations by the Divisional Finance Directors. Re-adoption of key Group compliance-related policies.
<b>July</b>	Review of external auditor's agreed upon procedures report on the Interim Results Statement. Review of mid-year going concern update and approval of the Interim Results Statement.	None.
<b>September</b>	Review of external audit preliminary planning.	Review of Divisional and Group risk registers. Re-adoption of other Group internal controls-related policies.
<b>December</b>	Review of key year-end judgements and estimates. Review of external audit planning and approval of fee proposal. Review of external auditor's independence.	Review of Committee effectiveness. Approval of internal audit strategy, terms of reference and proposed 2026 work programme. Review of internal audit performance, including private session with Group Head of Internal Audit without management in attendance.

Ongoing oversight of internal control, risk management and other controls-related matters (e.g. whistle-blowing reports, fraud investigations, training compliance and gifts and hospitality provided or received) is maintained through quarterly updates from the Group Head of Internal Audit.

### Role and responsibilities

The Audit and Risk Committee is an integral part of Staffline's governance infrastructure, providing independent oversight of the Group's financial reporting, internal control and risk management arrangements.

The Committee's key responsibilities, as defined by its terms of reference, and its approach to fulfilling them are summarised below:

Responsibility	Approach
<b>Oversight of the effectiveness, integrity and quality of the Company and Group's financial reporting</b>	The Committee Chair maintains ongoing contact with both executive management and the external auditor to discuss the Group's current or proposed practices in areas that might have a financial reporting impact or implication. The Group operates a policy of early engagement with the external auditor when any event or change in accounting policy or practice that might impact on the Group's financial reporting is being considered.
<b>Monitoring developments in relevant financial reporting legislation and regulation and their adoption by the Group</b>	The Committee reviews management reports assessing the impact on the Group's financial reporting of both proposed and enacted changes to relevant accounting standards, guidance and other regulatory matters. The external auditor also provides regular updates on the regulatory environment and potential changes, which the Committee considers.
<b>Appointment of the external auditor and oversight of their independence and performance</b>	The Committee monitors the length of tenure of the incumbent external auditor and reviews regulatory reports such as the Audit Quality Inspection and Supervision Reports published by the Financial Reporting Council ("the FRC"). The Committee also reviews findings arising from the auditor's work and seeks feedback from management with regard to the auditor's performance, understanding of the Group's business and operations and interactions with Staffline personnel. The Committee would oversee any audit tender process and any recommendation by management would be subject to the Committee's approval prior to being put before shareholders at the Company's AGM.



## Audit and Risk Committee Report continued

Responsibility	Approach
<b>Oversight of the external audit process, including meeting the external auditor and reviewing any reports from them regarding financial reporting and internal control systems</b>	<p>The Committee Chair maintains ongoing contact with the external auditor both with and without executive management involvement and receives informal progress reports from the external auditor during the audit.</p> <p>The Committee receives formal reports on completion of the audit work, which are discussed with the auditor and with executive management to ensure that Committee members are fully conversant with the key subject matter and that any internal control issues identified during the audit are addressed.</p>
<b>Oversight of the design, implementation and effectiveness of internal financial controls, including identifying and commissioning specific internal control reviews</b>	<p>The Committee receives formal presentations on the financial control environment within each division from Divisional Finance management at least annually. These cover accounting adjustments, any internal control concerns identified during the external audit, control improvement initiatives and resourcing of Finance and Governance teams.</p> <p>IT management provide similar presentations covering the systems environment, IT strategy, IT spend and cyber security arrangements.</p> <p>The Committee Chair also meets with Divisional Finance Directors, as appropriate, to discuss matters relating to financial reporting, internal controls and governance.</p> <p>The Committee has commissioned specific internal audit reviews where concerns have arisen or independent insight and assurance is required.</p>
<b>Oversight of the internal audit function, including its independence and effectiveness</b>	<p>The Committee reviews annually the charter under which the Group Internal Audit function operates. This incorporates safeguards to protect the function's independence, including direct access to the Chief Executive Officer and/or Committee Chair if required.</p> <p>The Committee also meets with the Head of Internal Audit and Risk once a year without executive management in attendance and seeks confirmation of the function's freedom from inappropriate influence or interference.</p>

Responsibility	Approach
<b>Oversight of the Group's risk register, risk appetite and risk mitigation arrangements</b>	<p>The Committee reviews outputs from the annual risk assessment process overseen by the Group Head of Internal Audit (see Principal Risks and Uncertainties on pages 55 to 66 for more detail), which considers potential threats, existing controls and further mitigating actions where required. Areas where risk is seen as potentially exceeding the appetite set by the Board are highlighted for more detailed consideration by the Committee.</p> <p>Divisional management provide ongoing commentary on risk within their regular Board reports and the internal audit work programme is closely linked to risk registers.</p>
<b>Review of the effectiveness of the Group's whistle-blowing arrangements</b>	<p>Whistle-blowing reports are summarised and reported to the Committee every quarter as part of regular internal controls updates from the Group Head of Internal Audit.</p> <p>The Committee formally reviews and approves re-adoption of the Group Whistle-blowing Policy annually.</p>



## Audit and Risk Committee Report continued

### Financial reporting and external audit

Key matters considered by the Committee in relation to the Group's financial reporting for the year ended 31 December 2025 comprised:

Description of matter	Committee actions and conclusions
<p><b>Accounting treatment of PeoplePlus disposal</b></p> <p>The Committee considered the accounting treatment of PeoplePlus in light of the disposal of the business during the year.</p>	<p>The Committee considered a paper prepared by the Group Finance team in respect of the treatment of the PeoplePlus business as a discontinued operation for the purposes of 2025 reporting.</p> <p>This matter was discussed with the external auditor and based on this the Committee was satisfied that the treatment of this item was compliant with relevant accounting standards.</p>
<p><b>Going concern</b></p> <p>Use of the going concern basis for preparation of the Group's accounts is a mandatory requirement under the Companies Act 2013 unless the Board believes that it would be inappropriate to do so.</p> <p>Whilst the Group's performance remains resilient and its financing has been secured, economic uncertainties continue to present an ongoing risk to Staffline's future performance.</p>	<p>The Committee and Board received regular updates in respect of the Group's actual and forecast performance and its ability to maintain compliance with its obligations under its financing facility. The Board also received detailed presentations from divisional management and Group executives as part of the annual budgeting and planning process, after which it approved the budget for the year ending 31 December 2026 and plans for the following two years.</p> <p>The Committee reviewed a detailed year-end memorandum prepared by the Group Finance team that set out the Group's financing arrangements and covenant obligations, FRC guidance in relation to assessment of going concern matters, budget, actual and forecast profitability and cash flows and headroom against current funding arrangements.</p> <p>The Committee was satisfied that use of the going concern basis when preparing the Group's accounts for the year ended 31 December 2025 remains appropriate.</p>

Description of matter	Committee actions and conclusions
<p><b>Accounting treatment of interest rate cap</b></p> <p>The interest rate cap instrument the Group entered into in October 2021 expired during the year and was replaced in September 2024 with an interest rate collar.</p> <p>Accounting treatment of such arrangements is defined by IFRS 9, Financial Instruments.</p>	<p>The Committee reviewed a paper prepared by the Group Finance team covering accounting treatment of the interest rate collar, which is unchanged from the prior year.</p> <p>In the opinion of the Committee, the proposed accounting treatment remains compliant with the requirements of IFRS 9.</p>
<p><b>Deferred consideration</b></p> <p>The PeoplePlus disposal included an element of deferred consideration of £2.0m, of which £1.3m has been received during the year.</p> <p>The Committee considered the recoverability of the remaining £0.7m.</p>	<p>Under the terms of the sale agreement, the deferred consideration is payable once PeoplePlus commences trading activity under certain contracts that had been tendered prior to the sale of the business. To date the Group has received £1.3m of the deferred consideration based on a percentage of the contract lots that have already commenced trading. The award of the remaining lot has been delayed and to date there has been no indication that it will be awarded in the near future. The Committee has taken the view that recoverability of the deferred consideration is uncertain and, accordingly, has made full provision against its recoverability. The provision is disclosed within note 10 on discontinued operations.</p>
<p><b>Valuation of goodwill and intangible assets</b></p> <p>IAS 36, Impairment of Assets requires that reporting entities undertake periodic reviews of the carrying value of assets to identify any indicators that assets may be overvalued in relation to the future economic benefits that they are expected to generate.</p>	<p>The Committee reviewed a paper prepared by the Group Finance team summarising the impairment review carried out on the goodwill, intangibles and property, plant and equipment allocated to the Group's cash-generating units at 31 December 2025.</p> <p>Detailed assumptions used in the review were considered by the Committee and deemed reasonable and appropriate.</p>



## Audit and Risk Committee Report continued

Description of matter	Committee actions and conclusions	Description of matter	Committee actions and conclusions
<p><b>TCFD/NFSI Statement disclosures</b></p> <p>Staffline is required to disclose information regarding climate related financial risks and business sustainability as defined by the Task Force on Climate related Financial Disclosures (“TCFD”) and the Non-Financial and Sustainability Information (“NFSI”) Statement required by the Companies (Strategic Report) (Climate related Financial Disclosure) Regulations 2022 within its Annual Report and Accounts.</p>	<p>The Committee reviewed the draft disclosures prepared by management and was satisfied that they properly reflected the relevant requirements and were consistent with the Committee’s understanding of the Group’s governance, strategy, risk management arrangements and targets in relation to climate-related risks.</p> <p>Feedback received from the external auditor was also incorporated into the disclosures.</p>	<p><b>Other Matters Considered continued</b></p> <ul style="list-style-type: none"> <li>• approval of the annual results announcement and Annual Report and Accounts;</li> <li>• approval of the interim results announcement and periodic trading updates; and</li> <li>• approval of Letters of Representation provided to the external auditor.</li> </ul>	
<p><b>Alternative Performance Measures (“APMs”)</b></p> <p>The Committee considered the appropriateness of APMs used in the Annual Report and Accounts, including the reasons for their use, the definitions used and the prominence of their presentation relative to statutory measures.</p>	<p>The Committee noted the APMs used were consistent with previous years and was satisfied that they remain appropriate and are not given undue prominence in their disclosure.</p>	<p><b>External Audit</b></p> <p>The Committee reviewed the performance of the external auditor during the year and the effectiveness and efficiency of the audit process.</p>	<p>As in previous years in carrying out its assessment of the external auditor’s performance the Committee considered:</p> <ul style="list-style-type: none"> <li>• feedback from the Chief Financial Officer and Group Finance team, who monitor the external auditor’s performance, behaviour and effectiveness during the audit and liaise with divisional Finance teams who work directly with the auditors;</li> <li>• key audit plans and reports, which were discussed and, where appropriate, challenged;</li> <li>• the nature, tone and content of engagement with the external auditor during both formal Committee meetings and ad hoc meetings, including meetings without any member of management present;</li> <li>• the Committee Chair’s discussions with the Senior Statutory Auditor and audit management team ahead of Committee meetings at which the external auditor is due to present to the Committee; and</li> <li>• how the auditor supports the work of the Committee and how the audit contributes insights and adds value to the Group.</li> </ul> <p>The Committee was satisfied with the auditor’s performance during the year ended 31 December 2025 and the audit of the Group’s financial results and reporting for this period.</p>
<p><b>Other Matters Considered</b></p> <p>Other financial reporting and external audit-related activities undertaken by the Committee during the year included:</p> <ul style="list-style-type: none"> <li>• review of other key accounting judgements and estimates not itemised above;</li> <li>• approval of annual external audit plans and the auditor’s fees and engagement letter;</li> <li>• review of year-end external audit findings, including findings relating to internal controls;</li> </ul>	<p>The Committee considered various sources of information, including papers prepared by management and discussions with executive management and the external auditor where required, to enable it to reach an informed decision on individual matters.</p>		



## Audit and Risk Committee Report continued

### Independence and non-audit services

The Committee monitors the arrangements in place to safeguard the external auditor's independence.

The Company appointed Grant Thornton as auditor after a formal tender for the year ended 31 December 2019. Under current FRC guidance, the next audit tender will be required in respect of the year ending 31 December 2029. Until then, the Committee and Board will continue to monitor the auditor's performance and make any appropriate recommendations.

The Group has in place a formal policy covering provision of non-audit services. This clearly defines what services may and may not be provided by the Group's external auditor as a matter of Staffline policy and is reviewed annually by the Committee.

As in previous years, non-audit services provided by the external auditor during the year ended 31 December 2025 comprised agreed upon procedures on the Group's interim results, which is a recurring engagement that is approved by the Committee and is permitted under the Group's policy on non-audit services.

The external auditor's risk assessment procedures identified no risk to the auditor's independence as a result of these engagements.

The Committee has recommended to the Board that a resolution to reappoint Grant Thornton be proposed to shareholders at the next AGM.

### Internal controls, risk management and governance

The Committee took the following actions during 2025 to maintain and support development of the Group's internal control, risk management and governance arrangements:

- review and approval for re-adoption of the Group's Schedule of Matters Reserved to the Board, the Group Delegation of Authority Policy and the Delegation of Authority Matrix, including changes thereto;
- review and approval for re-adoption of key compliance-related Group-level policies including the Anti-Fraud Policy, Anti-Bribery Policy, Anti-Money Laundering Policy, Anti-Facilitation of Tax Evasion Policy and Whistle-blowing Policy;
- review and approval for re-adoption of other Group-level policies including the Gifts and Hospitality Policy, Donations and Sponsorships Policy, Drugs and Alcohol Policy, Non-Audit Services Policy and Bid-Related Costs Policy;
- review of the external auditor's findings in relation to internal control matters and management's responses to the items raised;
- review of divisional and Group risk registers and management's plans to mitigate the level of risk exposure;
- monitoring of the Group's engagement with HMRC;
- formal quarterly reporting on cyber and data security matters including email security and data breaches across the Group; and
- sponsoring the continued inclusion of the Group Head of Internal Audit as a member of the steering committee for a key IT systems replacement programme in Recruitment GB.

### Areas of focus in 2026

The Committee has identified the following areas of focus for the coming year:

- continued monitoring of the Group's cyber security threat environment, risk and response;
- oversight of risks relating to generative artificial intelligence ("AI"), including internal deployments of AI technologies and the risk of fraud and/or data leakage as a result of actions by internal or external parties;
- obtaining appropriate assurance around resilience and future-proofing of key IT systems, including the replacement of core systems in Recruitment GB, and enabling internal audit involvement where appropriate;
- ongoing consideration of regulatory changes, including the audit reform agenda and developments in financial reporting (including sustainability reporting) and their potential impact on the Group's risk profile and resourcing; and
- development of a formal Audit and Assurance Policy as part of ongoing development of Staffline's corporate governance arrangements.

### Internal audit

The Group maintains an in-house internal audit function, which was established in 2020 and reports through the

Chief Financial Officer for administrative purposes but maintains direct lines of communication with the Audit and Risk Committee Chair.

During 2025, the Committee received internal audit reports covering:

- operation of the transitional services agreement in place following the disposal of the PeoplePlus business in February 2025 and potential risks to Staffline Group arising from the agreement and/or post-separation arrangements;
- non-payroll business continuity planning in Recruitment GB and Recruitment Ireland;
- the Group's readiness for implementation in September 2025 of the corporate 'failure to prevent fraud' offence under the Economic Crime and Corporate Transparency Act;
- procurement practices in Recruitment GB and Recruitment Ireland; and
- follow-ups of various internal audit reviews completed in previous years including a perm revenue review completed during Q4 2024.

The Head of Internal Audit works closely with divisional Governance and Compliance teams to ensure that information and examples of good practice are shared and opportunities for alignment of divisional processes are considered where this could improve the efficiency or effectiveness of internal controls.



## Audit and Risk Committee Report continued

The Committee approves a broad programme of work each year and a rolling six-month plan comprising specific projects at each of its quarterly meetings. This provides flexibility to respond to changing business priorities, emerging risks and ad hoc requirements where a need for additional assurance has been identified by the Committee or management.

The draft 2026 work programme approved by the Committee at its December 2025 meeting includes reviews of:

- cyber security;
- management of information security risks and data breaches;
- key systems disaster recovery planning and business continuity planning;
- the control environment in relation to use of generative AI; and
- sales ledger cash allocation and policy and practice in relation to release of credit balances.

Most reviews cover the whole Group in order to identify and disseminate good practice where it is appropriate to do so, but more focused pieces of work within a specific division are carried out where required.



# Remuneration and Nominations Committee Report



**Catherine Lynch**  
Chair of the Remuneration and Nominations Committee

The Remuneration and Nominations Committee ensures that remuneration arrangements support the strategic aims of the business in a manner that is aligned to shareholder interests, while also complying with the requirements of relevant regulations.

## Membership and meetings

With effect from 17 March 2025, the Board combined the roles of the Remuneration and the Nominations Committees. Catherine Lynch was appointed Chair of the Committee, which in addition to Catherine, comprises two members being Amanda Aldridge, Senior Independent Director, and the Chairman, Tom Spain. The Committee is chaired by Catherine Lynch unless the matter under discussion is her own succession. Other Directors are invited to attend as appropriate and only if they do not have a conflict of interest. The Committee is also assisted by external consultants (e.g. in respect of recruitment, independent remuneration advice and Committee evaluations) as and when required. Except as shareholders and Directors, none of the members has any other personal financial interest in the Group. The Committee meets at least twice a year and otherwise as required.

Attendance in 2025 was as follows:

Director	Number of meetings attended	Maximum number of meetings possible
Catherine Lynch (Chair)	7	7
Amanda Aldridge	7	7
Tom Spain	7	7

The Chief Executive Officer and Chief Financial Officer and the Committee's independent advisor were invited to attend meetings of the Committee and other meetings when this was considered appropriate to do so.

## Responsibilities

The Committee acts in accordance with its formal terms of reference, which are available on the Company's website. The Committee makes recommendations to the Board on the remuneration and other benefits, including bonuses and the Long-Term Incentive Plan, of the Executive Directors and members of senior management, acting within its terms of reference and policy on Executive Directors' remuneration. In addition to reviewing and agreeing Directors' remuneration, the Committee also approves proposed remuneration packages for new appointments and remuneration changes for all employees whose basic gross salary is (or would be after any increase) £125,000 or above.

The Board, excluding the Non-Executive Directors, sets the annual base fees payable to the Independent Non-Executive Directors and they do not receive any additional benefits, nor are they eligible to participate in any pension, bonus, or share-based incentive arrangements. No Director plays a part in any decision about his or her own remuneration.



## Remuneration and Nominations Committee Report continued

Due to the number of Independent Non-Executive Directors on the Committee, the Board as a whole is required to approve any proposed changes to Non-Executive Directors' fees, including additional fees for Committee Chairs. Executive Directors may accept appointments outside the Group subject to prior Board approval.

### Engagement with shareholders

We encourage our shareholders and representative bodies to engage with the Remuneration Committee at any time to help inform the Committee's decision-making process. The Remuneration Committee typically consults with major shareholders on any significant change in the structure or scale of Directors' remuneration.

### Advisors to the Committee

FIT Remuneration Consultants LLP ("FIT") was appointed during 2025 to provide the Remuneration Committee with independent advice as and when required in respect of remuneration quantum and structure and developments in governance and best practice more generally. FIT is a member and signatory of the Remuneration Consultants Group and voluntarily operates under the Code of Conduct in relation to executive remuneration consulting in the UK, details of which can be found at [www.remunerationconsultantsgroup.com](http://www.remunerationconsultantsgroup.com). FIT provides no other services to the Company.

### Key items considered by the Committee during 2025

- Remuneration arrangements to be offered to senior management appointments within the Group.
- Bonus objectives and annual bonuses for the Chief Executive Officer, Chief Financial Officer, Divisional Managing Directors and Divisional Finance Directors.
- The treatment of leavers in respect of the disposal of PeoplePlus.
- The SAYE share option scheme.
- The Long-Term Incentive Plan for Executive Directors and senior management.
- Board performance evaluation.

The Committee regularly reviews the structure, size and composition of the Board and its Committees to ensure they continue to provide informed and constructive support and challenge to the management team. The Committee is responsible for identifying and reviewing suitable Board candidates through a formal and transparent process, and for ensuring that plans are in place for orderly succession to the Board. It also oversees the development of a pipeline for succession to senior management roles within the Group.

### Succession planning

The Committee met to review succession plans. The focus of these discussions was to review our succession planning strategy and ensure robust plans were in place for members of the Executive. The Committee will keep succession planning under close review in 2026 to implement the actions identified by the Board performance evaluation in 2025.

### Board diversity and inclusion

The Committee focuses on the leadership required for the executive management team to fulfil its purpose, achieve its vision and execute its strategy. This requires a clear focus on inclusion and diversity to maximise the skills and capabilities from which the executive management team can benefit. Our policy is to have a broad range of skills, backgrounds and experience on the Board and executive management team. Alongside the Board, the Committee continues to champion the benefits of diversity and inclusion at Board, Committee and senior management level. Appointments are always based on merit, and we continue to challenge our external search consultants where necessary, to ensure that diversity and inclusion is always considered when drawing up candidate shortlists.



## Remuneration and Nominations Committee Report continued

### Directors' remuneration report

#### Annual Statement

The Directors' remuneration report for the year ended 31 December 2025, being the remainder of this report, is divided into three sections, being:

- this **Annual Statement**, which summarises the work of the Committee, remuneration outcomes in the year ended 31 December 2025 and how the Remuneration Policy will operate for the year ending 31 December 2026.
- the **Directors' Remuneration Policy**, which summarises the Company's Remuneration Policy.
- the **Annual Report on Remuneration**, which discloses how the Remuneration Policy was implemented in the year ended 31 December 2025.

Consistent with best practice and noting Principle 9 of the QCA Code, the Directors' Remuneration Report (i.e. the Annual Statement and Annual Report on Remuneration) and the Remuneration Policy, (as explained below) – will be taken to the 2026 AGM for shareholder approval by way of two separate advisory votes.

#### Remuneration Policy implementation for the year ended 31 December 2025

The Committee operated the Directors' Remuneration Policy for 2025 as follows:

- **Base Salary** – No changes were made to base salary levels for the CEO and CFO during 2025. As such, base salaries for the CEO and CFO continued to be set at £385,000 and £315,000 respectively.
- **Pension** – Pension continued to be provided via a cash allowance set at 15% of basic salary in lieu of contributions to the Company pension scheme for the current Executive Directors.
- **Benefits** – Benefit provision continued unchanged.
- **Annual Bonus** – Following an assessment of performance against the targets, the CEO and CFO received maximum annual bonus awards for 2025. Further details are set out in the Annual Report on Remuneration.
- **Long Term Incentives** – The LTIP award granted in 2022 vested in 2025 at 100% of the maximum. The LTIP award granted in 2023, which is due to vest in 2026, is expected to vest at 100% of the maximum.

#### Remuneration Policy implementation for 2026

The Committee intends to operate the Remuneration Policy for 2026 as follows:

- **Base Salary** – For the second year in a row, base salary levels remain frozen and unchanged for the CEO and CFO. As such, base salaries for the CEO and CFO continue to be set at £385,000 and £315,000 respectively.
- **Pension** – Pension will continue to be provided via a cash allowance set at 15% of basic salary in lieu of contributions to the Company pension scheme for the current Executive Directors and as a result of the base salary remaining unchanged, so too is the pension contribution. As detailed in the Remuneration Policy, pension provision for new Executive Director appointments will be aligned to the wider workforce.
- **Benefits** – Similarly benefit provision will remain frozen and unchanged, being a car allowance of £19,314 for the CEO and £16,750 for the CFO plus life assurance, private medical insurance and permanent health insurance.
- **Annual Bonus** – For 2026, rather than setting sliding scale profit targets aligned to budget, annual bonus awards for the CEO and CFO will be in future directly linked to the levels of profit before tax delivered.
- **Long Term Incentives** – No fresh LTIP awards will be granted to the CEO or CFO in 2026 and future LTIP awards from 2027 onwards (e.g. for new starters) will be kept under review.
- **Long Term Incentives** – Noting the number of shares outstanding in respect of the 2024 and 2025 LTIP awards and their potential value, no LTIP awards will be granted to the CEO or CFO in 2026. Future LTIP awards from 2027 onwards (e.g. for new starters) will be kept under review.
- **Non-Executive Director Fees** – There will be no increase in the fees payable to the Independent Non-Executive Directors for the financial year. Tom Spain has agreed that no fee shall be payable in respect of his appointment as Chairman (or any replacement representative Director).

#### Concluding remarks

The Committee considers that the proposed structure of the Executive Directors' remuneration package going forward more closely aligns with shareholder interest in growing the long-term profit before tax of the Group following the successful transformation of the Group undertaken in the last five years.

The fixed salary and benefits elements along with the removal of the 2026 LTIP grant is balanced against a new bonus structure focusing on driving long term PBT growth.

The Committee believes that the proposals increase alignment with shareholders while ensuring the CEO and CFO remain appropriately retained and incentivised to deliver the strategy.

As a Committee, we recognise the need to foster strong relations with our shareholders and encourage open dialogue. As such, I will be available for discourse with institutional investors concerning the Company's approach to remuneration. We look forward to receiving your support at our forthcoming AGM.



## Remuneration and Nominations Committee Report continued

### Directors' Remuneration Policy

The Remuneration Policy is that the remuneration packages of the Executive Directors should be sufficiently competitive to attract, retain and motivate those Directors to achieve the Company's long-term strategic objectives, including the creation of sustainable shareholder returns, without making excessive payments.

Component	Purpose and link to strategy	Operation/maximum	Performance
<b>Basic salary</b>	The Executive Directors' remuneration packages are designed to attract, motivate, and retain Executive Directors of the high calibre needed to help the Group successfully compete in its marketplace. The Group's policies are to pay Directors a salary at market levels for comparable jobs in the sector whilst recognising the relative size and complexity of the Group.	<p>Reviewed annually after considering pay levels at comparably sized listed companies and sector peers; the performance, role and responsibility of each Director; the economic climate, market conditions and the Company's performance; and the level of pay across the Group as a whole.</p> <p>The Committee reviews the basic salary of Executive Directors annually. In addition, salary may be reviewed if an individual changes position or responsibility. In deciding appropriate levels, the Committee takes into account objective research on, and market benchmarking with, comparable companies, general market conditions and business and personal performance.</p>	n/a
<b>Benefits</b>	To provide a market-competitive benefits package.	Offered in line with market practice, and includes life assurance, private medical insurance, car allowance and permanent health insurance.	n/a
<b>Pension</b>	To provide an appropriate level of retirement benefit.	<p>The Group has a defined contribution pension scheme with Scottish Widows for all permanent employees. During 2025, Executive Directors were entitled to receive a contribution from the Group, equivalent to 15% of their basic salary into this or another scheme of their choice.</p> <p>15% of base salary for incumbents, wider workforce aligned pension for new executive appointments to the Board.</p>	n/a
<b>Annual Bonus</b>	To reward the delivery of Profit before Tax.	For 2026, bonus awards will be directly linked to the level of Profit Before Tax delivered. The Committee will retain the discretion to: (i) cancel any payout if it is not considered appropriate to award a bonus in any year; and (ii) ensure that the PBT result is reflective of the performance of the Company.	Profit before Tax



## Remuneration and Nominations Committee Report continued

Component	Purpose and link to strategy	Operation/maximum	Performance
<b>LTIP</b>	To drive and reward the achievement of longer term objectives, support retention and promote share ownership for Executive Directors.	<p>Conditional shares and/or nil cost or nominal cost share options. Vesting is normally subject to the achievement of challenging performance conditions, normally over a period of three years.</p> <p>Dividend equivalents may be awarded to the extent awards vest.</p> <p>Awards may be subject to malus/clawback provisions at the discretion of the Committee.</p> <p>125% of salary (although there is currently no intention to grant LTIPs to the CEO or CFO in 2026).</p>	Performance metrics will be linked to financial and/or share price and/or strategic and/or performance targets.
<b>Save As You Earn</b>	The Save As you Earn (SAYE) scheme is open to all permanent employees in the UK, giving them the opportunity to participate in the future growth of the Group via share option arrangements.	As per HMRC rules.	n/a
<b>Shareholding guidelines</b>	To promote share ownership for Executive Directors.	Executive Directors are expected to build a minimum shareholding in the Group of 200% of salary over time by retaining the net of tax LTIP awards which vest.	n/a
<b>Non-Executive Directors</b>	The Board, excluding the Non-Executive Directors, determines the fees for the Non-Executive Directors.	<p>The remuneration of the Independent Non-Executive Directors is determined by the Board excluding the Non-Executive Directors and is based upon independent surveys of fees paid to Non-Executive Directors of similar companies.</p> <p>Fees may include a basic fee and additional fees for further responsibilities. These fees are normally paid in through payroll.</p>	n/a

### Discretion

The Committee may apply discretion when considering the amounts earned under the annual bonus and LTIP vesting to ensure outcomes are fair and appropriate in light of the overall performance of the Group, health and safety performance, broader stakeholder experience and any exceptional factors.

### Service contracts and appointments

The Executive Directors have entered into service agreements with the Company. Albert Ellis and Daniel Quint both have service agreements which are terminable on 12 months' notice given by either party. Catherine Lynch and Amanda Aldridge each have contracts terminable on six months' notice given by either party. There are no contractual termination payments other than as a result of the contractual notice period. Tom Spain and the Board agreed to an extension and renewal of his contract with effect from 26 May 2022, terminable on one month's notice. There is no contractual termination payment.



## Remuneration and Nominations Committee Report continued

### Annual Report on Remuneration

#### Implementation of the Remuneration Policy for 2026

Details of how the Committee intends to operate the Directors' Remuneration Policy for 2026 are set out in the Annual Statement on page 88.

#### Directors Remuneration (audited)

The table below sets out the remuneration received by the Directors in respect of the years ended 31 December 2025 and 2024:

£'000		Salary and fees	Benefits <sup>1</sup>	Pension <sup>2</sup>	Annual bonus <sup>3</sup>	Long-term incentives <sup>4</sup>	Total
Albert Ellis	<b>2025</b>	<b>385</b>	<b>21</b>	<b>58</b>	<b>385</b>	<b>125</b>	<b>974</b>
	2024	385	21	58	385	151	1,000
Daniel Quint	<b>2025</b>	<b>315</b>	<b>19</b>	<b>47</b>	<b>315</b>	<b>99</b>	<b>795</b>
	2024	315	19	47	315	121	817
Tom Spain <sup>5</sup>	<b>2025</b>	-	-	-	-	-	-
	2024	-	-	-	-	-	-
Catherine Lynch	<b>2025</b>	<b>57</b>	-	-	-	-	<b>57</b>
	2024	57	-	-	-	-	57
Amanda Aldridge <sup>6</sup>	<b>2025</b>	<b>51</b>	-	-	-	-	<b>51</b>
	2024	51	-	-	-	-	51
Total	<b>2025</b>	<b>808</b>	<b>40</b>	<b>105</b>	<b>700</b>	<b>224</b>	<b>1,877</b>
	2024	808	40	105	700	272	1,925

1. Benefits comprise a car allowance of £19,314 for the CEO and £16,750 for the CFO plus life assurance, private medical insurance and permanent health insurance.

2. Pensions include both Company contributions and cash allowances where the Directors have elected not to have contributions paid into a pension fund.

3. As a result of the Company's performance against pre-set sliding scale profit targets, Albert Ellis and Daniel Quint are entitled to receive a 100% of maximum bonus in March 2026 in relation to the 2025 financial year. The annual bonus, which is subject to the achievement of pre-determined performance conditions is not contractual and all payments are made at the sole discretion of the Committee.

4. On 14 June 2025, Albert Ellis and Daniel Quint were awarded 711,806 and 559,276 Ordinary Shares respectively upon vesting of the 2022 LTIP award. The value of the shares was £125,440 and £98,560 respectively.

5. Tom Spain agreed that no fee shall be payable in respect of his appointment (or any replacement representative Director) following his reappointment as Chairman at the Annual General Meeting on 22 May 2024.

6. Amanda Aldridge was appointed as Senior Independent Director on 7 April 2025 and has agreed that no fee shall be payable in respect of this appointment.



## Remuneration and Nominations Committee Report continued

### Long-Term Incentive Plan Awards

LTIPs, structured as nil cost options (“Options”) awarded to, and held as at 31 December 2025, by Albert Ellis and Daniel Quint, are set out in the table below:

Director	Date of award	Options granted	Vesting date	Exercise period end date
Albert Ellis	February 2023	1,043,485	February 2026*	February 2033
	January 2024	2,096,950	January 2027	January 2034
	June 2025	1,026,995	26 June 2028	26 June 2035
<b>Total</b>		<b>4,167,430</b>		
Daniel Quint	February 2023	819,881	February 2026*	February 2033
	January 2024	1,715,686	January 2027	January 2034
	June 2025	840,269	26 June 2028	26 June 2035
<b>Total</b>		<b>3,375,836</b>		

\* To be delayed until the publication of the 2025 results to enable the Committee to assess the performance by reference to audited results.

50% of the Options awarded are subject to achieving earnings per share hurdles and 50% are subject to achieving EBIT hurdles. The Group intends to fully satisfy the future exercise of options through purchases of Ordinary Shares by the Employee Benefits Trust in order to limit the level of dilution experienced by existing shareholders.

### SAYE Share Scheme

In 2022, the Company announced the grant of options to employees as part of its SAYE share scheme for 2022. Eligible employees were invited to subscribe for options over the Company’s Ordinary Shares with an exercise price of 29.96p, a 20% discount to the closing middle market price of 37.45p on the trading day before the invitation to participate was made on 12 October 2022. The options have a contract start date of 1 December 2022 and are exercisable between 1 December 2025 and 31 May 2026.

### SAYE Share Scheme continued

Options totaling 120,160 shares granted to the following Executive Directors in respect of savings up to the £500 monthly savings limit applicable to all SAYE contracts, matured and were exercised on 1 December 2025:

Director	Position	Shares granted under option in SAYE scheme 2022
Albert Ellis	Chief Executive Officer	60,080
Daniel Quint	Chief Financial Officer	60,080

As at 31 December 2025, outstanding options over 321,425 Ordinary Shares held by 24 employees remain in the SAYE share scheme for 2022. Details can be found on page 126.

No grants were made under the SAYE Share Scheme during 2024 and 2025.

### Non-Executive Directors’ remuneration

The Independent Non-Executive Directors do not receive any benefits apart from their basic fees. The remuneration of the Independent Non-Executive Directors was as follows:

- the basic fee of the Independent Non-Executive Directors was £45,000;
- an additional fee of £6,000 p.a. payable to the Chair of each of the Board Committees; and
- subject to prior agreement by the Remuneration Committee, a day-rate can be charged at a rate of £1,500 per day (plus VAT, if applicable), by any Independent Non-Executive Director, in the event that there is work required in addition to their normal duties. The normal duties of an Independent Non-Executive Director are anticipated to take two days per month.

Following a review in March 2026, it was agreed by the Board that there would be no increase in the fees payable to the Independent Non-Executive Directors for the 2026 financial year.

Tom Spain is the Board representative of Henry Spain Investment Services Limited (“Henry Spain”), the largest shareholder in the Company. On behalf of himself and Henry Spain, Tom Spain has agreed that no fee shall be payable in respect of his appointment as Chairman (or any replacement representative Director).

During the year, Albert Ellis received 69,800 shares in HRnet Group Limited, a major shareholder of the Group, in relation to his services provided as a Non-executive Director of that company. Mr Ellis was awarded a further 35,338 shares in HRnet Group Limited on 5 March 2026.



## Report of the Directors

The Directors present their Annual Report for the Group and the Company together with the audited financial statements for the year ended 31 December 2025.

### Reporting requirements

The following information is provided in other appropriate sections and is included in this Directors' Report by reference and so is deemed to be part of it:

Information	Reported
Corporate Governance	
• Corporate Governance Report	Pages 67 to 92
• Statement of Directors' Responsibilities	Page 96
Audit and Risk Committee Report	Pages 79 to 85
Remuneration and Nominations Committee Report	Pages 86 to 92
Future development and events occurring after the balance sheet date	Details can be found in the Strategic Report on pages 9 to 11
Stakeholder Engagement and Key Decisions	Details can be found in the Strategic Report on page 4 and in the s172 Statement on pages 77 and 78
Financial instruments	Details can be found in the Notes to the Financial Statements on page 139
Greenhouse gas emissions – Streamlined Energy and Carbon Reporting	Details can be found on pages 43 to 51

### Principal activities

A review of the activities of the Group, including financial and non-financial information, can be found in the Strategic Report, along with details of the Group's future developments.

### Dividends

The Board is not proposing a dividend payment for 2025 (2024: £nil).

### Directors

The names and biographies of the Directors who held office at the date of this Annual Report are set out on page 70. There were no changes to Directors from 1 January 2026 and up to the date of this Report.

### Qualifying third-party indemnity provisions

A qualifying third-party indemnity provision as defined in Section 234 of the Companies Act 2006 is in force at the date of approval of the financial statements for the benefit of each of the Directors in respect of liabilities incurred as a result of their office, to the extent permitted by law. In respect of those liabilities for which Directors may not be indemnified, the Company maintained a directors' and officers' liability insurance policy throughout the financial year.

### Branches

The Group has operations in the United Kingdom and the Republic of Ireland.

### Employee involvement

The Directors recognise the value of involving employees in the business and ensure that matters of concern to them, including the Group's strategic objectives, vision, values and principles, are communicated in an open and regular manner. Employees are kept aware of progress against these objectives and key developments within the Group by regular briefings by the divisional management teams. Further details can be found in the Sustainability section of the Strategic Report on pages 37 to 42.

### Employment of disabled persons

It is the Group's policy to give full and fair consideration to suitable applications for employment from disabled persons. Once employed, disabled persons receive equal opportunities for training, career development and promotion. Opportunities exist for employees of the Group who become disabled to continue their role or to be trained for other positions within the Group.

### Payments to suppliers

The Group aims to comply with the payment terms agreed with suppliers when goods or services have been provided in accordance with the agreed conditions.

### Political donations

The Group has made no political donations in the current or prior year.

### Charitable donations

The Group made charitable donations of £11,006 in the year (2025: £13,661).

### Research and development

The Group continues to invest in and develop its digital platforms as discussed in the Strategic Report.



## Report of the Directors continued

### Share capital

At 31 December 2025, the Company's issued share capital consists of 123,011,721 Ordinary Shares with a nominal value of 10 pence each with each share having equal voting rights. No Ordinary Shares are held in treasury, therefore, the total voting rights in the Company are 123,011,721.

Shares held in the EBT are intended to be used to satisfy awards made under employee share schemes. During the year, the EBT issued 1,949,852 shares that vested under the Long-term Investment Plan and the Save as You Earn Scheme. At 31 December 2025, EBT held 6,585,854 Ordinary Shares.

The Company currently has general authority to allot shares and authority to purchase its own shares. During the year the Company fully utilised its authority to purchase 10% of its own shares by acquiring and cancelling 19,318,443 of its Ordinary Shares. Resolutions for the Company to renew its general authority to allot shares and to purchase its own shares will be proposed at the Annual General Meeting 2026.

### Share options

The Company operates certain share option schemes for the benefit of its employees. Details are provided in Note 7.

### Going concern

The financial statements have been prepared on a going concern basis. The Directors have reviewed this basis and have made full disclosure in Note 3, concluding that there is a reasonable expectation that the Group and Company have adequate resources to continue in operational existence for the foreseeable future.

### Annual General Meeting

The Annual General Meeting 2026 is proposed to be held at 09.30am on Monday, 18 May 2026, at the offices of DLA Piper LLP, 160 Aldersgate Street, London, EC1A 4HT. A separate notice convening the Annual General Meeting 2026 (including the business to be considered at the meeting) will be made available to shareholders on the Group's website at: [www.stafflinegroupplc.co.uk/investor-relations/agm](http://www.stafflinegroupplc.co.uk/investor-relations/agm).

### Substantial shareholdings

The interests, by Parent Company, of the top ten shareholders in the issued Ordinary Share capital of the Company, which have been notified as at 31 December 2025, were as follows, representing 84.6% of the total issued Ordinary Share capital:

	Ordinary Shares of 10p each ('000)	Percentage of Ordinary Shares (%)
Henry Spain Investment Services	34,972	28.4%
HRnet Group Limited	25,067	20.4%
Schroder Investment Management	22,903	18.6%
Hargreaves Lansdown	5,372	4.4%
Gresham House Asset Management	4,669	3.8%
Interactive Investor	4,308	3.5%
AJ Bell Securities	2,152	1.9%
Barclays Wealth	1,743	1.4%
Halifax Share Dealing	1,351	1.1%
IG Markets	1,308	1.1%
	103,845	84.6%

In accordance with AIM Rule 26, insofar as the Company is aware, the percentage of the Company's issued share capital that is not in public hands is 56.1%.

The latest allocation can be viewed on the Group's website at: [www.stafflinegroupplc.co.uk/investor-relations/shareholder-information](http://www.stafflinegroupplc.co.uk/investor-relations/shareholder-information).



## Report of the Directors continued

### Directors' shareholdings

The beneficial holdings of the Directors in the Company's issued share capital at 31 December 2025 were as follows:

Director	Ordinary Shares of 10p each in issue	% of total
Albert Ellis	1,291,472	1.0%
Daniel Quint	1,005,503	0.8%
Catherine Lynch	10,000	0.01%
Tom Spain <sup>1</sup>	1,675,000	1.36%
Amanda Aldridge <sup>2</sup>	80,000	0.07%

<sup>1</sup> Tom Spain is the Board representative of Henry Spain Investment Services Limited, the largest shareholder in the Company. Henry Spain Investment Services Limited is considered to be a "person closely associated" with Tom Spain by virtue of him discharging managerial responsibilities over it (he is a Director and the sole shareholder). Henry Spain Investment Services Limited acts as discretionary investment manager (including holding discretionary voting rights) to a number of underlying private clients, resulting in a notifiable interest in 34,972,456 Ordinary Shares at 31 December 2025.

<sup>2</sup> Amanda Aldridge was appointed as Senior Independent Director on 7 April 2025.

### Long-Term Incentive Plan

The Board believes it is key that the Group incentivises Executive Directors and senior managers to drive the business forward, whilst aligning their interests with those of shareholders. In the years 2021 to 2025, the Board has approved the award of, and granted, nil cost options over its Ordinary Shares of 10 pence each in the Company to certain employees, including Albert Ellis and Daniel Quint as set out below.

The vesting of the Options is subject to the Company achieving certain financial performance criteria for each of the three financial years ending 31 December 2025 to 31 December 2027. The financial performance criteria for the Executive Directors and relevant central Group senior employees are based on the Group as a whole, with 50% of the Options awarded subject to achieving earnings per share hurdles and 50% subject to achieving underlying operating profit hurdles. The performance criteria for senior employees operating within the divisions of the Group are based 20% on the Group performance criteria as above and 80% on underlying operating profit hurdles relating to their own division.

The Options awarded to, and held as at 31 December 2025, by Albert Ellis and Daniel Quint, are set out in the table below:

Director	Date of award	Options granted	Vesting date	Vesting period end date
Albert Ellis	February 2023	1,043,485	February 2026	February 2033
	January 2024	2,096,950	January 2027	January 2034
	June 2025	1,026,995	June 2028	June 2035
		4,167,430		
Daniel Quint	February 2023	819,881	February 2026	February 2033
	January 2024	1,715,686	January 2027	January 2034
	June 2025	840,269	June 2028	June 2035
		3,375,836		

There have been no grants of awards under the LTIP scheme during 2026 up to the date of this report.

The Group intends to fully satisfy the future exercise of outstanding options through purchases of Ordinary Shares by the Employee Benefits Trust in order to limit the level of dilution experienced by existing shareholders.



## Report of the Directors continued

### SAYE Share Scheme

The SAYE scheme is open to all permanent employees in the UK, giving them the opportunity to participate in the future growth of the Group via share option arrangements. During 2022, eligible employees were invited to subscribe for options over the Company's Ordinary Shares of 10 pence each with an exercise price of 29.96p, a 20% discount to the closing middle market price of 37.45p on the trading day before the invitation to participate was made on 12 October 2022. The options had a contract start date of 1 December 2022 and are exercisable from 1 December 2025 to 31 May 2026.

On maturity of the scheme, options totalling 120,160 Ordinary Shares that had been granted to the Executive Directors, were exercised and Ordinary Shares were granted as follows:

Director	2022 SAYE options granted	2025 SAYE options exercised
Albert Ellis	60,080	60,080
Daniel Quint	60,080	60,080

No grants were made under the SAYE Share Scheme during 2024 and 2025.

### Purchase of own shares

During the year the Company purchased and immediately cancelled a total of 19,318,443 of its own Ordinary Shares of 10 pence each. The shares, which had an aggregate nominal value of £1.9m, were acquired for an aggregate consideration of £6.5m.

Further details are provided in Note 24.

### Disposal of subsidiary undertaking

On 24 February 2025, the Group disposed of its wholly owned subsidiary PeoplePlus Group Ltd, which encompassed the whole of the PeoplePlus division. The consideration for the sale was £12.0m, including £2.0m of deferred consideration. The consideration was on a cash free, debt free basis, subject to a deduction of £5.1m of advanced payments received for future revenue. The net proceeds of the disposal (including the deferred consideration) were £6.9m.

Under the terms of the sale agreement, the deferred consideration is payable once PeoplePlus commences trading activity under certain contracts that had been tendered prior to the sale of the business. To date the Group has received £1.3m of the deferred consideration based on a percentage of the contract lots that have commenced trading. The award of the remaining lot has been delayed and to date there has been no indication that it will be awarded in the near future. The Group has taken the view that recoverability of the deferred consideration is uncertain and, accordingly, has made full provision against its recoverability.

### Share buyback programme

Further to the announcement regarding the disposal of PeoplePlus Group Limited on 24 February 2025, the Group announced the commencement of a share buyback programme to purchase ordinary shares of 10 pence each in the Company for up to a maximum aggregate consideration of £7.5m from the day of the announcement. The buyback was to be carried out in two tranches. The first tranche for up to 15,517,851 Ordinary Shares, being the unutilised proportion of the general authority to repurchase Ordinary Shares granted by shareholders at its Annual General Meeting held on 22 May 2024 ("**Tranche 1**"). The second tranche ("**Tranche 2**") for up to 12,440,000 Ordinary Shares, was conditional on the Company's shareholders approving the relevant resolution at the Company's next Annual General Meeting, held on 21 May 2025, and was approved.

Tranche 1 of the programme was completed on 11 April 2025, with 15,517,851 ordinary shares purchased for a total consideration of £4,843,086 at an average share price of 31.2p. Tranche 2 commenced on 1 August 2025 and in the period to 31 December 2025, 3,800,592 shares were acquired for a total consideration of £1,670,192 at an average share price of 43.9p. The Ordinary Shares purchased pursuant to the buyback programme have been cancelled.

### Post balance sheet events

There were no events between the balance sheet date of 31 December 2025 and the approval of these accounts on 23 March 2026 that are required to be brought to the attention of shareholders.

### Auditor

The Directors who hold office at the date of this Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware, and each Director has taken all steps that he or she ought to have taken to make himself or herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

A resolution to appoint Grant Thornton UK LLP as auditor will be proposed at the forthcoming Annual General Meeting.

The Report of the Directors was approved by the Board and signed on its behalf by:

### Louise Barber FCG

Company Secretary

23 March 2026



## Statement of Directors' Responsibilities

### The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the Group financial statements in accordance with UK-adopted international accounting standards and Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework" and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and profit or loss of the Group and Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK-adopted international accounting standards have been followed for the Group financial statements and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101) have been followed for the Company financial statements, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors confirm that:

- so far as each Director is aware, there is no relevant audit information of which the Group and Company's auditor is unaware; and
- the Directors have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Group and Company's auditor is aware of that information.

The Directors are responsible for preparing the Annual Report in accordance with applicable law and regulations.

To the best of our knowledge:

- the Group financial statements, prepared in accordance with UK-adopted international accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group and the undertakings included in the consolidation taken as a whole;
- the Company financial statements, prepared in accordance with United Kingdom Generally Accepted Accounting Practice, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company; and
- the Strategic Report and Directors' Report include a fair review of the development and performance of the business and the position of the Group and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

By Order of the Board

**Louise Barber FCG**

Company Secretary

23 March 2026



## Independent auditor's report to the members of Staffline Group PLC

### Opinion

#### Our opinion on the financial statements is unmodified

We have audited the financial statements of Staffline Group PLC (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2025, which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity, the Consolidated and Company Statements of Financial Position, the Consolidated Statement of Cash Flows and Notes to the Financial Statements, including material accounting policy information. The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and UK-adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2025 and of the group's profit and the parent company's profit for the year then ended;
- the group financial statements have been properly prepared in accordance with UK adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

### 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 are independent of the group and the parent company 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 as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's and the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the group or the parent company to cease to continue as a going concern.

Our evaluation of the directors' assessment of the group's and the parent company's ability to continue to adopt the going concern basis of accounting included:

- obtained an understanding of how management prepared their base case forecasts for the period to 31 December 2027, including performing a review of the design and implementation of management's processes and controls in respect of forecasting;
- evaluated the accuracy of management's historical forecasting with reference to actual results, and the impact of this on the reliability of management's assessment;
- performed arithmetical and consistency checks on management's model;
- evaluated the key inputs and assumptions underpinning the model, including key trading assumptions for the continuing business and future borrowing requirements, and corroborating these assumptions to supporting documentation;
- assessed the accuracy of the loan covenants calculations within the forecasts and agreeing these to the finance facilities agreement;
- considered the severity and plausibility of management's downside scenarios and reverse stress testing, evaluating the assumptions regarding revenue reductions and increased costs under each of these scenarios;
- evaluated the availability, timing and impact of mitigating actions available to management if downside scenarios were to realise;
- inspected unaudited post year end performance and minutes of meetings of the board of directors and all of its committees, to check if any post year end events have been appropriately factored into management's forecasts; and
- assessed the adequacy and completeness of related disclosures within the annual report.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the group's and the parent company's business model including effects arising from macro-economic uncertainties such as inflationary pressures and high interest rates, given the group's reliance on workforce availability and cost stability, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the group's and the parent company's financial resources or ability to continue operations over the going concern period.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.



# Independent auditor’s report to the members of Staffline Group PLC continued

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group’s and the parent company’s ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

## Our approach to the audit



### Overview of our audit approach

#### Overall materiality:

Group: £3,000,000 which represents 0.27% of the group’s continuing revenue.

Parent company: £1,583,000, which represents 2% of the parent company’s total assets.

#### Key audit matter identified as:

- Recruitment revenue unusual account combinations – occurrence.

Our auditor’s report for the year ended 31 December 2024 included the same key audit matter as above.

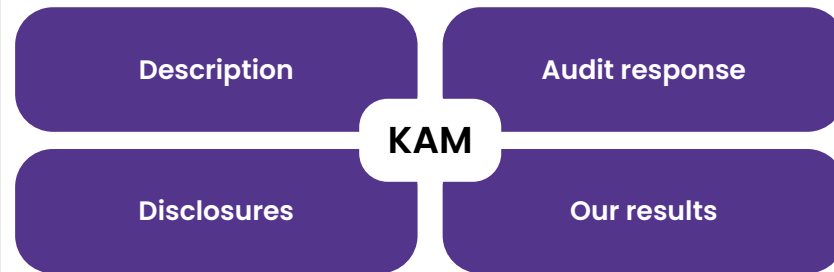
Our work performed over components covered 99% of the group’s continuing revenue, and 86% of the group’s continuing profit before tax.

We performed audit procedures on the entire financial information (full scope audit) of two group components. We performed audits of one or more classes of transactions including specified, risk focused audit procedures (specific-scope procedures) relating to the risks of material misstatement of the group financial statements for three components. We performed analytical procedures at group level (analytical procedures) on the financial information of all the remaining group components.

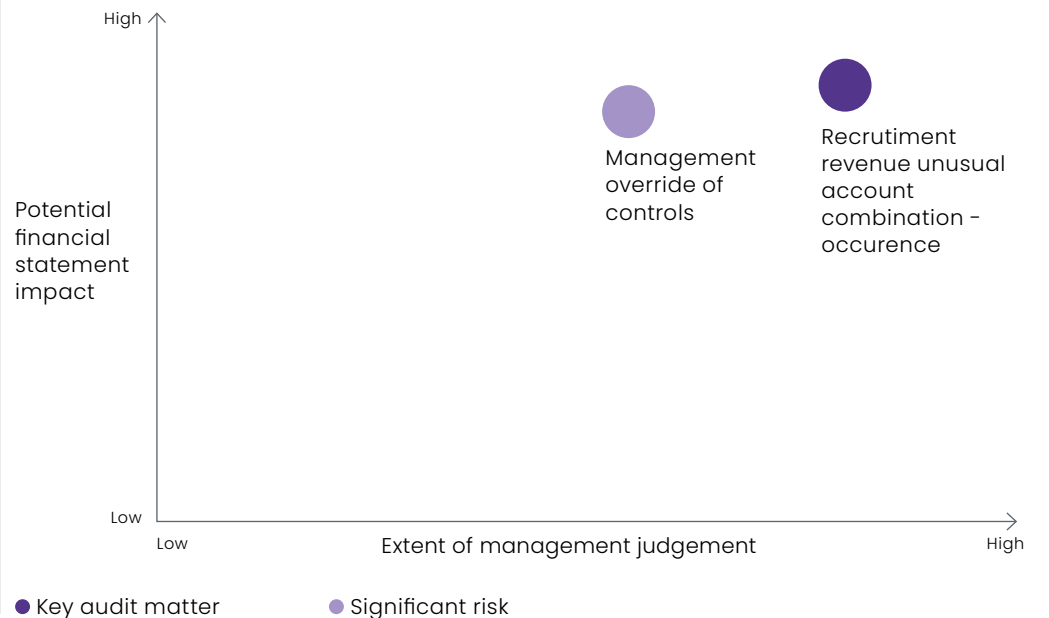
Changes to the group audit approach from the prior period included one of the components now being in scope for specific-scope procedures and the PeoplePlus Group no longer being in scope for specific-scope procedures post the sale of the division in February 2025.

## Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those that had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



In the graph below, we have presented the key audit matters and significant risks relevant to the audit. This is not a complete list of all risks identified by our audit.





## Independent auditor's report to the members of Staffline Group PLC continued

### Key Audit Matter – Group

#### Recruitment revenue unusual account combinations – occurrence

We identified unusual account combinations related to recruitment revenue as one of the most significant assessed risks of material misstatement due to fraud.

Under ISA (UK) 240 revised there is a rebuttable presumed risk that revenue may be misstated due to the improper recognition of revenue. Revenue recorded by the group is one of the key factors that impacts underlying operating profit and is a Key Performance Indicator for the group.

The majority of revenue within the recruitment segment is considered non-complex and is accounted for in a standardised manner aligned with the normal course of business. Postings made with unusual account combinations outside of the normal business process therefore pose a risk of fraud due to their abnormality.

#### Relevant disclosures in the Annual Report

- Financial statements: Note 3, Accounting Policies
- Financial statements: Note 4, Segment Reporting

### How our scope addressed the matter – Group

In responding to the key audit matter, we performed the following audit procedures:

- Understood and documented the process for initiating and recording revenue transactions, assessed whether relevant controls identified within the process were appropriately designed and implemented to mitigate the risk of fraud in revenue recognition;
- Assessed whether the accounting policies adopted by the directors are consistent and appropriate, in accordance with the requirements of International Financial Reporting Standard (IFRS) 15 'Revenue from Contracts with Customers', and whether management accounted for revenue in accordance with the accounting policies, including journal entries outside of the normal business process;
- Utilised audit data analytics techniques to identify potentially unusual transactions within revenue. For recruitment revenues we expect the majority of transactions to follow a simple process through revenue, receivables and VAT, followed by settlement in cash, with a limited number of other related accounts. We analysed the account combinations of every transaction which impacts revenue or receivables in the recruitment streams during the period. Transactions that were not in line with our understanding were selected to assess whether these entries were appropriate by enquiring with management to understand why they had occurred and agreeing that to supporting information;
- Supported the audit data analytic via testing the design, implementation and operating effectiveness of bank reconciliation controls, and performing a substantive test of detail on a sample of revenue transactions by agreeing the transaction to supporting documentation to gain assurance over the occurrence of the transaction; and
- Tested the revenue journal entries to unexpected accounts, including post year end consolidation journals, to assess whether these entries were appropriate and supported by underlying evidence.

#### Our results

Our audit procedures did not identify any material misstatements in relation to the occurrence of recruitment revenue unusual account combinations.

We did not identify any key audit matters relating to the audit of the financial statements of the parent company only.



## Independent auditor's report to the members of Staffline Group PLC continued

### Our application of materiality

We apply the concept of materiality both in planning and performing the audit, and in evaluating the effect of identified misstatements on the audit and of uncorrected misstatements, if any, on the financial statements and in forming the opinion in the auditor's report.

Materiality was determined as follows:

Materiality measure	Group	Parent company
<b>Materiality for financial statements as a whole</b>	We define materiality as the magnitude of misstatement in the financial statements that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of these financial statements. We use materiality in determining the nature, timing and extent of our audit work.	
Materiality threshold	£3,000,000 (2024: £2,000,000), which represents 0.27% of the group's continuing revenue.	£1,583,000 (2024: £1,246,000), which represents 2% of parent company's total assets.
Significant judgements made by auditor in determining materiality	<p>In determining materiality, we considered the following significant matters:</p> <ul style="list-style-type: none"> <li>The selection of appropriate benchmark;</li> <li>The selection of an appropriate percentage to apply to that benchmark; and</li> <li>The consideration of other qualitative factors including the previous year materiality and results of competitor benchmarking.</li> </ul> <p>Revenue is considered to be the most appropriate benchmark as it is a key performance indicator for the group, and the group has been close to breakeven for several years.</p> <p>Materiality for the current year is higher than the level that we determined for the year ended 31 December 2024 to reflect the increase in continuing revenue and improved stability of the group.</p>	<p>In determining materiality, we considered the following significant matters:</p> <ul style="list-style-type: none"> <li>The selection of appropriate benchmark;</li> <li>The selection of an appropriate percentage to apply to that benchmark; and</li> <li>The consideration of other qualitative factors including the previous year materiality and results of competitor benchmarking.</li> </ul> <p>Total assets is considered to be the most appropriate benchmark as the company's purpose is that of holding of investments in subsidiary entities. The company does not undertake any trading activities.</p> <p>Materiality for the current year is higher than the level that we determined for the year ended 31 December 2024 to reflect the increase in total assets.</p>

Materiality measure	Group	Parent company
<b>Performance materiality used to drive the extent of our testing</b>	We set performance materiality at an amount less than materiality for the financial statements as a whole to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole.	
Performance materiality threshold	£2,250,000 (2024: £1,500,000), which is 75% (2024: 75%) of financial statement materiality.	£1,187,000 (2024: £934,500), which is 75% (2024: 75%) of financial statement materiality.
Significant judgements made by auditor in determining performance materiality	<p>In determining performance materiality, we considered the following significant matters:</p> <ul style="list-style-type: none"> <li>Our experience with auditing the financial statements of the group in previous years – based on the number of identified misstatements in the prior year audit and management's attitude to correcting misstatements identified; and</li> <li>The number of components within the group and the extent of audit procedures planned and performed at these components.</li> </ul> <p>The performance materiality determined was not revised during the audit.</p>	<p>In determining performance materiality, we considered the following significant matters:</p> <ul style="list-style-type: none"> <li>Our experience with auditing the financial statements of the parent company in previous years – based on the number of identified misstatements in the prior year audit and management's attitude to correcting misstatements identified.</li> </ul> <p>The performance materiality determined was not revised during the audit.</p>



# Independent auditor’s report to the members of Staffline Group PLC continued

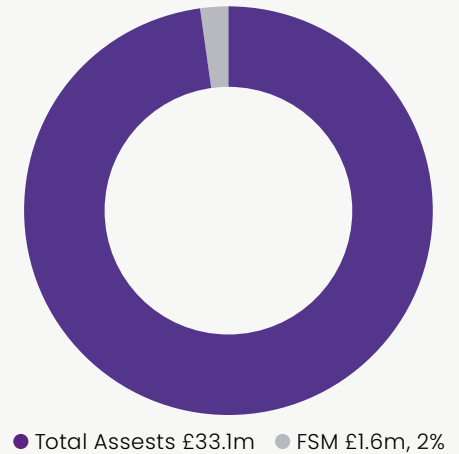
Materiality measure	Group	Parent company
<b>Specific materiality</b>	We determine specific materiality for one or more particular classes of transactions, account balances or disclosures for which misstatements of lesser amounts than materiality for the financial statements as a whole could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.	
Specific materiality	We determined a lower level of specific materiality for the following areas: <ul style="list-style-type: none"> <li>• Directors’ remuneration; and</li> <li>• Non-routine related party transactions.</li> </ul>	We determined a lower level of specific materiality for the following areas: <ul style="list-style-type: none"> <li>• Directors’ remuneration; and</li> <li>• Non-routine related party transactions.</li> </ul>
<b>Communication of misstatements to the audit committee</b>	We determine a threshold for reporting unadjusted differences to the audit committee.	
Threshold for communication	£150,000 (2024: £100,000), which represents 5% of financial statement materiality, and misstatements below that threshold that, in our view, warrant reporting on qualitative grounds.	£79,200 (2024: £62,300), which represents 5% of financial statement materiality, and misstatements below that threshold that, in our view, warrant reporting on qualitative grounds.

The graph below illustrates how performance materiality interacts with our overall materiality and the threshold for communication to the audit committee.

### Overall materiality – Group



### Overall materiality – Parent



FSM: Financial statement materiality, PM: Performance materiality, TfC: Threshold for communication to the Audit Committee.



## Independent auditor's report to the members of Staffline Group PLC continued

### An overview of the scope of our audit

We performed a risk-based audit that requires an understanding of the group's and the parent company's business and in particular matters related to:

#### Understanding the group, its components, their environments, and its system of internal control including common controls

- The group auditor obtained an understanding of the group and its environment, including common controls, and assessed the risks of material misstatement at the group level;
- The group auditor obtained an understanding of the effect of the group organisational structure on the scope of the audit, identifying that the group financial reporting team and systems are centralised in the UK; and
- The group auditor specifically noted that two operating segments are identified by management: Recruitment GB, being the provision of workforce recruitment and management to industry and Recruitment Ireland being the provision of generalist recruitment services. These segments are monitored by the Chief Operating Decision Maker, and the group's Board. Strategic decisions are made on the basis of these operating segments.

#### Identifying components at which to perform audit procedures

- The group auditor determined the components at which to perform further audit procedures, by considering the following:
- Components required to be in scope due to individually including a risk of material misstatement to the group financial statements due to the component's nature or circumstances;
- Components required to be in scope to ensure sufficient appropriate audit evidence is obtained for significant classes of transactions, account balances and disclosures, or for unpredictability.

#### Type of work to be performed on financial information of parent and other components (including how it addressed the key audit matters)

- Audit procedures on the entire financial information of the components (full-scope audit) were performed of the parent company, Staffline Group plc, and Staffline Recruitment Limited. These full-scope audits included all our procedures on the key audit matter as described above.
- Audit of one or more classes of transactions including specified, risk focused audit procedures (specific-scope procedures) were performed in the financial information of Staffline (NI) Limited, Brightwork Limited, and Datum RPO Limited.
- Analytical procedures at group level (analytical procedures) were performed on the financial information of all other components using group materiality.

### Performance of our audit

- All audit procedures were performed by the group auditor and took place in the UK.
- Our full-scope audits and specified-scope procedures gave coverage of 86% of the Group's total continuing revenue and 99% of the group's continuing Profit Before Tax (PBT). We performed analytical procedures on the financial information of the remaining 10 components in the group during the year.
- Further audit procedures performed on components subject to specific scope and specified procedures may not have included testing of all significant account balances of such components, but further audit procedures were performed on specific accounts within that component that we, the group auditor, considered had the potential for the greatest impact on the group financial statements either due to risk, size or coverage. The components within the scope of further audit procedures accounted for the following percentages of the group's results, including the key audit matters identified:

Audit approach	No. of components	% coverage continuing revenue	% coverage continuing PBT (abs)
Full-scope audit	2 (2024: 2)	86% (2024: 82%)	47% (2024: 47%)
Specific scope procedures	3 (2024: 3)	13% (2024: 5%)	39% (2024: 18%)
Full-scope and specific scope procedures coverage	<b>5 (2024: 5)</b>	<b>99% (2024: 87%)</b>	<b>86% (2024: 65%)</b>
Analytical procedures	10 (2024: 15)	1% (2024: 13%)	14% (2024: 35%)
<b>Total</b>	<b>15 (2024: 20)</b>	<b>100%</b>	<b>100%</b>



## Independent auditor's report to the members of Staffline Group PLC continued

### Changes in approach from previous period

- In the current period the following changes to our audit approach were made:
- PeoplePlus Group Limited was subject to analytical procedures, whereas this entity was subject to specific-scope procedures in the previous period. This is due to the sale of the division in February 2025.
- Datum RPO Limited was subject to specific-scope procedures, whereas this entity was subject to full-scope audits in the previous period.
- Staffline Recruitment (ROI) Limited was subject to analytical procedure, whereas this entity was subject to specific-scope procedures in the previous period.
- Staffline Recruitment (NI) Limited was subject to specific-scope procedures, whereas this entity was subject to analytical review procedures in the previous period.

### Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is 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.

Our opinion on other matters prescribed by the Companies Act 2006 is unmodified

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

### Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 97, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine 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 directors are responsible for assessing the group's and the parent company'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 directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.



## Independent auditor's report to the members of Staffline Group PLC continued

### 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Group and parent company through our inquiries of management, knowledge of the business, and review of minutes from board meetings. We determined that the most significant which are directly relevant to specific assertions in the financial statements are those related to the reporting frameworks (International Financial Reporting Standards, United Kingdom Generally Accepted Accounting Practice, the Companies Act 2006, and the QCA Corporate Governance Code);
- We assessed the susceptibility of the Group and parent company's financial statements to material misstatement, including how fraud might occur, by evaluating management's incentives and opportunities for manipulation of the financial statements. This included the evaluation of the risk of management override of controls. We determined that the principal risks were in relation to the estimation and judgemental areas with a risk of fraud including potential management bias in:
  - Revenue journal entries to unexpected accounts within the recruitment segment, including post year end consolidation journals.
- Our audit procedures involved:
  - evaluating the design and implementation of relevant controls that management has in place to prevent and detect fraud;
  - using data analytics software to perform journal entry testing, with a focus on journals that met our unusual criteria, including those with unusual account combinations impacting both revenue and cost accounts;
  - challenging assumptions and judgements made by management in its significant accounting estimates, including provisions made by management;
  - testing the completeness of the Group's related party transactions through information obtained at the Company and component entities and testing that these transactions had a valid business purpose; and
  - assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the related financial statement items.

- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;
- The engagement partner's assessment of whether the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations included consideration of the engagement team's:
  - understanding of, and practical experience with audit engagements of a similar nature and complexity, through appropriate training and participation; and
  - knowledge of the industry in which the client operates.
- Engagement team communications in respect of potential non-compliance with laws and regulations and fraud included the potential for fraud in revenue recognition through manipulation of recruitment revenue. This area is also reported as a key audit matter in the Key Audit Matter section of our report where the specific procedures that were performed in response are described in more detail.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://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 company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members 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 the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### Christopher Smith

Senior Statutory Auditor  
for and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants

London  
23 March 2026



# Financial Statements

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## Consolidated Statement of Comprehensive Income

For the year ended 31 December 2025

	Note	2025 £m	2024 Restated* £m
<b>Continuing activities</b>			
Revenue	4	1,106.7	992.9
Cost of sales	5	(1,028.4)	(922.1)
<b>Gross profit</b>		<b>78.3</b>	70.8
Administrative expenses	5	(65.3)	(60.9)
<b>Operating profit</b>		<b>13.0</b>	9.9
Underlying operating profit before non-underlying administrative expenses		13.0	10.1
Administrative expenses – non-underlying	5	–	(0.2)
Operating profit		13.0	9.9
Finance income	6	0.1	1.5
Finance charges	6	(5.7)	(6.4)
Net finance charges		(5.6)	(4.9)
<b>Profit for the year before taxation</b>		<b>7.4</b>	5.0
Tax expense	8	(1.9)	(0.9)
<b>Profit from continuing activities</b>		<b>5.5</b>	4.1
Loss from discontinued operations	10	(0.7)	(14.9)
<b>Profit/(loss) for the year</b>		<b>4.8</b>	(10.8)
Items that will not be reclassified to profit and loss – actuarial loss net of deferred tax	16	–	(0.3)
Items that will be reclassified to profit and loss:			
– effective portion of loss on hedging instrument measured at fair value net of deferred tax	18	(0.4)	(0.7)
– foreign exchange translation gain/(loss)		0.2	(0.2)
Other comprehensive income for the year net of deferred tax		(0.2)	(1.2)
<b>Total comprehensive income</b>		<b>4.6</b>	(12.0)
<b>Earnings per Ordinary Share</b>	9		
Continuing activities: Basic		4.5p	3.0p
Continuing activities: Diluted		4.4p	2.9p
Discontinued operations: Basic		(0.6)p	(10.7)p
Discontinued operations: Diluted		(0.6)p	(10.6)p
<b>Total earnings/(loss) per share: Basic</b>		<b>3.9p</b>	(7.7)p
<b>Total earnings/(loss) per share: Diluted</b>		<b>3.8p</b>	(7.7)p

\* For details of the restatement, refer to Note 10.

All profits and losses are attributable to the owners of the Company.

The accompanying Notes form an integral part of these financial statements.



## Consolidated Statement of Changes in Equity

For the year ended 31 December 2025

	Share capital £m	Own shares £m	Capital redemption reserve £m	Share-based payment reserve £m	Cost of hedging reserve £m	Foreign exchange translation reserve £m	Profit and loss account Restated* £m	Total equity Restated* £m
<b>At 1 January 2024</b>	<b>14.9</b>	<b>(4.7)</b>	<b>1.7</b>	<b>1.2</b>	<b>0.9</b>	<b>(0.6)</b>	<b>41.5</b>	<b>54.9</b>
Share-based payments – equity-settled	–	–	–	0.7	–	–	–	0.7
Issue of shares to management	–	0.2	–	(0.4)	–	–	(0.1)	(0.3)
Shares purchased and cancelled	(0.7)	–	0.7	–	–	–	(2.5)	(2.5)
Own shares purchased	–	(1.9)	–	–	–	–	–	(1.9)
<b>Transactions with owners</b>	<b>(0.7)</b>	<b>(1.7)</b>	<b>0.7</b>	<b>0.3</b>	<b>–</b>	<b>–</b>	<b>(2.6)</b>	<b>(4.0)</b>
Loss for the year	–	–	–	–	–	–	(8.3)	(8.3)
Other comprehensive income	–	–	–	–	(0.7)	(0.2)	(0.3)	(1.2)
<b>Total comprehensive income for the year, net of tax</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(0.7)</b>	<b>(0.2)</b>	<b>(8.6)</b>	<b>(9.5)</b>
<b>At 31 December 2024 (reported)</b>	<b>14.2</b>	<b>(6.4)</b>	<b>2.4</b>	<b>1.5</b>	<b>0.2</b>	<b>(0.8)</b>	<b>30.3</b>	<b>41.4</b>
Prior year adjustment	–	–	–	–	–	–	(2.5)	(2.5)
At 1 January 2025 (restated)	14.2	(6.4)	2.4	1.5	0.2	(0.8)	27.8	38.9
Share-based payments – equity-settled	–	–	–	1.6	–	–	–	1.6
Issue of shares to management	–	1.0	–	(1.0)	–	–	–	–
Shares purchased and cancelled	(1.9)	–	1.9	–	–	–	(6.5)	(6.5)
<b>Transactions with owners</b>	<b>(1.9)</b>	<b>1.0</b>	<b>1.9</b>	<b>0.6</b>	<b>–</b>	<b>–</b>	<b>(6.5)</b>	<b>(4.9)</b>
Profit for the year	–	–	–	–	–	–	4.8	4.8
Other comprehensive income	–	–	–	–	(0.4)	0.2	–	(0.2)
<b>Total comprehensive income for the year, net of tax</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(0.4)</b>	<b>0.2</b>	<b>4.8</b>	<b>4.6</b>
<b>At 31 December 2025</b>	<b>12.3</b>	<b>(5.4)</b>	<b>4.3</b>	<b>2.1</b>	<b>(0.2)</b>	<b>(0.6)</b>	<b>26.1</b>	<b>38.6</b>

\* For details of the restatement, refer to note 10.

The accompanying Notes form an integral part of these financial statements.



## Company Statement of Changes in Equity

For the year ended 31 December 2025

	Share capital £m	Own shares £m	Capital redemption reserve £m	Profit and loss account £m	Total equity £m
<b>At 1 January 2024</b>	<b>14.9</b>	<b>(4.7)</b>	<b>1.7</b>	<b>66.1</b>	<b>78.0</b>
Issue of shares to management	–	0.2	–	–	0.2
Shares purchased and cancelled	(0.7)	–	0.7	(2.5)	(2.5)
Own shares purchased	–	(1.9)	–	–	(1.9)
<b>Transactions with owners</b>	<b>(0.7)</b>	<b>(1.7)</b>	<b>0.7</b>	<b>(2.5)</b>	<b>(4.2)</b>
Loss for the year	–	–	–	(15.7)	(15.7)
<b>Total comprehensive income for the year, net of tax</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(15.7)</b>	<b>(15.7)</b>
<b>At 31 December 2024</b>	<b>14.2</b>	<b>(6.4)</b>	<b>2.4</b>	<b>47.9</b>	<b>58.1</b>
Issue of shares to management	–	1.0	–	(0.4)	0.6
Shares purchased and cancelled	(1.9)	–	1.9	(6.5)	(6.5)
<b>Transactions with owners</b>	<b>(1.9)</b>	<b>1.0</b>	<b>1.9</b>	<b>(6.9)</b>	<b>(5.9)</b>
Profit for the year	–	–	–	26.0	26.0
<b>Total comprehensive income for the year, net of tax</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>26.0</b>	<b>26.0</b>
<b>At 31 December 2025</b>	<b>12.3</b>	<b>(5.4)</b>	<b>4.3</b>	<b>67.0</b>	<b>78.2</b>

The accompanying Notes form an integral part of these financial statements.



# Consolidated and Company Statements of Financial Position

As at 31 December 2025

	Note	Consolidated		Company	
		2025 £m	2024 Restated* £m	2025 £m	2024 £m
<b>Assets</b>					
<b>Non-current</b>					
Goodwill	11	27.1	27.1	–	–
Other intangible assets	12	11.9	10.0	–	–
Investments	13	–	–	26.2	26.2
Property, plant and equipment	14	3.0	3.2	–	–
Deferred tax asset	23	0.9	2.5	–	0.1
Derivative financial instruments	18	0.2	1.0	0.2	1.0
Amount due from subsidiary undertaking	17	–	–	52.4	19.1
		43.1	43.8	78.8	46.4
<b>Current</b>					
Trade and other receivables	17	185.7	141.5	–	0.1
Amount due from subsidiary undertaking		–	–	–	4.6
Cash and cash equivalents	19	8.4	14.6	0.2	–
Assets included in disposal group classified as held for sale	10	–	17.2	–	7.8
		194.1	173.3	0.2	12.5
<b>Total assets</b>		<b>237.2</b>	<b>217.1</b>	<b>79.0</b>	<b>58.9</b>
<b>Liabilities</b>					
<b>Current</b>					
Trade and other payables	20	186.5	153.2	0.4	–
Borrowings	21	6.9	5.0	–	–
Current tax liability	8	0.3	0.2	0.2	0.1
Provisions	22	0.4	0.2	–	–
Lease liabilities	15	1.0	1.0	–	–
Liabilities included in disposal group classified as held for sale	10	–	13.9	–	–
		195.1	173.5	0.6	0.1

	Note	Consolidated		Company	
		2025 £m	2024 Restated* £m	2025 £m	2024 £m
<b>Non-current</b>					
Provisions	22	0.3	0.3	–	–
Lease liabilities	15	3.0	3.7	–	–
Derivative financial instruments	18	0.2	0.6	0.2	0.6
Deferred tax liabilities	23	–	0.1	–	0.1
		3.5	4.7	0.2	0.7
<b>Total liabilities</b>		<b>198.6</b>	<b>178.2</b>	<b>0.8</b>	<b>0.8</b>
<b>Equity</b>					
Share capital	24	12.3	14.2	12.3	14.2
Own shares		(5.4)	(6.4)	(5.4)	(6.4)
Capital redemption reserve		4.3	2.4	4.3	2.4
Share-based payment reserve		2.1	1.5	–	–
Cost of hedging reserve		(0.2)	0.2	–	–
Foreign exchange translation reserve		(0.6)	(0.8)	–	–
Profit and loss account		26.1	27.8	67.0	47.9
<b>Total equity</b>		<b>38.6</b>	<b>38.9</b>	<b>78.2</b>	<b>58.1</b>
<b>Total equity and liabilities</b>		<b>237.2</b>	<b>217.1</b>	<b>79.0</b>	<b>58.9</b>

\* For details of the restatement, refer to Note 10.

The Company has taken advantage of Section 408 of the Companies Act 2006 and has not included its own profit and loss account in these financial statements. The Company's profit for the year was £26.0m (2024: loss of £(15.7)m).

The accompanying Notes form an integral part of these financial statements.

The financial statements were approved by the Board of Directors on 23 March 2026 and signed on their behalf by:

**Albert Ellis**  
Director

23 March 2026

**Daniel Quint**  
Director

23 March 2026



## Consolidated Statement of Cash Flows

For the year ended 31 December 2025

	Note	2025 £m	2024 £m
<b>Cash flows from operating activities</b>	29	<b>5.9</b>	21.5
Taxation paid	8	–	(0.2)
<b>Net cash inflow from operating activities</b>		<b>5.9</b>	21.3
<b>Cash flows from investing activities</b>			
Purchases of property, plant and equipment	14	(1.2)	(0.7)
Purchase of intangible assets – software	12	(3.8)	(3.7)
Gross proceeds from disposal of PeoplePlus	10	6.2	–
Cash adjustment on disposal of PeoplePlus*	10	(2.5)	–
<b>Total cash flows arising from investing activities</b>		<b>(1.3)</b>	(4.4)
<b>Total cash flows arising from operating and investing activities</b>		<b>4.6</b>	16.9
<b>Cash flows from financing activities</b>			
Net movements on Receivables Finance Agreement	21	1.9	(4.5)
Principal repayment of lease liabilities	15	(0.7)	(2.0)
Net interest paid		(5.5)	(4.7)
Own shares purchased		(6.5)	(4.4)
<b>Net cash flows from financing activities</b>		<b>(10.8)</b>	(15.6)
<b>Net change in cash and cash equivalents</b>		<b>(6.2)</b>	1.3
<b>Cash and cash equivalents at beginning of year</b>		<b>14.6</b>	13.3
<b>Cash and cash equivalents at end of year</b>	19	<b>8.4</b>	14.6

\* This represents cash collected from trade receivables and remitted for payables paid on disposal of PeoplePlus.  
The accompanying Notes form an integral part of these financial statements.



# Notes to the Financial Statements

For the year ended 31 December 2025

## 1. Nature of operations

The principal activities of Staffline Group PLC and its subsidiaries (the "Group") include the provision of recruitment and outsourced human resource services to industry.

## 2. General information and statement of compliance

Staffline Group PLC, a public limited company limited by shares listed on AIM (the "Company"), is incorporated and domiciled in England, United Kingdom. The Company acts as the holding company of the Group. The registered office and principal place of business of the Group and its subsidiary companies is disclosed on the Company details page to these financial statements, page 153 and within Note 13. The Company's registration number is 05268636.

The financial statements for the year ended 31 December 2025 (including the comparatives for the year ended 31 December 2024) were approved and authorised for issue by the Board of Directors on 23 March 2026.

There have been no new accounting standards that have required adoption in the current year.

The Company does not have an ultimate controlling party. As noted on page 94, the largest shareholder held 28.4% of the Company's issued share capital as at 31 December 2025.

## 3. Accounting policies

### Basis of preparation

The Consolidated financial statements are prepared for the year ended 31 December 2025. The Consolidated financial statements of the Group have been prepared on a going concern basis using the significant accounting policies and measurement bases summarised below, and in accordance with UK-adopted International Accounting Standards. The financial statements are prepared under the historical cost convention except for equity-settled share options, derivative financial instruments and the retirement benefit net asset, which are measured at fair value.

The Company financial statements of Staffline Group PLC have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 101 ("FRS 101") and the Companies Act 2006.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

Paragraphs 45(b) and 46 to 52 of IFRS 2, Share-based Payment (details of the number and weighted-average exercise prices of share options, and how the fair value of goods or services received was determined).

IFRS 7, Financial Instruments: Disclosures.

Paragraphs 91 to 99 of IFRS 13, Fair Value Measurement (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities).

Paragraph 38 of IAS 1, Presentation of Financial Statements comparative information requirements in respect of:

paragraph 79(a)(iv) of IAS 1;

paragraph 73(e) of IAS 16;

paragraph 118(e) of IAS 38;

requirements of paragraphs 62 and B64 of IFRS 3, Business Combinations; and

paragraph 33(c) of IFRS 5.

• The following paragraphs of IAS 1, Presentation of Financial Statements:

– 10(d) (statement of cash flows);

– 10(f) (a statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements);

– 16 (statement of compliance with all IFRS);

– 38A (requirement for minimum of two primary statements, including cash flow statements);

– 38B–D (additional comparative information);

– 40A–D (requirements for a third statement of financial position);

– 111 (cash flow statement information); and

– 134–136 (capital management disclosures).

• IAS 7, Statement of Cash Flows.

• Paragraphs 30 and 31 of IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective).

• Paragraph 17 of IAS 24, Related Party Disclosures (key management compensation).

• The requirements in IAS 24, Related Party Disclosures to disclose related party transactions entered into between two or more members of a group.



## Notes to the Financial Statements continued

### For the year ended 31 December 2025

### 3. Accounting policies continued

There are no amendments to accounting standards, or IFRIC interpretations that are effective for the period ended 31 December 2025 that have a material impact on the Group financial statements. Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for 31 December 2025 reporting periods and have not been early adopted by the Group. These standards, amendments or interpretations are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

The Consolidated and Company financial statements are presented in sterling, which is the functional currency of the Parent Company and Group. The principal accounting policies of the Group and Company are set out below and have been consistently applied, unless stated otherwise.

#### Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Chief Executive Officer's Review on pages 9 to 11. The financial position of the Group, its cash flows, liquidity position and borrowing facilities are described in the Financial Review on pages 24 to 30. The principal risks and uncertainties to which the Group is exposed are described on pages 55 to 66.

As described in the Chief Executive Officer's Review, despite the challenging trading conditions experienced across both divisions in the Group during the year, the Group reported an operating profit of £13.0m for the year, which exceeded market expectations. Recruitment GB won a substantial new logistics contract in 2025 and is targeting further growth in market share in 2026.

The Directors maintained tight cost control throughout the year, but inflationary pressures and the acquisition of new staff associated with new business acquired, have resulted in an overall increase in overheads compared to the previous year.

The Directors have prepared updated forecasts and cash flow projections to 31 December 2027, which is considered to be a reasonable period over which a reasonable view can be formed. These forecasts have been used to assess going concern and have been stress-tested by applying basic sensitivity analysis, involving a reduction to revenues and an increase in interest rates over the forecast period.

In forming their opinion, the Directors have performed a robust assessment of the principal risks and uncertainties facing the Group as set out on pages 55 to 66. In addition, Note 28 to the accounts includes the Group's objectives, policies and processes for managing its capital; its financial risk management objectives; and its exposure to credit risk and liquidity risk. Consequently, the Directors believe that the Group is well placed to manage its business risks successfully.

At 31 December 2025, the Group had net cash of £1.5m (2024: net cash of £9.6m), on a pre-IFRS 16 basis, and has committed debt facilities until 14 December 2027. For the period to 31 December 2027, the Group's cash flow forecasts indicate ongoing headroom in the Receivables Finance Agreement and also full compliance with the financial covenants contained therein, on the assumption that the Accordion option (see Note 21) is exercised, which is subject to lender approval. The Group has sufficient day-to-day liquidity to ensure that short-term liabilities can be satisfied as and when they fall due. Further details of the financial position of the Group, its cash flows, liquidity position and borrowing facilities are described in the Financial Review on pages 24 to 30.

As a result, the Directors have formed a judgement, at the time of approving the financial statements, that there is a reasonable expectation that the Group has adequate resources to continue in operational existence and meet its liabilities as they fall due over the assessment period. The Directors have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue. For this reason, the Directors continue to adopt the going concern basis in preparing the financial statements.

#### Consolidation of subsidiaries

The Group financial statements consolidate those of the Parent Company and all of its subsidiaries as at 31 December 2025 in accordance with IFRS 10. Subsidiaries are all entities to which the Group is exposed or has rights to variable returns and the ability to affect those returns through control over the subsidiary. The results of subsidiaries whose accounts are prepared in a currency other than sterling are translated at the average rates of exchange during the period and their year-end balances at the year-end rate of exchange. Translation adjustments are taken to profit and loss reserves.

Material intra-group balances and transactions, and any unrealised gains or losses arising from intra-group transactions, are eliminated in preparing these financial statements.

#### Non-GAAP measures of performance

In the reporting of its financial performance, the Group uses certain measures that are not defined under IFRS, the Generally Accepted Accounting Principles ("GAAP") under which the Group reports. The Directors believe that these non-GAAP measures assist with the understanding of the performance of the business. These non-GAAP measures are not a substitute for, or superior to, any IFRS measures of performance but they have been included as the Directors consider them to be an important means of comparing performance year on year and they include key measures used within the business for assessing performance.



## Notes to the Financial Statements continued

### For the year ended 31 December 2025

### 3. Accounting policies continued

#### Gross sales value

Gross sales value represents the fair value of the consideration received or receivable for the supply of services, including agency sales (excluding fees) which are subject to an IFRS 15 agency adjustment, net of value added tax, rebates and discounts and after eliminating sales within the Group.

#### Non-underlying items of income and expenditure

Non-underlying charges are regarded as either recurring or non-recurring items of income or expenditure of a particular size and/or nature relating to the operations of the business that in the Directors' opinion require separate identification. These items are included in "total" reported results but are excluded from "underlying" results. These items can vary significantly from year to year and therefore create volatility in reported earnings.

#### Underlying EBITDA

Underlying operating profit before the deduction of underlying depreciation and amortisation charges. This is considered a useful measure because it approximates the underlying cash flow by eliminating depreciation and amortisation charges.

The Directors acknowledge that the adjustments made to arrive at underlying profit may not be comparable to those made by other companies. It should be noted that whilst the amortisation of acquisition-related intangible assets has been added back, the revenue from those acquisitions has not been eliminated.

#### Net debt

Net debt is the amount of bank debt less available cash balances. This is a key measure as it is one on which the terms of the banking facilities are based and shows the level of external debt utilised by the Group to fund operations. Net debt is also presented on a pre-IFRS 16 basis which excludes lease liabilities.

All of these alternative performance measures are utilised by the Board to monitor performance and financial position. They show a comparable level of performance excluding one-off items, with which underlying performance and ability to service debt can be judged.

#### Business combinations

The Group applies the acquisition method in accounting for business combinations. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair value of assets transferred, liabilities incurred and the equity interests of the Group, which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition costs are expensed as incurred.

Goodwill is stated after separate recognition of identifiable intangible assets. It is calculated as the sum of a) fair value of consideration transferred, b) the recognised amount of any non-controlling interest in the acquiree and c) acquisition-date fair value of any existing equity interest in the acquiree, over the acquisition-date fair values of identifiable net assets. If the fair values of identifiable net assets exceed the sum calculated above, the excess amount (i.e. gain on a bargain purchase) is recognised in the statement of comprehensive income immediately.

#### Segment reporting

During the year, the Group had two material operating segments: the provision of recruitment and outsourced human resource services to industry, in Great Britain (Recruitment GB) and also in the island of Ireland (Recruitment Ireland). These operating segments are managed separately as each operates within a distinct territory, which require local presence, separate marketing approaches and other resources. For management purposes, the Group uses the same measurement policies as those used in its financial statements.

On 24 February 2025, the Group sold its wholly owned subsidiary PeoplePlus Group Ltd, which encompassed the PeoplePlus division. Negotiations for the sale commenced before 31 December 2024 and accordingly the division was reported as held for sale and as a discontinued operation in the statement of comprehensive income for that year.

#### Revenue recognition

Income from the provision of temporary contractors is recognised as services are rendered, based on hours worked multiplied by the contracted hourly rate, net of rebates. In the case of temporary contractors, there is deemed to be one performance obligation, being the satisfactory completion of the daily hours. Income from permanent placements is recognised when the candidates start work, since there is deemed to be one performance obligation, being the commencement of employment of the worker. In each case, revenue is only recognised when the labour or service has been provided and the Group is contractually entitled to the revenue.

Revenue from temporary recruitment services is measured at the value of the consideration received or receivable for the supply of services, net of value added tax, rebates and discounts and after eliminating sales within the Group. Provisions for rebates are accounted for in the period to which the sale relates and are calculated in accordance with the contractual arrangements in place. In each case, the estimated value of the rebate, which is based on forecast volumes at the applicable rebate rate, is deducted from revenue and recorded as a liability within accruals. Management applies a constraint when measuring revenue to minimise the risk of a significant reversal. This involves making suitably cautious estimates of inputs and assumptions used in rebate calculations. While estimates may not fully reflect final outcomes, they are reviewed regularly to ensure the risk of a material downward revenue adjustment is low.



## Notes to the Financial Statements continued

### For the year ended 31 December 2025

### 3. Accounting policies continued

#### Revenue recognition continued

The Group assesses whether it is acting as agent or principal depending on whether the customer has a direct relationship with the Group, whether the Group has the primary responsibility for providing the services and whether the Group has control over the placement of the worker. Where the Group acts as a principal in the supply, revenue is recognised as the gross amount due, net of value added tax, rebates and discounts. Recruitment GB has a limited number of second tier arrangements whereby another recruitment company will provide contractors to the Group to enable the Group to fulfil a customer's requirement. Where this arrangement constitutes an agency relationship rather than principal, the amount of revenue recognised is limited to the management fee or margin receivable for that service after making provision for any losses foreseen, volume rebates and any other amounts payable, rather than the full amount invoiced. Trade receivables and payables related to these sales are recorded at full invoice value.

Gross sales value represents the value of the consideration received or receivable for the supply of services, including agency sales which are subject to an IFRS 15 agency adjustment, net of value added tax, rebates and discounts and after eliminating sales within the Group.

Contract assets are recognised to reflect revenue recorded in relation to work that is part way through completion of a performance obligation and is yet to be invoiced.

Deferred income is short-term in nature (less than one year) and is recognised in the income statement once the performance obligation has been satisfied.

#### Operating expenses

Operating expenses are recognised in the statement of comprehensive income when incurred and are classified according to their nature.

#### Goodwill

Goodwill represents the excess of the fair value of the cost of a business acquisition over the Group's share of the fair value of assets and liabilities acquired as at the date of acquisition. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses.

#### Intangible assets

##### Assets acquired as part of a business combination

In accordance with IFRS 3, Business Combinations, an intangible asset acquired in a business combination is deemed to have a cost to the Group of its fair value at the acquisition date. The fair value of the intangible asset reflects market expectations about the probability that the future economic benefits embodied in the asset will flow to the Group. An independent valuation is undertaken in order to assess the fair value of intangible assets acquired in a business combination.

The fair value is then amortised over the expected useful economic life of the asset as detailed below. Where an intangible asset might be separable, but only together with a related tangible or intangible asset, the group of assets is recognised as a single asset separately from goodwill where the individual fair values of the assets in the group are not reliably measurable. Where the individual fair values of the complementary assets are reliably measurable, the Group recognises them as a single asset provided the individual assets have similar useful lives.

##### Customer contracts, customer lists, brands and licences

The fair value of acquired customer contracts, customer lists, brands and licences is capitalised and, subject to impairment reviews, amortised over their estimated lives (estimated to be five years). The amortisation is calculated so as to write off their fair value less their estimated residual values over their estimated lives. An impairment review is undertaken when events or circumstances indicate the carrying amount may not be recoverable.

##### Computer software

Computer software is carried at historical cost less subsequent amortisation and impairment losses. Amortisation is charged on the cost less the estimated residual value, which is assessed annually, of these assets on a straight-line basis over the estimated useful economic life of each asset.

The useful lives of computer software are five to ten years and are amortised on a straight-line basis.



## Notes to the Financial Statements continued

### For the year ended 31 December 2025

### 3. Accounting policies continued

#### Property, plant and equipment

Freehold property, computer equipment, fixtures and fittings and motor vehicles are carried at acquisition cost less subsequent depreciation and impairment losses. Depreciation is charged on the cost less the estimated residual value, which is assessed annually, of these assets over the estimated useful economic life of each asset.

The estimated useful economic lives of property, plant and equipment and the depreciation basis can be summarised as follows:

Buildings	50 years straight-line
Computer equipment	3-5 years straight-line
Fixtures and fittings	3-5 years straight-line
Motor vehicles	25% reducing balance

Right-of-use assets are depreciated over their lease term. Assets in the course of construction are not depreciated until they are available for use.

#### Impairment assessment

Goodwill, other intangible assets and property, plant and equipment are subject to impairment testing.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units (CGUs)). As a result, some assets are tested individually for impairment, and some are tested at cash-generating unit level. Goodwill is allocated to those cash-generating units that are expected to benefit from synergies of the related business combination and represent the lowest level within the Group at which management monitors the related cash flows.

Individual intangible assets or cash-generating units that include goodwill with an indefinite useful life are tested for impairment at least annually. All other individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell, and value-in-use based on an internal discounted cash flow evaluation. Impairment losses recognised for cash-generating units, to which goodwill has been allocated, are credited initially to the carrying amount of goodwill. Any remaining impairment loss is charged pro rata to the other assets in the cash-generating unit. With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist.

#### Investments

Investments in the subsidiary undertakings are held at cost less accumulated impairment losses.

#### Leases

The Group is not party to any material leases where it acts as a lessor, but the Group does have a number of material property leases and a software lease, under which it is a lessee.

For any new contracts entered into, the Group considers whether a contract is, or contains, a lease. A lease is defined as "a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration". To apply this definition the Group assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group;
- the Group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract; and
- the Group has the right to direct the use of the identified asset throughout the period of use. The Group assesses whether it has the right to direct "how and for what purpose" the asset is used throughout the period of use.

#### Measurement and recognition of leases as a lessee

At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the statement of financial position. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received). The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available, or the Group's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in-substance fixed payments), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.



## Notes to the Financial Statements continued

### For the year ended 31 December 2025

### 3. Accounting policies continued

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes to in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

On the statement of financial position, right-of-use assets are included in property, plant and equipment and lease liabilities are disclosed separately.

#### Taxation

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting period, that are unpaid at the balance sheet date. They are calculated according to the tax rates and tax laws applicable to the fiscal periods to which they relate, based on the taxable profit or loss for the year.

Deferred income taxes are calculated using the liability method on temporary differences. This involves the comparison of the carrying amounts of assets and liabilities in the Consolidated financial statements with their respective tax bases. However, in accordance with the rules set out in IAS 12, no deferred taxes are recognised on the initial recognition of goodwill. This applies also to temporary differences associated with shares in subsidiaries if reversal of these temporary differences can be controlled by the Group and it is probable that reversal will not occur in the foreseeable future. In addition, tax losses available to be carried forward as well as other income tax credits to the Group are assessed for recognition as deferred tax assets.

Deferred tax liabilities are provided for in full. Deferred tax assets are recognised if it is probable that they will be able to be offset against future taxable income. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the statement of financial position date.

Most changes in deferred tax assets or liabilities are recognised as a component of tax expense in the profit or loss. Only changes in deferred tax assets or liabilities that relate to a change in the value of assets or liabilities that are charged directly in other comprehensive income or equity are charged or credited directly to other comprehensive income or equity.

#### Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents include cash at bank and in hand.

#### Pensions

The Group contributes to a number of pension arrangements. The schemes are generally funded through payments to insurance companies or trustee-administered funds, determined by periodic actuarial calculations. During the year the Group had defined contribution plans. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Liabilities and assets may be recognized if an underpayment or prepayment has occurred and are included in current liabilities or current assets as they are normally of a short-term nature.

#### Financial assets

The Group's financial assets include cash, trade receivables and other receivables. The Company's financial assets relate to amounts owed by subsidiary companies which are initially recorded at fair value and subsequently at amortised cost.

Trade receivables are initially recognised at transaction cost. Other financial assets are initially recognised at fair value, plus refinancing costs. After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

The Group uses a number of customer financing arrangements whereby specific customer invoices are settled in advance of their normal settlement date. Under these arrangements the associated trade receivables are non-recourse to the Group and as such substantially all the risks and rewards of ownership of these trade receivables are transferred at the point the trade receivables are transferred to third parties. Consequently, these trade receivables are derecognised at the point of transfer.

The Group makes use of a simplified approach in accounting for trade and other receivables and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the Group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix. The Group assesses impairment of trade receivables on a collective basis as they possess shared credit risk characteristics, and they have been grouped based on the days past due. Refer to Note 28 for a detailed analysis of how the impairment requirements of IFRS 9 are applied.

The Company assesses at each balance sheet date whether amounts owed by subsidiary companies are impaired by assessing the likelihood that the Company will be able to collect all amounts due in full.



## Notes to the Financial Statements continued

### For the year ended 31 December 2025

### 3. Accounting policies continued

#### Financial liabilities

The Group's financial liabilities may include receivables finance facilities, trade and other payables and other liabilities.

Financial liabilities are recognised when the Group becomes a party to the contractual agreements of the instrument. All interest-related charges are recognised as an expense in "finance costs" in the statement of comprehensive income.

Bank funding is raised to support the working capital requirements of the Group's operations. It is recognised at the proceeds received and any direct issue costs are carried forward and amortised over the term of the relevant borrowings. Any exit fee liabilities are recognised on the balance sheet at the time of refinancing. All other finance charges are charged to the income statement on an accruals basis. Working capital funding is currently provided via a Receivables Finance Agreement ("RFA") and a number of separate Customer Financing arrangements. Details are provided in Note 21. Cash flows in relation to the Customer Financing arrangements are recognised as operating cash flows. Cash flows arising from the RFA are included as a movement in financing cash flows.

Under the RFA the Group receives advances against eligible receivables, but retains responsibility for collection. The amounts due are funded on a recourse basis and consequently the receivable remains on the balance sheet until settled by the customer.

Trade payables are recognised initially at their fair value and subsequently measured at amortised cost less settlement payments.

Dividend distributions to shareholders are included in "other short-term financial liabilities" when the dividends are approved by the shareholders' meeting prior to the financial year end but remain unpaid at the year end.

#### Derivative financial instruments and hedge accounting

The Group accounts for derivative financial instruments at fair value through profit and loss ("FVTPL") except for derivatives designated as hedging instruments in cash flow hedge relationships, which require a specific accounting treatment. To qualify for hedge accounting, the hedging relationship must meet all of the following requirements:

- there is an economic relationship between the hedged item and the hedging instrument;
- the effect of credit risk does not dominate the value changes that result from that economic relationship; and
- the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the entity actually hedges and the quantity of the hedging instrument that the entity actually uses to hedge that quantity of hedged item.

The Group has designated an interest rate collar contract as a hedged instrument in a cash flow hedge relationship. This arrangement has been entered into to mitigate interest rate risk arising from future increases in the SONIA interest rate. All derivative financial instruments used for hedge accounting are recognised initially at fair value and reported subsequently at fair value in the statement of financial position.

To the extent that the hedge is effective, changes in the fair value of derivatives designated as hedging instruments in cash flow hedges are recognised in other comprehensive income and included within the cash flow hedge reserve in equity. Any ineffectiveness in the hedge relationship is recognised immediately in profit or loss. At the time the hedged item affects profit or loss, any gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and presented as a reclassification adjustment within other comprehensive income. However, if a non-financial asset or liability is recognised as a result of the hedged transaction, the gains and losses previously recognised in other comprehensive income are included in the initial measurement of the hedged item.

If a forecast transaction is no longer expected to occur, any related gain or loss recognised in other comprehensive income is transferred immediately to profit or loss. If the hedging relationship ceases to meet the effectiveness conditions, hedge accounting is discontinued, and the related gain or loss is held in the equity reserve until the forecast transaction occurs.

#### Short-term employee benefits

Short-term employee benefits, including holiday entitlement, are current liabilities included in accruals, measured at the undiscounted amount that the Group expects to pay as a result of the unused entitlement.



## Notes to the Financial Statements continued

### For the year ended 31 December 2025

### 3. Accounting policies continued

#### Provisions and contingent liabilities

Provisions are recognised when present obligations will probably lead to an outflow of economic resources from the Group and they can be estimated reliably. The timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive commitment that has resulted from past events, for example, legal disputes or onerous contracts.

Provisions are measured as the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the balance sheet date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. In addition, long-term provisions are discounted to their present values, where the time value of money is material.

All provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

Contingent liabilities reflect those cases where the possible outflow of economic resource as a result of present obligations is considered improbable or remote, or the amount to be provided for cannot be measured reliably. No liabilities are recognised in the consolidated statement of financial position; instead, they are disclosed in Note 26.

#### Equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Share capital is determined using the nominal value of shares that have been issued.

Own shares represents the cost of shares acquired by the Employee Benefit Trust. The Trust is deemed to be controlled by the Group and therefore consolidated, resulting in the "Own shares" deducted from equity.

The share-based payment reserve represents the value of shares granted under share-based payment arrangements.

The profit and loss account includes all current and prior period results as disclosed in the statement of comprehensive income.

#### Dividends

Final dividends are recognised as a distribution in the period in which they are approved by the shareholders. Interim dividends are recorded in the period in which they are paid. Distributions to owners of the Company are not recognised in the statement of comprehensive income under IFRS but are disclosed as a component of the statement of changes in equity.

#### Equity-settled share-based employee remuneration

The Group operates equity-settled share-based remuneration plans for remuneration of certain of its Directors and employees. All share-based payment arrangements are recognised in the Consolidated financial statements.

All employee services received in exchange for the grant of any share-based remuneration are measured at their fair values at the date of grant. These are indirectly determined by reference to the fair value of the share options awarded. Their value is appraised at the grant date and excludes the impact of any non-market vesting conditions (for example, profitability and sales growth targets). All share-based remuneration is ultimately recognised as an expense in profit or loss in the statement of comprehensive income with a corresponding credit to the share-based payment reserve, net of deferred tax where applicable.

If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised, if there is any indication that the number of share options expected to vest differs from previous estimates. No adjustment is made to the expense recognised in prior periods if fewer share options ultimately are exercised than originally estimated.

Upon exercise of share options, the proceeds received net of any directly attributable transaction costs up to the nominal value of the shares issued are allocated to share capital with any excess being recorded as share premium.



## Notes to the Financial Statements continued

### For the year ended 31 December 2025

### 3. Accounting policies continued

#### Critical judgements and estimation uncertainty in applying the Group's accounting policies

##### Significant management judgements

The following are the judgements made by management in applying the accounting policies of the Group that have the most significant effect on the financial statements.

##### Revenue recognition

The Group assesses whether it is acting as agent or principal depending on whether the customer has a direct relationship with the Group, whether the Group has the primary responsibility for providing the services and whether the Group has control over the placement of the worker and setting the price to be charged. When the Group acts as a principal, revenue is recognised as the full amount invoiced, net of value added tax, rebates and discounts.

When the Group provides a secondary service in which it acts as agent for the customer, typically in partnership with another employment agency, the amount of revenue recognised is limited to the margin receivable for that service after making provision for any losses foreseen, volume rebates and any other amounts payable, rather than the full amount invoiced.

In most cases the Group acts as principal due to its direct relationship with its customers and its primary relationship with the worker, with control over when and where they are placed, and pricing. Revenue is recognised on an agency basis when the Group does not have a direct relationship with the worker for control or remuneration and does not have primary responsibility for their placement.

##### Non-underlying items

The Group supplements the performance disclosures that are required under IFRS with additional measures and information that are intended to assist the understanding of exceptional income or charges, and to demonstrate the underlying results of the business.

Non-underlying income or expenditure items are typically non-recurring items of a particular size and/or nature relating to the operations of the business that are judged to merit separate disclosure in the income statement. Additional explanation is given regarding the circumstances that gave rise to each item and its likely outcome.

##### Deferred tax asset

The Group recognises a deferred tax asset on unused tax losses carried forward and on the timing difference between depreciation charges and tax allowances. The Group is profitable and management has determined that there is sufficient evidence to show that the tax losses will be utilised in the foreseeable future.

Details of all deferred tax balances are provided in Note 23.

##### Estimation uncertainty

Information about estimates and assumptions that may have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

##### Impairment of non-financial assets and goodwill

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating unit based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and cash flows, and the determination of a suitable discount rate.

The revenue, profitability and cash flow forecasts are based on current levels of trading for each reporting department within the CGUs, with income and cost increases generally in line with inflation at 2% (2024: 2%) or at contracted rates. The forecasts incorporate management's key assumptions including stable profit margins, based on past experience, take account of action plans, and assume a reasonable level of new contract wins, which are inherently uncertain. The Directors have considered the forecasts in detail, and their associated sensitivities, and have concluded that they are suitable for use in the impairment review.

The discount rates used are based on appropriate, current long-term market rate indicators to give a long-term forward view, whilst also acknowledging historical information.

Upon its disposal, the Group recognised an impairment of goodwill relating to the PeoplePlus operating segment of £17.0m in the year-ended 31 December 2024. The remaining carrying value of goodwill at 31 December 2025 is £27.1m (2024: £27.1m), see Note 11.

The Company has previously recognised impairment losses on its investments in certain subsidiary undertakings and recognised a further impairment of £17.4m to its investment in PeoplePlus during the year-ended 31 December 2024. The remaining carrying value of investments at 31 December 2025 is £26.2m (2024: £26.2m), see Note 13.



## Notes to the Financial Statements continued

For the year ended 31 December 2025

### 3. Accounting policies continued

#### Prior year restatement

At 31 December 2024, the goodwill impairment calculation for PeoplePlus did not take into account a £2.5m favourable working capital position which, had it been properly considered, would have increased the loss on discontinued operations from £12.4m to £14.9m. A prior year adjustment has been made in respect of this item.

The required adjustment is set out in the table below; assets included in disposal group classified as held for sale, as included in current assets, was overstated by £2.5m.

#### Restatement of Consolidated statement of financial position:

As at 31 December 2024

	2024 Reported £m	Current assets overstated £m	2024 Restated £m
<b>Assets</b>			
Non-current	43.8	–	43.8
Current	175.8	(2.5)	173.3
<b>Total assets</b>	<b>219.6</b>	<b>(2.5)</b>	<b>217.1</b>
<b>Liabilities</b>			
Current	173.5	–	173.5
Non-current	4.7	–	4.7
<b>Total liabilities</b>	<b>178.2</b>	<b>–</b>	<b>178.2</b>
<b>Equity</b>			
Total equity	41.4	(2.5)	38.9
<b>Total equity and liabilities</b>	<b>219.6</b>	<b>(2.5)</b>	<b>217.1</b>

### 4. Segment reporting

During the year, management identified two continuing operating segments: Recruitment GB and Recruitment Ireland. On 24 February 2025, the Group sold its wholly owned subsidiary PeoplePlus Group Ltd, which encompassed the PeoplePlus division. Negotiations for the sale had commenced before 31 December 2024 and, accordingly, the division was reported as held for sale and as a discontinued operation in the statement of comprehensive income at 31 December 2024.

The Group's operating segments are determined based on the Group's internal reporting to the Chief Operating Decision Maker ("CODM"). The CODM has been determined to be the Chief Executive Officer, with support from the Board.

Whilst there are individual legal entities within the operating segments, they are operated and reviewed as single units by the Board of Directors. Each legal entity within an operating segment has the same management team, head office and similar economic characteristics. Historically and going forward, management will integrate new acquisitions into the main trading entities within each operating segment.



## Notes to the Financial Statements continued

For the year ended 31 December 2025

### 4. Segment reporting continued

Segment information for the reporting year is as follows:

	Recruitment GB 2025 £m	Recruitment Ireland 2025 £m	Group costs 2025 £m	Continuing activities 2025 £m	Discontinued operations 2025 £m	Recruitment GB 2024 £m	Recruitment Ireland 2024 £m	Group costs 2024 £m	Continuing activities 2024 £m	Discontinued operations 2024 Restated £m
Sales revenue from external customers	1,004.6	102.1	–	1,106.7	10.2	884.4	108.5	–	992.9	65.6
Cost of sales	(940.6)	(87.8)	–	(1,028.4)	(7.6)	(827.7)	(94.4)	–	(922.1)	(48.3)
<b>Segment gross profit</b>	<b>64.0</b>	<b>14.3</b>	<b>–</b>	<b>78.3</b>	<b>2.6</b>	<b>56.7</b>	<b>14.1</b>	<b>–</b>	<b>70.8</b>	<b>17.3</b>
Administrative expenses	(47.5)	(10.5)	(4.3)	(62.3)	(2.5)	(43.2)	(10.6)	(3.8)	(57.6)	(14.4)
Depreciation, software & lease amortisation	(2.2)	(0.8)	–	(3.0)	(0.1)	(2.4)	(0.7)	–	(3.1)	(1.6)
<b>Segment underlying operating profit*</b>	<b>14.3</b>	<b>3.0</b>	<b>(4.3)</b>	<b>13.0</b>	<b>–</b>	<b>11.1</b>	<b>2.8</b>	<b>(3.8)</b>	<b>10.1</b>	<b>1.3</b>
Strategic consultancy costs	–	–	–	–	–	(0.1)	–	(0.1)	(0.2)	–
Release of prior year provision	–	–	–	–	–	–	–	–	–	1.0
Goodwill impairment	–	–	–	–	–	–	–	–	–	(17.0)
<b>Segment profit/(loss) from operations</b>	<b>14.3</b>	<b>3.0</b>	<b>(4.3)</b>	<b>13.0</b>	<b>–</b>	<b>11.0</b>	<b>2.8</b>	<b>(3.9)</b>	<b>9.9</b>	<b>(14.7)</b>
Finance income	0.1	–	–	0.1	–	–	–	1.5	1.5	–
Finance costs	(5.6)	(0.1)	–	(5.7)	–	(6.0)	(0.1)	(0.3)	(6.4)	–
<b>Total finance charges</b>	<b>(5.5)</b>	<b>(0.1)</b>	<b>–</b>	<b>(5.6)</b>	<b>–</b>	<b>(6.0)</b>	<b>(0.1)</b>	<b>1.2</b>	<b>(4.9)</b>	<b>–</b>
<b>Segment profit/(loss) before taxation</b>	<b>8.8</b>	<b>2.9</b>	<b>(4.3)</b>	<b>7.4</b>	<b>–</b>	<b>5.0</b>	<b>2.7</b>	<b>(2.7)</b>	<b>5.0</b>	<b>(14.7)</b>
Tax (expense)/credit	(3.1)	0.1	1.1	(1.9)	–	(1.4)	(0.1)	0.6	(0.9)	(0.2)
<b>Segment profit/(loss)</b>	<b>5.7</b>	<b>3.0</b>	<b>(3.2)</b>	<b>5.5</b>	<b>–</b>	<b>3.6</b>	<b>2.6</b>	<b>(2.1)</b>	<b>4.1</b>	<b>(14.9)</b>

\* Segment underlying profit before reorganisation costs and other non-underlying costs.

**Notes to the Financial Statements** continued

For the year ended 31 December 2025

**4. Segment reporting** continued

	Recruitment GB 2025 £m	Recruitment Ireland 2025 £m	Staffline Group 2025 £m	Continuing activities 2025 £m	Recruitment GB 2024 £m	Recruitment Ireland 2024 £m	Staffline Group 2024 £m	Continuing activities 2024 £m	Discontinued operations 2024 £m
Total non-current assets	28.2	13.8	0.2	42.2	26.0	14.3	1.0	41.3	–
Total current assets	176.0	17.9	0.2	194.1	133.7	17.4	5.0	156.1	17.2
<b>Total assets (consolidated)</b>	<b>204.2</b>	<b>31.7</b>	<b>0.4</b>	<b>236.3</b>	<b>159.7</b>	<b>31.7</b>	<b>6.0</b>	<b>197.4</b>	<b>17.2</b>
<b>Total liabilities (consolidated)</b>	<b>186.3</b>	<b>11.7</b>	<b>0.6</b>	<b>198.6</b>	<b>154.1</b>	<b>9.6</b>	<b>0.6</b>	<b>164.3</b>	<b>13.9</b>
<b>Cash capital expenditure including software</b>	<b>4.9</b>	<b>0.1</b>	<b>–</b>	<b>5.0</b>	<b>3.2</b>	<b>0.8</b>	<b>–</b>	<b>4.0</b>	<b>0.4</b>

The analysis above excludes deferred tax assets and liabilities, as required by IFRS 8, Operating Segments.

Revenues for continuing activities can be analysed by country as follows (98.0% of revenues arising within the UK in 2025, 97.0% in 2024):

	Recruitment GB 2025 £m	Recruitment Ireland 2025 £m	Total Group 2025 £m	Recruitment GB 2024 £m	Recruitment Ireland 2024 £m	Total Group 2024 £m
UK	1,004.6	79.1	1,083.7	884.4	82.7	967.1
Republic of Ireland	–	23.0	23.0	–	25.8	25.8
	<b>1,004.6</b>	<b>102.1</b>	<b>1,106.7</b>	<b>884.4</b>	<b>108.5</b>	<b>992.9</b>

No customer contributed more than 10% of the Group's revenue during either 2025 or 2024.

Non-current assets can be analysed by country as follows:

	United Kingdom 2025 £m	Republic of Ireland 2025 £m	Total Group 2025 £m	United Kingdom 2024 £m	Republic of Ireland 2024 £m	Total Group 2024 £m
	41.2	1.0	42.2	39.8	1.5	41.3



## Notes to the Financial Statements continued

For the year ended 31 December 2025

### 5. Expenses by nature

Expenses by nature are as follows:

#### Underlying expenses – continuing activities

	2025 £m	2024 £m
Employee benefits expenses – cost of sales	1,019.0	911.6
Other cost of sales	9.4	10.5
Employee benefits expenses – administrative expenses	52.4	46.7
Depreciation and software amortisation	2.9	3.1
Operating lease expenses	1.1	0.7
Other administrative expenses	8.9	10.2
	<b>1,093.7</b>	<b>982.8</b>
Disclosed as:		
Cost of sales	1,028.4	922.1
Administrative expenses – excluding non-underlying expenses	65.3	60.7
	<b>1,093.7</b>	<b>982.8</b>

#### Auditor's remuneration

	2025 £000	2024 £000
Fees payable to the Company's auditor for the audit of the Company's annual accounts	16	17
Fees payable to the Company's auditor and its associates for other services:		
– Audit of the accounts of subsidiaries	420	732
– Audit of the pension scheme	–	18
– Audit-related assurance services	18	20
– Audit fee expenses	10	13
<b>Total</b>	<b>464</b>	<b>800</b>

#### Non-underlying expenses – continuing activities

	2025 £m	2024 £m
Strategic consultancy costs	–	0.2
<b>Post taxation effect on above non-underlying expenses</b>	<b>–</b>	<b>0.2</b>

During the year ended 31 December 2024, the Group incurred costs relating to strategic consultancy.



## Notes to the Financial Statements continued

For the year ended 31 December 2025

### 6. Finance income and charges

#### Finance income

	2025 £m	2024 £m
Interest on bank deposits	0.1	–
Receipts from derivative	–	1.3
Derivative ineffectiveness	–	0.2
	<b>0.1</b>	<b>1.5</b>

#### Finance charges

	2025 £m	2024 £m
Interest payable on bank and other funding	5.5	5.9
Interest on lease liabilities	0.1	0.1
Derivative ineffectiveness	–	0.2
Amortisation of refinancing costs	0.1	0.1
Amortisation of derivative cost	–	0.1
	<b>5.7</b>	<b>6.4</b>
<b>Net finance charges</b>	<b>5.6</b>	<b>4.9</b>

### 7. Directors' and employees' remuneration

#### Employee benefits expense – consolidated

Expense recognised for employee benefits (excluding temporary workers) is analysed below:

	2025 £m	2024 £m
Wages and salaries	44.7	84.3
Social security costs	5.4	8.1
Other pension costs – defined contribution plans	1.2	2.5
Other pension costs – defined benefit plan service cost	–	0.1
	<b>51.3</b>	<b>95.0</b>
Share-based payment expense	1.1	0.7
	<b>52.4</b>	<b>95.7</b>
Included in administrative expenses	51.3	50.4
Included in cost of sales	–	44.6
Share-based payment expense	1.1	0.7
	<b>52.4</b>	<b>95.7</b>



## Notes to the Financial Statements continued

For the year ended 31 December 2025

### 7. Directors' and employees' remuneration continued

	2025 Number	2024 Number
The average monthly number of persons (including Directors) employed by the Group during the year was:		
– Sales and administrative	972	2,317

Included in cost of sales are temporary workers' remuneration paid through the temporary payroll of subsidiary companies as follows:

	2025 £m	2024 £m
Wages and salaries payable to employees	916.2	846.6
Social security costs	92.6	66.8
Other pension costs – defined contribution plans	10.2	8.3
Gross cost	1,019.0	921.7

	2025 Number	2024 Number
The average monthly number of temporary workers contracted by the Group during the year was:	37,322	35,211

The average number of persons (including Directors) employed by the Company during the year was five (2024: five). All Directors of the Group are remunerated through a subsidiary of the Company for their services to the Group as a whole and no direct recharge was made to the Company during the year (2024: £nil).

Directors' remuneration is detailed in the Remuneration Committee Report on pages 86 to 92 and disclosed further in Note 25.

### Share-based employee remuneration

#### SAYE share option plan 2021

In October 2021, Staffline Group PLC granted options to employees as part of its SAYE Share Scheme for 2021. Eligible employees across the Group were invited to subscribe for options over Staffline's Ordinary Shares of 10 pence each ("Ordinary Shares") with an exercise price of 50.56p, a 20% discount to the closing middle market price of 63.20p on the trading day before the invitation to participate was made on 8 October 2021. The options had a contract start date of 1 December 2021 and were exercisable between 1 December 2024 and 31 May 2025. A total of 272 employees elected to participate and, pursuant to these elections, a total of 2,430,723 options over Ordinary Shares were granted on 29 October 2021, equating to 1.466% of the then current issued share capital of 165,767,728 shares. The number of options that lapsed during the year is shown in the table below.

#### SAYE share option plan 2022

In October 2022, Staffline Group PLC granted options to employees as part of its SAYE Share Scheme for 2022. Eligible employees across the Group were invited to subscribe for options over Staffline's Ordinary Shares with an exercise price of 29.96p, a 20% discount to the closing middle market price of 37.45p on the trading day before the invitation to participate was made on 12 October 2022. The options had a contract start date of 1 December 2022 and are exercisable between 1 December 2025 and 31 May 2026. A total of 196 employees elected to participate and, pursuant to these elections, a total of 3,277,333 options over Ordinary Shares were granted on 8 November 2022, equating to 1.977% of the then current issued share capital of 165,767,728 shares. The number of options outstanding and the number that were exercised or lapsed during the year is shown in the table below.

Options over Ordinary Shares	2022 Plan	2021 Plan	Total
Options outstanding at 1 January 2025	1,658,196	452,193	2,110,389
Lapsed in the year	(386,648)	(452,193)	(838,841)
Exercised in the year	(950,123)	–	(950,123)
Options outstanding at 31 December 2025	321,425	–	321,425
Fair value of each option	14p	–	

The fair values of options granted were determined using a variation of the binomial option pricing model that takes into account factors specific to the share incentive plans, such as the vesting period. The weighted exercise price of the Options is 14p.



## Notes to the Financial Statements continued

For the year ended 31 December 2025

### 7. Directors' and employees' remuneration continued

Options granted to Directors under the 2022 scheme, which were exercised in the year, are set out in the table below:

	Options
Albert Ellis – Chief Executive Officer	60,080
Daniel Quint – Chief Financial Officer	60,080

#### Long-Term Incentive Plan

##### 2022 Award

On 17 May 2022, the Board approved the award of, and granted, nil cost options (the "Options") over 2,899,725 Ordinary Shares of 10 pence each in the Company ("Ordinary Shares") to certain employees, including persons discharging managerial responsibilities ("PDMRs"), as set out below.

The vesting of the Options was subject to the satisfaction of the Company achieving certain financial performance criteria for the financial year ended 31 December 2024. 50% of the Options awarded were subject to achieving earnings per share hurdles and 50% were subject to achieving underlying operating profit hurdles. 1,714,167 Options vested on 9 April 2025 and all Options were immediately exercised by the participants. Upon the exercise of the Options, the tax and national insurance liabilities of the participants arising on exercise of the Options were settled at source by the Company, with a balancing net number of 908,508 Ordinary Shares transferred into the participants by the Trustee of the Staffline Employee Benefit Trust.

##### 2023 Award

On 17 February 2023, the Board approved the award of, and granted, nil cost Options over 4,709,040 Ordinary Shares to certain employees, including persons discharging managerial responsibilities, as set out below.

The vesting of the Options is subject to the satisfaction of the Company achieving certain financial performance criteria for the financial year ending 31 December 2025. For the Executive Directors and relevant central Group senior employees the financial performance criteria are based on the Group as a whole, with 50% of the Options awarded subject to achieving earnings per share hurdles and 50% subject to achieving underlying operating profit hurdles. For senior employees operating within the divisions of the Group, their performance criteria are based 20% on the Group performance criteria, as above, and 80% on underlying operating profit hurdles relating to their own division. The Options will vest from 14 February 2026 (the "Vesting Period") and will be exercisable until 14 February 2033.

##### 2024 Award

On 29 January 2024, the Board approved the award of, and granted, nil cost Options over 7,375,817 Ordinary Shares to certain employees, including persons discharging managerial responsibilities, as set out below.

The vesting of the Options is subject to the satisfaction of the Company achieving certain financial performance criteria for the financial year ending 31 December 2026. For the Executive Directors and relevant central Group senior employees the financial performance criteria are based on the Group as a whole, with 50% of the Options awarded subject to achieving earnings per share hurdles and 50% subject to achieving underlying operating profit hurdles. For senior employees operating within the divisions of the Group, their performance criteria are based 20% on the Group performance criteria, as above, and 80% on underlying operating profit hurdles relating to their own division. The Options will vest from 26 January 2027 (the "Vesting Period") and will be exercisable until 26 January 2034.

##### 2025 Award

On 26 June 2025, the Board approved the award of, and granted, nil cost Options over 3,197,156 Ordinary Shares to certain employees, including persons discharging managerial responsibilities, as set out below.

The vesting of the Options is subject to the satisfaction of the Company achieving certain financial performance criteria for the financial year ending 31 December 2027. For the Executive Directors and relevant central Group senior employees the financial performance criteria are based on the Group as a whole, with 50% of the Options awarded subject to achieving earnings per share hurdles and 50% subject to achieving underlying operating profit hurdles. For senior employees operating within the divisions of the Group, their performance criteria are based 20% on the Group performance criteria, as above, and 80% on underlying operating profit hurdles relating to their own division. The Options will vest from 26 June 2028 (the "Vesting Period") and will be exercisable until 26 June 2035.



## Notes to the Financial Statements continued

For the year ended 31 December 2025

### 7. Directors' and employees' remuneration continued

The Options awarded each year to Directors, PDMRs and other senior staff, which remain outstanding, are set out in the table below:

	2025	2024	2023	Total
Albert Ellis – Chief Executive Officer	1,026,995	2,096,950	1,043,485	4,167,430
Daniel Quint – Chief Financial Officer	840,269	1,715,686	819,881	3,375,836
Other senior executives – PDMRs	666,880	1,879,085	924,956	3,470,921
Other senior staff	663,012	1,684,096	1,920,718	4,267,826
	3,197,156	7,375,817	4,709,040	15,282,013
Fair value of each option	46p	26p	34p	

The fair values of Options granted were determined using a variation of the binomial option pricing model that takes into account factors specific to the share incentive plans, such as the vesting period and achievability of performance criteria.

#### Share-based employee remuneration

A charge of £1.1m of employee remuneration expense has been included in the consolidated statement of comprehensive income for the year ended 31 December 2025 (2024: £0.7m) which increased the share-based payment reserve by £1.1m (2024: £0.7m) in respect of equity-settled schemes.

	2025 £m	2024 £m
Save As You Earn Scheme	–	0.1
Long-term incentive plan	1.1	0.8
Total	1.1	0.9

#### Key management personnel

The key management personnel are considered to be the Board of Directors of Staffline Group PLC, whose remuneration can be seen in the Remuneration Committee Report on page 91, and the divisional Directors. The aggregate remuneration, excluding share-based payment charges, for the divisional Directors for the year is £1.7m (2024: £2.3m). Further detail is provided in Note 25.

### 8. Tax expense

The tax charge on the profit for the year consists of:

	2025 £m	2024 £m
Continuing activities		
Corporation tax		
UK corporation tax at 25.0% (2024: 23.5%)	0.5	0.2
Adjustments in respect of prior years	(0.4)	(0.1)
<b>UK current tax expense</b>	<b>0.1</b>	<b>0.1</b>
Deferred tax		
Timing differences arising in the year	1.5	1.0
Adjustments in respect of prior years	0.3	(0.2)
<b>UK deferred tax expense</b>	<b>1.8</b>	<b>0.8</b>
<b>Total UK tax expense for the year</b>	<b>1.9</b>	<b>0.9</b>

The tax expense can be further analysed by division as follows:

	2025 £m	2024 £m
Recruitment GB	3.1	1.4
Recruitment Ireland	(0.1)	0.1
Staffline Group	(1.1)	(0.6)
<b>Total UK tax expense for the year</b>	<b>1.9</b>	<b>0.9</b>



## Notes to the Financial Statements continued

### For the year ended 31 December 2025

#### 8. Tax expense continued

The tax expense for the year, as recognised in the statement of comprehensive income, is equal to the standard rate of corporation tax in the UK of 25% (2024: 25% standard rate). Any differences are explained below:

	2025 £m Total	2024 £m Total
Continuing activities		
Profit for the year before taxation	7.4	5.0
Tax rate	25%	25%
<b>Tax on profit for the year at the standard rate</b>	<b>1.9</b>	<b>1.2</b>
Effect of:		
Expenses not allowable	0.1	–
Income not taxable	–	(0.4)
Adjustments in respect of prior years	(0.1)	(0.3)
Group relief surrendered	–	0.4
<b>Actual tax expense</b>	<b>1.9</b>	<b>0.9</b>

The total tax expense for the year of £1.9m (2024: expense £0.9m) arises principally from the movement of deferred tax balances. The Group has an estimated current corporation tax liability for the current year of £0.5m (2024: £0.2m). Corporation tax losses of £3.4m (2024: £12.1m) carried forward have been recognised as a deferred tax asset. The deferred tax assets and liabilities at 31 December 2025 and at 31 December 2024 have been calculated based on 25% for UK losses and at 12% for Republic of Ireland losses, reflecting the expected timing of reversal of the related timing differences.

No material tax charges arise on overseas profits or losses and accordingly no disclosures relating to overseas tax are included within the financial statements.

The corporation tax liability at the end of 2025 of £0.3m (2024: liability of £0.2m) can be analysed as follows:

	2025 £m	2024 £m
Liability at the beginning of the year	0.2	0.2
Charge for the current year	0.5	0.3
Adjustment in respect of prior years (Paid)/received in the year	(0.4) –	(0.1) (0.2)
<b>Liability at the end of the year</b>	<b>0.3</b>	<b>0.2</b>
Liability for 2025 tax year	0.5	0.2
Balance for 2024 tax year (asset)	(0.2)	–
<b>Liability at the end of the year</b>	<b>0.3</b>	<b>0.2</b>

Owing to its size and operations in two jurisdictions, the Group is within the scope of the OECD Pillar Two rules, which are designed to ensure that large multinational groups incur a 15% minimum effective tax rate in each jurisdiction in which they operate. Pillar Two legislation was enacted in the UK and Ireland in 2023 and applies to periods beginning on or after 31 December 2023. The Group applies the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the amendments to IAS 12 'Incomes Taxes' issued in May 2023.

Under the legislation, the Group is liable to pay a top-up-tax for the difference between its effective tax rate per jurisdiction and the 15% minimum rate. It is expected that the Group will meet the transitional safe harbour provisions in both jurisdictions, meaning that no additional tax is expected to be due.



## Notes to the Financial Statements continued

For the year ended 31 December 2025

### 9. Earnings per share and dividends

#### Earnings per share

The calculation of basic earnings per share is based on the earnings attributable to ordinary shareholders divided by the weighted average number of shares in issue during the year, after deducting the "own shares" held in the Group's Employee Benefit Trust of 6,585,854 shares (2024: 8,535,706 shares).

The calculation of the diluted earnings per share is based on the basic earnings per share as adjusted to further take into account the potential issue of Ordinary Shares resulting from share options granted to certain Directors and senior staff under long-term incentive schemes and share options granted to employees under the SAYE scheme.

Details of the earnings and weighted average number of shares used in the calculations are set out below:

	Basic 2025	Basic 2024	Diluted 2025	Diluted 2024
Profit from continuing activities (£m)	5.5	4.1	5.5	4.1
Weighted average number of shares	121,960,649	138,868,494	124,145,891	140,160,630
Earnings per share from continuing activities (p)	4.5p	3.0p	4.4p	2.9p
Underlying earnings (post tax) from continuing activities (£m)	5.5	4.3	5.5	4.3
Underlying earnings per share (p)*	4.5p	3.1p	4.4p	3.1p
Loss from discontinued operations (£m)**	(0.7)	(14.9)	(0.7)	(14.9)
Weighted average number of shares	121,960,649	138,868,494	124,145,891	140,160,630
Loss per share from discontinued operations (p)**	(0.6)p	(10.7)p	(0.6)p	(10.6)p
Profit/(loss) for the year (£m)**	4.8	(10.8)	4.8	(10.8)
Weighted average number of shares	121,960,649	138,868,494	124,145,891	140,160,630
Total profit/(loss) per share (p)**	3.9p	(7.7)p	3.8p	(7.7)p

\* Underlying earnings before reorganisation costs and other non-underlying costs.

\*\* 2024 loss from discontinued operations restated, see Note 10.

During the year the Company purchased and immediately cancelled 19,318,443 Ordinary Shares (2024: 6,860,792 shares) under its share buyback programme.

The reconciliation of the weighted average number of shares for the purposes of diluted earnings per share to the weighted average number of ordinary shares used is as follows:

	2025	2024
Weighted average number of shares used in basic earnings per share	121,960,649	138,868,494
Dilutive shares held in LTIP and SAYE schemes	2,185,242	1,292,136
	124,145,891	140,160,630

**After the year-end, and up to the date of this report, the Company purchased and immediately cancelled 2,040,406 Ordinary Shares of 10p each.**

#### Dividends

The Board is not proposing a dividend payment for 2025 (2024: £nil).

### 10. Disposal of PeoplePlus Group Ltd

On 24 February 2025, the Group sold its wholly owned subsidiary PeoplePlus Group Ltd, which encompassed the PeoplePlus division, for cash consideration of £12.0m, which includes £2.0m of deferred consideration. The consideration was on a cash free, debt free basis and subject to a deduction of £5.1m of advanced payments received in respect of future revenue. The net proceeds of the disposal (including the deferred consideration received) were £6.2m.

Under the terms of the sale agreement, the deferred consideration is payable once PeoplePlus commences trading activity under certain contracts that had been tendered prior to the sale of the business. To date the Group has received £1.3m of the deferred consideration based on a percentage of the contract lots that have commenced trading. The award of the remaining lot has been delayed and to date there has been no indication that it will be awarded in the near future. The Group has taken the view that recoverability of the deferred consideration is uncertain and, accordingly, has made full provision against its recoverability.



## Notes to the Financial Statements continued

For the year ended 31 December 2025

### 10. Disposal of PeoplePlus Group Ltd continued

Negotiations for the disposal had commenced before 31 December 2024 and accordingly the division was reported as held for sale and as a discontinued operation in the statement of comprehensive income for that year, in accordance with IFRS 5. The results of the division were as follows:

	2025 £m	2024 Restated £m
<b>Revenue</b>	<b>10.2</b>	65.6
Cost of sales	(7.6)	(48.3)
<b>Gross profit</b>	<b>2.6</b>	17.3
Administrative expenses	(2.6)	(16.0)
Underlying operating profit	–	1.3
Non-underlying credit – provision reversal	–	1.0
Non-underlying costs – goodwill impairment (see note)	–	(17.0)
<b>Operating loss</b>	<b>–</b>	(14.7)
Tax expense	–	(0.2)
<b>Loss for the period</b>	<b>–</b>	(14.9)

The cash flows of the business were as follows:

	2025 £m	2024 £m
<b>Net cash inflow from operating activities</b>	<b>–</b>	2.3
<b>Net cash flows from financing activities</b>	<b>–</b>	–
Purchases of intangible assets – software	–	(0.2)
Purchases of property, plant and equipment	–	(0.2)
Principal repayment of lease liabilities	–	(0.8)
	–	1.1

At the date of disposal, the carrying amounts of assets and liabilities of PeoplePlus were as follows:

	£m
<b>Non-current assets</b>	
Goodwill	6.6
Intangible assets	0.6
Property, plant and equipment	1.3
Deferred tax asset	0.9
<b>Current assets</b>	
Trade and other receivables	6.6
Cash and cash equivalents	1.6
<b>Liabilities</b>	
Trade, other payables and provisions	(14.0)
<b>Total net assets</b>	<b>3.6</b>
Total consideration received in cash	6.2
Working capital adjustment (see note)	(2.5)
Disposal costs	(0.8)
<b>Net cash receivable</b>	<b>2.9</b>
<b>Loss on disposal</b>	<b>(0.7)</b>

#### Prior year adjustment

At 31 December 2024, the goodwill impairment calculation did not take into account a £2.5m favourable working capital position which, had it been properly considered, would have increased the loss on discontinued operations from £12.4m to £14.9m. A prior year adjustment has been made in respect of this item. There is no effect on the consideration receivable as a result of this adjustment.



## Notes to the Financial Statements continued

For the year ended 31 December 2025

### 11. Goodwill

Gross carrying amount by operating segment:

	Recruitment GB £m	Recruitment Ireland £m	Total £m
Gross carrying amount			
<b>At 1 January and 31 December 2025</b>	<b>54.5</b>	<b>5.7</b>	<b>60.2</b>
Impairment adjustment			
<b>At 1 January and 31 December 2025</b>	<b>33.1</b>	<b>–</b>	<b>33.1</b>
<b>Net book amount at 31 December 2025</b>	<b>21.4</b>	<b>5.7</b>	<b>27.1</b>
Net book amount at 31 December 2024	21.4	5.7	27.1

#### Impairment – Goodwill

During the year, management considered there to be two groups of cash-generating units (“CGUs”), being Recruitment GB and Recruitment Ireland, in line with the operating segments defined in Note 4. Both CGUs have been tested for impairment.

An impairment review was conducted as at 31 December 2025. The recoverable amount of goodwill for Recruitment GB and Recruitment Ireland was determined based on a value-in-use calculation, using forecasts for 2026–28, followed by an extrapolation of expected cash flows over the next two years with a long-term growth rate of 2% (2024: 2%) for each CGU. The forecasts are prepared by the individual operating segments of the Group.

Pre-tax discount rates of 16.2% for Recruitment GB and 14.6% for Recruitment Ireland (2024: 17.3% for Recruitment GB, 15.7% for Recruitment Ireland) were used based on the weighted average costs of capital for each operating segment. The recoverable amounts of the CGUs, having considered the higher of value-in-use and fair value less costs to sell, were £105.6m for Recruitment GB and £25.8m for Recruitment Ireland (2024: £66.1m for Recruitment GB, £6.1m for Recruitment Ireland) all being value-in-use.

The discount rates used are based on appropriate, current long-term market rate indicators to give a long-term forward view, whilst also acknowledging historical information.

The results of the impairment review showed headroom in both CGUs. The same calculations indicated that no impairment adjustments were required to the Company's carrying value of its investment. In making the assessment of the recoverability of assets within each CGU a number of judgements and assumptions were required.

The principal judgement relates to the determination of the CGUs, which align with the operating segments, which each have their own management team and head office and generate distinct cash flows. The Group's strategy, historically and going forward, has been to integrate new acquisitions into the main trading entities within each operating segment.

The key estimates in determining the value of the Recruitment GB and Recruitment Ireland CGUs are:

- 1. The discount rate.** The impairment calculations use a pre-tax discount rate of 16.2% for Recruitment GB, 14.6% for Recruitment Ireland and a terminal growth value of 2%. These rates are based on the latest weighted average costs of capital for each operating segment. These rates have decreased this year primarily due to reductions in the risk-free rate and Corporate Bond yields. The calculations highlighted headroom of £78.5m (2024: £37.9m) for Recruitment GB and headroom of £11.3m (2024: £6.1m) for Recruitment Ireland. A 1% increase in the discount rates reduces the headroom to £71.6m (2024: £33.6m) for Recruitment GB and reduces headroom to £9.3m (2024: £4.9m) for Recruitment Ireland.
- 2. The achievability of the forecasted future cash flows.** There is an inherent uncertainty regarding the achievability of forecasts, as there are macroeconomic factors outside of the Group's control. A sustained underperformance of 10% reduces the headroom to £68.0 (2024: £31.3m) for Recruitment GB and reduces headroom to £8.7m (2024: £4.3m) for Recruitment Ireland.

As at 31 December 2025, the Company had no goodwill (2024: £nil).



## Notes to the Financial Statements continued

For the year ended 31 December 2025

### 12. Other intangible assets

The Group's other intangible assets include software and the customer contracts, brands and lists obtained through the acquisition of businesses. There are no intangible assets with restricted title.

	Software £m	Licences £m	Customer contracts & brands £m	Customer lists £m	Total £m
Gross carrying amount					
<b>At 1 January 2024</b>	<b>18.1</b>	<b>2.0</b>	<b>85.1</b>	<b>5.5</b>	<b>110.7</b>
Additions	6.3	–	–	–	6.3
Disposal	(0.2)	–	–	–	(0.2)
Transfer to disposal group held for sale	(1.8)	–	–	–	(1.8)
<b>At 31 December 2024</b>	<b>22.4</b>	<b>2.0</b>	<b>85.1</b>	<b>5.5</b>	<b>115.0</b>
Additions	3.8	–	–	–	3.8
Disposal	(0.2)	–	–	–	(0.2)
<b>At 31 December 2025</b>	<b>26.0</b>	<b>2.0</b>	<b>85.1</b>	<b>5.5</b>	<b>118.6</b>
Amortisation					
<b>At 1 January 2024</b>	<b>11.4</b>	<b>2.0</b>	<b>85.1</b>	<b>5.5</b>	<b>104.0</b>
Charged in the year	2.0	–	–	–	2.0
Impairment	0.2	–	–	–	0.2
Disposal	(0.2)	–	–	–	(0.2)
Transfer to disposal group held for sale	(1.0)	–	–	–	(1.0)
<b>At 31 December 2024</b>	<b>12.4</b>	<b>2.0</b>	<b>85.1</b>	<b>5.5</b>	<b>105.0</b>
Charged in the year	1.7	–	–	–	1.7
Impairment	–	–	–	–	–
Disposal	–	–	–	–	–
<b>At 31 December 2025</b>	<b>14.1</b>	<b>2.0</b>	<b>85.1</b>	<b>5.5</b>	<b>106.7</b>
<b>Net book amount at 31 December 2025</b>	<b>11.9</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>11.9</b>
Net book amount at 31 December 2024	10.0	–	–	–	10.0

The Company has no other intangible assets (2024: £nil).

As at 31 December 2025, other intangible assets comprises:

	2025 £m Software	2024 £m Software
Payroll and Credit Control software developed for Recruitment GB	10.5	8.2
Other software	1.4	1.8
<b>Net book amount at 31 December 2025</b>	<b>11.9</b>	<b>10.0</b>

Software is deemed to have a useful economic life ("UEL") of between five and ten years.

### 13. Fixed asset investments – Company

	£m
Investment in group undertakings	
<b>Cost at 1 January 2024</b>	<b>134.0</b>
Cumulative impairment adjustments	(107.8)
<b>Net book amount at 31 December 2024</b>	<b>26.2</b>
Impairment adjustment	–
<b>Net book amount at 31 December 2025</b>	<b>26.2</b>

An impairment review was carried out with respect to the Company's carrying value of its investments in subsidiaries. For the investments in Recruitment GB and Recruitment Ireland, the recoverable amount represented by the value-in-use is considered to be equal to the fair value less costs to sell, for each investment.

For the year ended 31 December 2024, the impairment review indicated that an impairment adjustment was required to the carrying value of the Company's investment in PeoplePlus Group Limited. The impairment arose due to the disposal of the company on 24 February 2025. The recoverable amount of the investment at 31 December 2024 was £6.6m, which was transferred to current assets as a disposal group held for sale.

The recoverable amounts of the investments in the Recruitment GB and Recruitment Ireland divisions were based on the value-in-use of the subsidiaries. No impairment adjustment is required.



## Notes to the Financial Statements continued

For the year ended 31 December 2025

### 13. Fixed asset investments – Company continued

As at 31 December 2025, the Company holds interests in the following companies:

Subsidiaries	Proportion of Ordinary Share capital held	Country of incorporation	Nature of business
<b>Registered office: 19–20 The Triangle, NG2 Business Park, Nottingham, England, NG2 1AE</b>			
Staffline Recruitment Limited	100%	England and Wales	Recruitment
Datum RPO Limited	100%	England and Wales	Recruitment
Driving Plus Limited*	100%	England and Wales	Transport
Endeavour Group Limited*	100%	England and Wales	Dormant
Staffline Recruitment (NI) Limited*	100%	Northern Ireland	Recruitment
Omega Resource Group Limited*	100%	England and Wales	Dormant
Passionate About People Limited*	100%	England and Wales	Dormant
Staffline Limited (formerly IEG Limited)	100%	England and Wales	Dormant
Vital Recruitment Limited*	100%	England and Wales	Dormant
Warwickshire and West Mercia Community Rehabilitation Company Limited*	100%	England and Wales	Dormant
<b>Registered office: Cooldriona Court, Main Street, Swords, Co. Dublin, Ireland, K67 WN92</b>			
Staffline Limited	100%	Republic of Ireland	Dormant
Staffline Recruitment (ROI) Limited*	100%	Republic of Ireland	Recruitment
<b>Registered office: 18 Blythswood Square, Glasgow, Scotland, G2 4BG</b>			
Brightwork Limited*	100%	Scotland	Recruitment
<b>Registered office: Rua S. Joao de Brito 605 E-4, Porto, Ramalde, 4100 455 Porto, Portugal</b>			
Omega Recruitment, Unipessoal LDA*	100%	Portugal	Dormant

\* These companies are owned indirectly through other Group companies.



## Notes to the Financial Statements continued

For the year ended 31 December 2025

### 14. Property, plant and equipment

	Land and buildings £m	Computer equipment £m	Fixtures and fittings £m	Motor vehicles £m	Total £m
Gross carrying amount					
<b>At 1 January 2024</b>	<b>16.4</b>	<b>10.1</b>	<b>1.5</b>	<b>0.4</b>	<b>28.4</b>
Additions	0.8	0.2	0.1	0.4	1.5
Disposals	(0.3)	(2.1)	(0.3)	(0.1)	(2.8)
Transfer to disposal group held for sale	(13.1)	(1.9)	(0.5)	(0.1)	(15.6)
<b>At 31 December 2024</b>	<b>3.8</b>	<b>6.3</b>	<b>0.8</b>	<b>0.6</b>	<b>11.5</b>
Additions	0.5	0.2	–	0.5	1.2
Disposals	(0.1)	(3.9)	(0.4)	(0.1)	(4.5)
<b>At 31 December 2025</b>	<b>4.2</b>	<b>2.6</b>	<b>0.4</b>	<b>1.0</b>	<b>8.2</b>
Depreciation					
<b>At 1 January 2024</b>	<b>11.3</b>	<b>9.8</b>	<b>1.5</b>	<b>0.3</b>	<b>22.9</b>
Charged in the year – operating	1.7	0.7	0.2	0.1	2.7
Disposals	(0.3)	(2.1)	(0.3)	–	(2.7)
Transfer to disposal group held for sale	(11.4)	(2.4)	(0.7)	(0.1)	(14.6)
<b>At 31 December 2024</b>	<b>1.3</b>	<b>6.0</b>	<b>0.7</b>	<b>0.3</b>	<b>8.3</b>
Charged in the year – operating	0.8	0.1	0.1	0.2	1.2
Disposals	(0.1)	(3.6)	(0.5)	(0.1)	(4.3)
<b>At 31 December 2025</b>	<b>2.0</b>	<b>2.5</b>	<b>0.3</b>	<b>0.4</b>	<b>5.2</b>
Net book value					
<b>At 31 December 2025</b>	<b>2.2</b>	<b>0.1</b>	<b>0.1</b>	<b>0.6</b>	<b>3.0</b>
At 31 December 2024	2.5	0.3	0.1	0.3	3.2

Land and buildings and intangible assets, software include the following right-of-use assets:

#### At 31 December 2025

	Carrying amount £m	Depreciation expense £m
Office buildings	2.0	(0.8)
Software	1.9	(0.3)
	<b>3.9</b>	<b>(1.1)</b>

#### At 31 December 2024

	Carrying amount £m	Depreciation expense £m
Office buildings	2.5	(0.9)
Software	2.2	–
	<b>4.7</b>	<b>(0.9)</b>

As at 31 December 2025, the Company had no property or plant and equipment assets (2024: £nil).

### 15. Leases

Lease liabilities are presented in the statement of financial position as follows:

	2025 £m	2024 £m
Current	1.0	1.0
Non-current	3.0	3.7
	<b>4.0</b>	<b>4.7</b>

The Group has leases for its operational and administrative offices. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. The Group classifies its property right-of-use assets in a consistent manner to its property, plant and equipment (see Note 14).



## Notes to the Financial Statements continued

For the year ended 31 December 2025

### 15. Leases continued

Unless there is a contractual right for the Group to sublet the asset to another party, the right-of-use asset can typically only be used by the Group. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. The Group is prohibited from selling or pledging the underlying leased assets as security. For leases over office buildings the Group must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease. Further, the Group must insure items of property, plant and equipment and incur maintenance costs on such items in accordance with the lease contracts.

The table below describes the nature of the Group's leasing activities by type of right-of-use asset recognised on the balance sheet:

Right-of-use asset	No. of right-of-use assets leased	Range of remaining term (years)	Average remaining lease term (years)	No. of leases with extension options
Office building	26	0.5 to 9.2	2.9	–
Software	1	6	6	1

The lease liabilities are secured by the related underlying assets. Future minimum lease payments at 31 December 2025 and 2024, were as follows:

	Minimum lease payments due (£m)					Total
	Within 1 year	1–2 years	2–3 years	3–4 years	After 5 years	
<b>31 December 2025</b>						
Lease payments	1.1	1.0	0.7	0.5	1.2	4.5
Finance charges	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.5)
<b>Net present value</b>	<b>1.0</b>	<b>0.9</b>	<b>0.6</b>	<b>0.4</b>	<b>1.1</b>	<b>4.0</b>
<b>31 December 2024</b>						
Lease payments	1.2	1.0	0.9	0.6	1.6	5.3
Finance charges	(0.2)	(0.1)	(0.1)	(0.1)	(0.1)	(0.6)
<b>Net present value</b>	<b>1.0</b>	<b>0.9</b>	<b>0.8</b>	<b>0.5</b>	<b>1.5</b>	<b>4.7</b>

### Lease payments not recognised as a liability

The Group has elected not to recognise a lease liability for short-term leases (leases with an expected term of 12 months or less) or for leases of low-value assets. Payments made under such leases are expensed on a straight-line basis. In addition, certain variable lease payments are not permitted to be recognised as lease liabilities and are expensed as incurred.

The expense relating to payments not included in the measurement of the lease liability is as follows:

	2025 £m	2024 £m
Short-term leases	0.1	0.3
Leases of low-value assets	1.0	0.4
	<b>1.1</b>	<b>0.7</b>

The Group has not committed to any leases that have not yet commenced.

Total cash outflow for leases for the year ended 31 December 2025 was £1.7m (2024: £1.9m).

### 16. Retirement benefit net asset

PeoplePlus Group Limited, which was sold on 24 February 2025, operated a defined benefit pension scheme for some staff. The scheme was closed to new entrants. The last available actuarial valuation of the scheme was at 31 July 2022. The scheme remained the responsibility of PeoplePlus following the disposal of the company.

The net asset of the plan at 31 December 2024, which was not recognised in the balance sheet, was as follows:

	2025 £m	2024 £m
Fair value of plan assets	–	7.3
Asset ceiling	–	(0.7)
Present value of funded obligations	–	(6.6)
<b>Net asset at 31 December 2024</b>	<b>–</b>	<b>–</b>
Actuarial gain during the year, before tax	–	(0.2)
Deferred tax on gain	–	–
<b>Actuarial gain during the year, post deferred tax impact</b>	<b>–</b>	<b>(0.2)</b>



## Notes to the Financial Statements continued

### For the year ended 31 December 2025

#### 16. Retirement benefit net asset continued

The movement in the fair value of the plan assets over the year was as follows:

	2025 £m	2024 £m
Balance at 1 January 2024	–	7.5
Interest on assets	–	0.3
Expenses	–	(0.2)
Contributions – employer and member	–	0.1
Benefits paid	–	(0.2)
Change in asset ceiling	–	(0.7)
Actuarial (loss)/gain on asset return	–	(0.2)
<b>Fair value of plan assets at 31 December 2024</b>	<b>–</b>	<b>6.6</b>

At 31 December 2024, the scheme's assets, valued at market value, were distributed as follows:

	2025 £m	2024 £m
Bonds (26% of assets as at 31 December 2024)	–	1.9
Equities (21% of assets as at 31 December 2024)	–	1.5
Specialist (19% of assets as at 31 December 2024)	–	1.4
LDI (29% of assets as at 31 December 2024)	–	2.1
Cash (5% of assets as at 31 December 2024)	–	0.4
<b>Fair value of plan assets at 31 December 2024</b>	<b>–</b>	<b>7.3</b>

All investments were managed by the investment advisers and Standard Life within the Standard Life "wrap investment" portfolio where the investments are held within Dimensional Funds at the year end. All funds were passively managed. The funds held by the scheme were all pooled investment vehicles and therefore the investment manager was responsible for appointing an independent custodian. The objective of each of these funds was to match the investment return in a particular investment market subject to an acceptable degree of tracking-error that was monitored by the Trustees.

The movement in the present value of defined benefit funding obligations over the year was as follows:

	2025 £m	2024 £m
Balance at 1 January 2023	–	7.0
Interest cost on liabilities	–	0.3
Benefits paid – net of member contributions	–	(0.2)
Actuarial gain on change in assumptions	–	(0.6)
<b>Present value of funded obligations at 31 December 2024</b>	<b>–</b>	<b>6.5</b>
Membership numbers (active in 2024: 6)	–	257

The liabilities were calculated using the following principal actuarial assumptions:

	2025	2024
Future increase in inflation rate (RPI)	–	3.15%
Future increase in inflation rate (CPI)	–	2.7%
Salary increase	–	3.15%
Discount rate	–	5.45%
Future pension increases for leavers (RPI)	–	2.8%

Assumptions regarding future mortality experience were set based on actuarial advice in accordance with published statistics and experience. Mortality assumptions were based on the following mortality tables:

- Pre-retirement mortality: 100% of SAPS "S3" Normal tables.
- Post-retirement mortality: 100% of SAPS "S3" Normal tables.

Future improvements in longevity are based on the following:

- Pre-retirement mortality: CMI 2023 projections with a long-term trend of 0.0% per annum.
- Post-retirement mortality: CMI 2023 projections with a long-term trend of 1.00% per annum.



## Notes to the Financial Statements continued

### For the year ended 31 December 2025

#### 16. Retirement benefit net asset continued

The mortality assumptions used were as follows:

	31 Dec 2025 Years	31 Dec 2024 Years
Average expected future life at age 65 for a:		
– male currently aged 65	–	21.3
– female currently aged 65	–	23.9
– male currently aged 45	–	22.2
– female currently aged 45	–	25.0

Members were assumed to retire at the earliest age when there would be no reduction. It was also assumed that members commute 75% of the maximum HMRC allowance based on current commutation factors. There were £nil contributions unpaid at the year end.

A charge of £0.2m for the year ended 31 December 2024 was included within the statement of comprehensive income within administrative expenses for the service cost.

Following the judgement in the court case involving Virgin Media, the Trustees of the pension scheme reviewed the Scheme's governing documents, which were found to contain relevant confirmations that were absent in the Virgin Media case. Consequently, the Trustees did not expect the case to have an impact on the Scheme.

At 31 December 2025, the Company had no pension balances (2024: £nil).

#### 17. Trade and other receivables

	2025 Group £m	2025 Company £m	2024 Group £m	2024 Company £m
<b>Non-current</b>				
Derivative financial instrument	0.2	0.2	1.0	1.0
Amount due from Group undertaking	–	52.4	–	19.1
	0.2	52.6	1.0	20.1
<b>Current</b>				
Trade receivables	169.3	–	123.1	–
Prepayments and other receivables	4.9	–	3.5	0.1
Contract assets – accrued income	11.5	–	14.9	–
	185.7	–	141.5	0.1
			2025 £m	2024 £m
Movement on contract assets				
Balance at 1 January			14.9	12.0
Settled in cash during the year			(14.9)	(12.0)
Services provided in the year			11.5	14.9
<b>Balance at 31 December</b>			<b>11.5</b>	<b>14.9</b>

Trade and other receivables are usually due within 30 days, do not bear any effective interest rate and the carrying amounts are at amortised cost. All trade receivables are subject to credit risk exposure and the Group maintains a comprehensive credit insurance policy, which mitigates a significant proportion of any potential credit risk. The Group does not identify specific concentrations of credit risk with regard to trade and other receivables as the amounts recognised represent a large number of receivables from various customers.

PeoplePlus Group Ltd, which encompassed the PeoplePlus division, was sold on 24 February 2025 and consequently all of its assets were disclosed as held for sale at 31 December 2024. Further details are provided in Note 10.



## Notes to the Financial Statements continued

### For the year ended 31 December 2025

#### 17. Trade and other receivables continued

The Company has a loan agreement with a subsidiary undertaking, Staffline Recruitment Ltd, for a capital amount of £52.4m as at 31 December 2025 (2024: £19.0m). Staffline Recruitment Ltd made voluntary repayments in the year. The loan is unsecured, is repayable after four years from 31 December 2025 and bore interest at a rate of 7.40% per annum. All other amounts due from Group undertakings are non-interest bearing, unsecured and repayable on demand.

The amounts held at 31 December 2025 by the Company pose no material liquidity or credit risk as they are owed by other Group undertakings and are expected to be settled by Group transactions.

Included in the trade and other receivables balance above is a provision for expected credit losses of £0.2m (2024: £0.1m). The provision is split as follows:

	2025 £m	2024 £m
Expected credit loss	0.1	0.1
Specific bad debt provision	0.1	–
<b>Provision for expected credit losses</b>	<b>0.2</b>	<b>0.1</b>

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. See Note 28 for details.

#### 18. Derivative financial instruments

	2025 Group £m	2025 Company £m	2024 Group £m	2024 Company £m
Cash flow hedges – net value	–	–	0.4	0.4

Effective from 14 October 2024, the Group entered into an amortising interest rate collar instrument, comprising:

- a cap element to reduce exposure to interest rate increases above 4.75% above SONIA on an aggregated two-thirds of the RFA and the customer finance arrangements, and,
- a floor element, based on the same nominal values and over the same period as the cap, to pay the issuer the differential if the SONIA interest rate falls below 2.51%.

The instrument, which has a term of five years from 14 October 2024, is based on quarterly notional amounts varying between £58.9m and £77.3m, with an average of £68.6m. The instrument was acquired for no upfront premium.

See Note 28 for details of the Group's risk management objectives and policies.

The Group designates its financial instruments as hedged instruments in a cash flow hedge relationship. All derivative financial instruments used for hedge accounting are recognised initially at fair value and reported subsequently at fair value in the statement of financial position. To the extent that the hedge is effective, changes in the fair value of derivatives designated as hedging instruments in cash flow hedges are recognised in other comprehensive income and included within the cash flow hedge reserve in equity. Any ineffectiveness in the hedge relationship is recognised immediately in profit or loss.

The fair value of the derivative is based on market data to calculate the present value of all estimated flows associated with it at the balance sheet date. The instruments are classed as level 2 financial instruments in accordance with IFRS 13 classification hierarchy. Level 2 financial instruments are not traded in an active market, but the fair value is based on quoted market prices, broker/dealer quotations, or alternative pricing sources with reasonable levels of price transparency.



## Notes to the Financial Statements continued

For the year ended 31 December 2025

### 18. Derivative financial instruments continued

The movements on the fair value of the derivative financial asset and on the cost of hedging reserve are as follows:

	Cost of hedging reserve £m	Derivative financial asset £m
<b>At 1 January 2024</b>	0.9	1.7
Movement through comprehensive income – hedge ineffectiveness	–	–
Movement through cost of hedging reserve	(0.4)	(1.3)
Deferred taxation	(0.3)	–
<b>At 31 December 2024</b>	0.2	0.4
Movement through comprehensive income – hedge ineffectiveness	–	–
Movement through cost of hedging reserve	(0.4)	(0.4)
Deferred taxation	–	–
<b>At 31 December 2025</b>	(0.2)	–

### 19. Cash

	2025 Group £m	2025 Company £m	2024 Group £m	2024 Company £m
<b>Cash and cash equivalents</b>	<b>8.4</b>	<b>0.2</b>	14.6	–

Cash and cash equivalents consist of cash on hand and balances with banks only. The majority of cash on hand and balances with banks are held by subsidiary undertakings; however, the balances are available for use by the Group.

Long-term credit ratings for the Group's main banks are currently as follows:

	Fitch	Standard & Poor's	Moody's
Royal Bank of Scotland plc	AA-	A+	A1
National Westminster Bank plc	AA-	A+	A1

The Group's headroom versus available committed bank facilities is as follows:

	2025 £m	2024 £m
Cash at bank (as above)	8.4	14.6
Undrawn Receivables Finance Agreement	53.2	61.3
<b>Banking facility headroom</b>	<b>61.6</b>	75.9

### 20. Trade and other payables

	2025 Group £m	2025 Company £m	2024 Group £m	2024 Company £m
Trade payables	42.4	–	29.4	–
Accruals	71.9	0.4	61.2	–
Contract liabilities – deferred income	0.1	–	–	–
Other taxation and social security	72.1	–	62.6	–
	<b>186.5</b>	<b>0.4</b>	153.2	–



## Notes to the Financial Statements continued

### For the year ended 31 December 2025

## 20. Trade and other payables continued

	2025 £m	2024 £m
Movement on contract liabilities – deferred income		
Balance at 1 January	–	6.2
Services provided in the year	(0.3)	(6.2)
Amounts received in advance	0.4	–
<b>Balance at 31 December</b>	<b>0.1</b>	<b>–</b>

The fair value of trade and other payables has not been separately disclosed as, due to their short duration, the Directors consider the carrying amounts recognised in the statement of financial position to be a reasonable approximation of their fair value.

Under certain contracts, the Group's PeoplePlus division typically received income in advance of full satisfaction of its performance obligations. Such amounts were recorded as deferred income and released as the relevant obligations are fulfilled. PeoplePlus Group Ltd, which encompasses the PeoplePlus division was sold on 24 February 2025 and consequently all liabilities were disclosed as held for sale at 31 December 2024. Further details are provided in Note 10.

Included within accruals are allowances for rebates to customers amounting to £3.7m (2024: £5.4m).

Amounts due to Group undertakings are non-interest bearing, unsecured and repayable on demand.

## 21. Borrowings

Borrowings are repayable as follows:

	2025 Group £m	2025 Company £m	2024 Group £m	2024 Company £m
In one year or less or on demand	7.9	–	6.0	–
In more than one year but not more than two years	0.9	–	0.9	–
In more than two years but not more than five years	1.0	–	1.3	–
In more than five years	1.1	–	1.5	–
<b>Total borrowings</b>	<b>10.9</b>	<b>–</b>	<b>9.7</b>	<b>–</b>
	2025 Group £m	2025 Company £m	2024 Group £m	2024 Company £m
<b>Split:</b>				
<b>Current liabilities:</b>				
Receivables Finance Agreement	6.9	–	5.0	–
Lease liabilities	1.0	–	1.0	–
	7.9	–	6.0	–
<b>Non-current liabilities:</b>				
Lease liabilities	3.0	–	3.7	–
<b>Total borrowings</b>	<b>10.9</b>	<b>–</b>	<b>9.7</b>	<b>–</b>
Less: Cash (Note 19)	(8.4)	(0.2)	(14.6)	–
<b>Net debt/(cash)</b>	<b>2.5</b>	<b>(0.2)</b>	<b>(4.9)</b>	<b>–</b>



## Notes to the Financial Statements continued

### For the year ended 31 December 2025

## 21. Borrowings continued

During the year a Receivables Finance Facility ("RFA") was provided jointly by RBS Invoice Finance Limited and, following the withdrawal from the syndicate of ABN AMRO Asset Based Finance N.V., UK Branch on 12 March 2025, by Leumi UK Group Limited. The key terms of the facility, are set out below:

- i) maximum receivables financing facility of £60.0m over a four-year term, with a one-year extension option;
- ii) an Accordion option of up to an additional £20.0m, subject to lender approval;
- iii) security on all of the assets and undertakings of the Company and certain subsidiary undertakings;
- iv) interest accruing at a maximum of 2.25% over SONIA, with a margin ratchet downward to 1.5%, dependent upon the Group's leverage reducing to less than 1.00x;
- v) a non-utilisation fee of 0.35%;
- vi) maximum net debt (averaged over a rolling three months) to EBITDA leverage covenant of 4.0x; and
- vii) minimum interest cover covenant of 2.25x the last 12 months EBITDA to finance charges.

EBITDA is defined as earnings before interest, taxation, depreciation and amortisation.

The Group also uses Customer Financing arrangements whereby specific customer invoices are settled on a weekly basis, in advance of their normal settlement date. The value of invoices funded under the Customer Financing arrangements was £66.6m at 31 December 2025 (2024: £74.1m). Costs incurred in relation to these arrangements are charged to comprehensive income as finance charges when incurred. The amounts settled under each customer's agreement are limited to the amounts invoiced to that customer each week. The total finance charges incurred during the year amounted to £4.1m (2024: £4.7m).

For the period to 31 December 2027, the Group's cash flow forecasts indicate ongoing headroom in the RFA and full compliance with the financial covenants described above. The likelihood of a breach of the financial covenants is considered to be remote.

## 22. Provisions

	Staff costs £m	Property costs £m	2025 Group Total £m	2024 Group Total £m
<b>At 1 January 2025</b>	<b>0.1</b>	<b>0.4</b>	<b>0.5</b>	2.3
Amounts charged to the income statement	0.1	0.1	0.2	0.4
Amounts utilised	–	–	–	(1.4)
Unused amounts reversed to the income statement	–	–	–	(0.4)
Transfer to disposal group held for sale	–	–	–	(0.4)
<b>At 31 December 2025</b>	<b>0.2</b>	<b>0.5</b>	<b>0.7</b>	0.5
Due within one year (current)	0.2	0.2	0.4	0.2
Due after more than one year (non-current)	–	0.3	0.3	0.3
<b>At 31 December 2025</b>	<b>0.2</b>	<b>0.5</b>	<b>0.7</b>	0.5

The Group makes provision for staff and property costs relating to reorganisation programmes. The staff costs relate to redundancies and the property costs relate to lease dilapidations.

Provision is made for "wear and tear" dilapidation costs at the Group's leased properties. Where possible, dilapidations provisions are determined based on an independent valuation of the estimated total cost payable on expiry of the respective leases. The timing and value of the costs are uncertain due to potential changes to exit dates and the final liability which may be subject to negotiation with the landlord.

The Company has no provisions (2024: £nil).

## 23. Deferred taxation

	2025 Group £m	2025 Company £m	2024 Group £m	2024 Company £m
Deferred taxation assets	0.9	–	2.5	0.1
Deferred taxation liabilities	–	–	(0.1)	(0.1)
<b>Net asset</b>	<b>0.9</b>	<b>–</b>	<b>2.4</b>	<b>–</b>



## Notes to the Financial Statements continued

For the year ended 31 December 2025

### 23. Deferred taxation continued

The table below shows the Group movement in net deferred taxation during the year:

2025 Deferred tax assets/(liabilities)	1 January 2025 £m	Recognised in comprehensive income – current year £m	Recognised in comprehensive income – prior year £m	31 December 2025 £m
Property, plant, equipment and software temporary timing differences	(1.0)	0.3	–	(0.7)
Provisions and other short-term timing differences	0.7	(0.3)	–	0.4
Recoverable tax losses	1.9	(1.5)	–	0.4
Corporate interest restriction	0.7	(0.7)	–	–
Share-based payments	0.2	0.3	0.3	0.8
Hedge instrument	(0.1)	–	0.1	–
<b>Net asset</b>	<b>2.4</b>	<b>(1.9)</b>	<b>0.4</b>	<b>0.9</b>
Recognised as:				
Deferred tax asset	2.5	(1.9)	0.3	0.9
Deferred tax liability	(0.1)	–	0.1	–
<b>Net asset</b>	<b>2.4</b>	<b>(1.9)</b>	<b>0.4</b>	<b>0.9</b>



## Notes to the Financial Statements continued

### For the year ended 31 December 2025

### 23. Deferred taxation continued

The table below shows the Group movement in net deferred taxation during the prior year:

2024 Deferred tax assets/(liabilities)	1 January 2024 £m	Recognised in comprehensive income – current year £m	Recognised in comprehensive income – prior year £m	Held for sale £m	31 December 2024 £m
Property, plant, equipment and software temporary timing differences	0.3	–	(0.5)	(0.8)	(1.0)
Provisions	1.0	0.1	(0.2)	(0.2)	0.7
Recoverable tax losses	1.9	(1.6)	1.6	–	1.9
Corporate interest restriction	1.2	0.3	(0.8)	–	0.7
Retirement benefit asset	(0.1)	0.1	–	–	–
Share-based payments	–	0.2	–	–	0.2
Hedge instrument	(0.4)	0.3	–	–	(0.1)
<b>Net asset</b>	<b>3.9</b>	<b>(0.6)</b>	<b>0.1</b>	<b>(1.0)</b>	<b>2.4</b>
Recognised as:					
Deferred tax asset	4.4	(1.0)	0.1	(1.0)	2.5
Deferred tax liability	(0.5)	0.4	–	–	(0.1)
<b>Net asset</b>	<b>3.9</b>	<b>(0.6)</b>	<b>0.1</b>	<b>(1.0)</b>	<b>2.4</b>

The Group has utilised taxable losses against current year taxable profits amounting in aggregate to £7.7m (2024: £1.6m) during the year and has gross carried forward tax losses of £3.4m (2024: £12.1m). These losses are available for relief against future tax liabilities. The likelihood of recovery of these losses against forecast future taxable profits in the foreseeable future is considered to be probable and consequently a deferred tax asset has been recognised.

Deferred tax assets and liabilities in the UK have been recognised at the rate of 25%, whilst those in the Republic of Ireland have been recognised at 12.5%.

No deferred tax has been recognised on taxable temporary differences associated with investments as the parent is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.



## Notes to the Financial Statements continued

### For the year ended 31 December 2025

## 24. Share capital

	2025 £m	2024 £m
<b>Allotted and issued</b>		
123,011,721 (2024: 142,330,164) Ordinary 10p Shares	12.3	14.2

	2025 Number	2024 Number
Shares issued and fully paid at the beginning of the year	142,330,164	149,190,956
Shares cancelled during the year	(19,318,443)	(6,860,792)
<b>Shares issued and fully paid at the end of the year</b>	<b>123,011,721</b>	<b>142,330,164</b>

All Ordinary Shares have the same rights and there are no restrictions on the distribution of dividends or repayment of capital with the exception of the 6,585,854 shares held at 31 December 2025 (2024: 8,535,706 shares) by the Employee Benefit Trust where the right to dividends has been waived.

Pursuant to an announcement of the launch of a share buyback programme on 10 June 2024 the Company purchased 6,860,792 Ordinary Shares in the capital of the Company (the "Ordinary Shares") at a cost of £2.5m during the year ended 31 December 2024.

On 25 February 2025 the Group announced the commencement of a buyback programme to be carried out in two tranches, the first being for 15,517,851 Ordinary Shares and the second being for 12,440,000 Ordinary Shares. The second tranche being subject to approval of the relevant resolution at the Company's 2025 Annual General Meeting.

Tranche 1 of the buyback programme completed on 11 April 2025, having purchased 15,517,851 Ordinary Shares for a total consideration of £4,843,094, at an average price of 31.2p per share.

At the Company's AGM on 21 May 2025, the members approved a resolution to purchase the Company's Ordinary Shares up to a maximum number of 19,021,847. On 22 May 2025 the Group announced launch of Tranche 2 of the 2025 buyback programme for the acquisition of up to 12,400,000 Ordinary Shares. During the year, pursuant to Tranche 2, the Company purchased 3,800,592 Ordinary Shares for a total consideration of £1,670,192, at an average price of 43.9p per share. From 1 January 2026 and up to the date of this report, the Company acquired a further 2,040,406 Ordinary Shares, which completed Tranche 2 of the buyback programme, for a total consideration of £986,714, at an average of 48.4p per share.

The Ordinary Shares purchased pursuant to the share buyback programme have been cancelled.

## 25. Related party transactions

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this Note.

There were no material transactions with Directors of the Company during the period, except for those relating to remuneration and share purchases as noted below.

### Transactions with key management personnel

The Group key management personnel's (defined as the Company's Directors and divisional directors) remuneration, which includes the Group Directors' remuneration disclosed above, is detailed below:

	2025 £m	2024 £m
<b>Short-term employee benefits:</b>		
Salaries and fees (inc. car allowance)	1,803	2,103
Bonus	1,326	1,608
Pension contributions	168	200
Benefits in kind	12	11
Share-based employee remuneration charge	839	474
	<b>4,148</b>	<b>4,396</b>

The emoluments of the highest paid Director were £974,258 (2024: £1,000,000).

Details of Directors' shareholdings and shares awarded under the Group's LTIP and SAYE share option schemes are provided in the Report of the Directors on pages 95 and 96. During the year Henry Spain Investment Services Limited, a person closely associated with Tom Spain, Non-Executive Director and Chairman of the Company, bought and sold Ordinary Shares of the Company on behalf of its private client portfolios. The net total Ordinary Shares sold in the year was 392,089.



## Notes to the Financial Statements continued

### For the year ended 31 December 2025

## 26. Contingencies

A cross-guarantee exists between the Company and certain subsidiary undertakings for all amounts owing to National Westminster Bank plc. The Group aggregate amount owing to National Westminster Bank plc at the year-end was £6.9m (2024: £5.0m).

## 27. Capital commitments

The Company had no material capital commitments at 31 December 2025.

## 28. Risk management objectives and policies

The Group is exposed to a variety of financial risks through its use of financial instruments which result from both its operating and investing activities. The Group's risk management is coordinated at its headquarters, in close consultation with the Board of Directors.

The Group does not actively engage in the trading of financial assets for speculative purposes. The most significant financial risks to which the Group is exposed are described below.

### Credit risk

Generally, the Group's maximum exposure to credit risk is limited to the carrying amount of the financial assets (being current assets excluding corporation tax recoverable) recognised at the balance sheet date, as summarised below:

	2025 Loans and receivables and balance sheet totals £m	2024 Loans and receivables and balance sheet totals £m
Trade and other receivables (Note 17):		
• held to collect	169.3	123.1
Cash and cash equivalents (Note 19)	8.4	14.6
Contract assets – accrued income (Note 17)	11.5	14.9
	189.2	152.6

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

Prepayments and other receivables of £4.9m (2024: £3.5m) relate principally to payments made in advance of receipt of the related service. Prepayments are non-financial assets, therefore there is no credit risk associated with this balance.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The expected loss rates are based on the payment profiles of sales over a period of 36 months before 31 December 2025 or 31 December 2024, respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

	Not more than 30 days past due £000	>31 days past due £000	>61 days past due £000	>91 days past due £000	Total £000
<b>31 December 2025</b>					
Expected loss rate	0.02%	0.40%	1.09%	5.23%	
Gross carrying amount – trade receivables & contract assets	173,199	4,805	2,205	593	180,802
Loss allowance	35	19	24	31	109
	Not more than 30 days past due £000	>31 days past due £000	>61 days past due £000	>91 days past due £000	Total £000
<b>31 December 2024</b>					
Expected loss rate	0.02%	0.35%	1.48%	1.87%	
Gross carrying amount – trade receivables & contract assets	129,444	6,799	713	1,033	137,989
Loss allowance	29	24	11	23	86



## Notes to the Financial Statements continued

### For the year ended 31 December 2025

## 28. Risk management objectives and policies continued

The closing loss allowance for trade receivables as at 31 December 2025 reconciles to the opening loss allowances as follows:

	2025 £m	2024 £m
As at 31 December – as previously calculated under IAS 39	0.1	0.1
Change in loss allowance recognised in profit or loss during the year	0.1	–
As at 31 December	0.2	0.1

Credit risk is only disclosed in circumstances where the maximum potential loss differs significantly from the financial asset's carrying amount.

The Group's trade and other receivables are actively monitored to avoid significant concentrations of credit risk. Details in respect of trade receivables at 31 December 2025 are provided in Note 17.

The Group has adopted a policy of carefully monitoring all customers, especially those who lack an appropriate credit history.

### Liquidity risk

The Group seeks to manage financial risks to ensure sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. Short-term flexibility is achieved by the use of its receivables facility of up to £60.0m (2024: £60.0m). As at 31 December 2025, £6.9m (2024: £5.0m) of the receivables facility was utilised.

The Group has covenants attached to its banking facilities as described in Note 21. For the period to 31 December 2027, the Group's cash flow forecasts indicate ongoing headroom in the receivables facility and also full compliance with the financial covenants contained therein. The Group has sufficient day-to-day liquidity to ensure that short-term liabilities can be satisfied as and when they fall due.



## Notes to the Financial Statements continued

For the year ended 31 December 2025

### 28. Risk management objectives and policies continued

#### Maturity of financial liabilities

The analysis of the maturity of financial liabilities due in less than one year is as follows:

	2025 Less than 1 month £m	2025 Between 1 and 3 months £m	2025 Between 3 and 12 months £m	2025 Total £m	2024 Less than 1 month £m	2024 Between 1 and 3 months £m	2024 Between 3 and 12 months £m	2024 Total £m
Receivables Finance Agreement	6.9	–	–	6.9	5.0	–	–	5.0
Lease liabilities	0.1	0.3	0.7	1.1	0.1	0.2	0.7	1.0
Trade payables	27.1	15.2	–	42.3	22.3	7.1	–	29.4
Accruals	60.3	7.8	3.8	71.9	50.5	7.0	3.7	61.2
<b>Total</b>	<b>94.4</b>	<b>23.3</b>	<b>4.5</b>	<b>122.2</b>	<b>77.9</b>	<b>14.3</b>	<b>4.4</b>	<b>96.6</b>

The analysis of the maturity of financial liabilities at 31 December 2025 is as follows:

	2025 Less than one year £m	2025 One to five years £m	2025 More than five years £m	2025 Total £m	2024 Less than one year £m	2024 One to five years £m	2024 More than five years £m	2024 Total £m
Receivables Finance Agreement	6.9	–	–	6.9	5.0	–	–	5.0
Lease liabilities	1.1	1.9	1.0	4.0	1.0	2.2	1.5	4.7
Trade payables	42.4	–	–	42.4	29.4	–	–	29.4
Accruals	71.9	–	–	71.9	61.2	–	–	61.2
<b>Total</b>	<b>122.3</b>	<b>1.9</b>	<b>1.0</b>	<b>125.2</b>	<b>96.6</b>	<b>2.2</b>	<b>1.5</b>	<b>100.3</b>

The accruals figure includes £15.8m (2024: £14.3m) of employee obligations, which are not within the scope of IFRS 7, but have been included for completeness.

The analysis of the maturity of contractual undiscounted financial liabilities (including estimated future interest) at 31 December 2025 is as follows:

	2025 Less than one year £m	2025 One to five years £m	2025 More than five years £m	2025 Total £m	2024 Less than one year £m	2024 One to five years £m	2024 More than five years £m	2024 Total £m
Receivables Finance Agreement	6.9	–	–	6.9	5.0	–	–	5.0
Lease liabilities	1.2	2.2	1.1	4.5	1.2	2.5	1.6	5.3
Trade payables	42.4	–	–	42.4	29.4	–	–	29.4
Accruals	71.9	–	–	71.9	61.2	–	–	61.2
<b>Total</b>	<b>122.4</b>	<b>2.2</b>	<b>1.1</b>	<b>125.7</b>	<b>96.8</b>	<b>2.5</b>	<b>1.6</b>	<b>100.9</b>



## Notes to the Financial Statements continued

### For the year ended 31 December 2025

## 28. Risk management objectives and policies continued

### Interest rate risk

On 20 September 2024, the Group entered into an amortising interest rate collar instrument, which took effect from 14 October 2024, that reduces exposure to interest rate increases above 4.75% of SONIA on an aggregated two thirds of the RFA and the customer finance arrangements. The instrument also includes a floor element whereby the Group will pay a fixed rate of 2.51%. The instrument expires on 14 October 2029 and had an initial notional amount of £58.9m. This amount varies quarterly based on forecast borrowings between £58.9m and £77.3m, with an average of £68.6m over the term.

The following table illustrates the sensitivity of the net result for the year and equity to a reasonably possible increase in interest rates of one percentage point with effect from the beginning of the year.

	2025	2024
	+1%	+1%
Decrease in net result and equity (£m)	(0.8)	(0.3)

### Hedge accounting

In order to qualify for hedge accounting, the Group is required to document the economic relationship between the item being hedged and the hedging instrument in advance. The Group is also required to demonstrate that the hedge will be effective on an ongoing basis. Effectiveness testing of the instruments was undertaken at inception and at subsequent half-year ends and year ends. Further effectiveness testing is undertaken periodically. During the year ended 31 December 2024 an ineffectiveness charge of £0.2m arose on the interest rate cap instrument resulting in a charge to comprehensive income within finance charges. In the period between inception and its commencement date of 14 October 2024, the collar instrument gained in value by £0.2m. This pre-dates the effective hedging date and was reported as a gain within finance income in that year. After commencement and up to 31 December 2025 there was no ineffectiveness in the collar instrument.

In addition to the level of actual borrowing versus the nominal amounts in the instrument, another potential source of ineffectiveness is the timing of weekly and monthly interest payments versus the quarterly periods of the instrument. Testing has shown that this does not give rise to material hedge ineffectiveness.

### Foreign currency sensitivity

Most of the Group's transactions are carried out in sterling. Exposure to currency exchange rates arises from the Group's overseas sales and purchases which are denominated in euro in the Republic of Ireland. The Group has not entered into any foreign currency risk mitigation strategies to date. This will be kept under review.

### Financial liabilities

The Group's liabilities (being total liabilities excluding deferred tax liabilities) are classified as follows:

	2025 Financial liabilities at fair value through profit or loss £m	2025 Other financial liabilities at amortised cost £m	2025 Liabilities not within the scope of IFRS 9 £m	2025 Balance sheet total £m
Receivables Finance Agreement	–	6.9	–	6.9
Lease liabilities	–	4.0	–	4.0
Trade payables	–	42.4	–	42.4
Accruals	–	71.9	–	71.9
Contract liabilities – deferred income	–	0.1	–	0.1
Taxation and social security	–	–	72.1	72.1
Provisions	–	–	0.7	0.7
<b>Total</b>	<b>–</b>	<b>125.3</b>	<b>72.8</b>	<b>198.1</b>

It is considered that the fair value of the Group's financial assets and liabilities equal the book value.



## Notes to the Financial Statements continued

For the year ended 31 December 2025

### 28. Risk management objectives and policies continued

	2024 Financial liabilities at fair value through profit or loss £m	2024 Other financial liabilities at amortised cost Restated £m	2024 Liabilities not within the scope of IFRS 9 £m	2024 Balance sheet total Restated £m
Receivables Finance Agreement	–	5.0	–	5.0
Lease liabilities	–	4.7	–	4.7
Trade payables	–	29.4	–	29.4
Accruals	–	61.2	–	61.2
Taxation and social security	–	–	62.6	62.6
Provisions	–	–	0.5	0.5
Liabilities included in disposal group classified as held for sale	–	14.1	–	14.1
<b>Total</b>	–	114.4	63.1	177.5

Fair value represents amounts at which an asset could be exchanged, or a liability settled on an arm's length basis.

Financial assets and financial liabilities measured at fair value are grouped into three levels of fair value hierarchy. This grouping is determined based on the lowest level of significant inputs used in the fair value measurement, as follows:

- level 1 – quoted prices in active markets for identical assets and liabilities;
- level 2 – inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly or indirectly; and
- level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

### 29. Cash flows from operating activities – consolidated

Reconciliation of profit/(loss) before taxation to net cash inflow from operating activities

	2025 £m	2024 Restated* £m
Profit/(loss) before taxation from:		
Continuing activities	7.4	5.0
Discontinued operations	(0.7)	(14.7)
	6.7	(9.7)
Adjustments for:		
Finance income	(0.1)	(1.4)
Finance charges	5.7	6.3
Depreciation and amortisation – underlying	2.9	4.7
Goodwill impairment	–	17.0
Loss on disposal of property, plant and equipment	0.4	–
<b>Cash generated before changes in working capital and share options</b>	15.6	16.9
Change in trade and other receivables	(46.0)	(20.0)
Change in trade, other payables and provisions	34.9	23.9
<b>Cash generated from operations</b>	4.5	20.8
Share-based payments expense	1.1	0.7
Receipt from SAYE scheme options	0.3	–
<b>Net cash inflow from operating activities</b>	5.9	21.5

For details of the restatement, refer to Note 10.



## Notes to the Financial Statements continued

For the year ended 31 December 2025

### 29. Cash flows from operating activities – consolidated continued

#### Movement in net debt

	2025 £m	2024 £m
<b>Net cash/(debt) at 1 January</b>	<b>4.9</b>	(0.2)
Net drawdowns from Receivables Finance Agreement	(1.9)	4.5
Lease payments, additions, disposals and interest	0.7	(0.7)
Change in liabilities arising from financing activities	3.7	3.6
Change in cash and cash equivalents	(6.2)	1.3
<b>Net (debt)/cash at 31 December</b>	<b>(2.5)</b>	4.9
Represented by:		
Current borrowings (Note 21)	(6.9)	(5.0)
Lease liabilities (Note 15)	(4.0)	(4.7)
	<b>(10.9)</b>	(9.7)
Cash and cash equivalents (Note 19)	8.4	14.6
<b>Net (debt)/cash at 31 December</b>	<b>(2.5)</b>	4.9

The movements in net debt can be further summarised as follows:

	Lease liabilities £m	Receivables Finance Agreement £m	Movements from financing activities £m	Cash £m	Total £m
Net debt as at 1 January 2024	(4.0)	(9.5)	(13.5)	13.3	(0.2)
Cash flows during the year	2.5	4.5	7.0	1.3	8.3
Non-cash movements in leases	(3.2)	–	(3.2)	–	(3.2)
<b>Net (debt)/cash at 31 December 2024</b>	<b>(4.7)</b>	<b>(5.0)</b>	<b>(9.7)</b>	<b>14.6</b>	<b>4.9</b>
Cash flows during the year	1.7	(1.9)	(0.2)	(6.2)	(6.4)
Non-cash movements in leases	(1.0)	–	(1.0)	–	(1.0)
<b>Net (debt)/cash at 31 December 2025</b>	<b>(4.0)</b>	<b>(6.9)</b>	<b>(10.9)</b>	<b>8.4</b>	<b>(2.5)</b>

### 30. Capital management policies and procedures

The Board's current priorities for the Group's free cash flow are to fund Group development and maintain the strength of the statement of financial position. The Group's overall strategy remains unchanged from last year in that it manages its capital to ensure that the Group will be able to continue as a going concern through the economic cycle.

The capital structure of the Group consists of net debt, which is represented by cash and cash equivalents (Note 19), bank borrowings (Note 21) and equity attributable to equity holders of the parent, comprising issued share capital, reserves and retained earnings as disclosed in the consolidated statement of changes in equity.

The only restrictions on the Group's capital relate to the certain undertakings and covenants attached to the debt facilities. The Group has covenants attached to its banking facilities, of which the main financial covenants are minimum net debt to EBITDA leverage and interest cover as described in Note 21.

### 31. Post balance sheet events

Between the balance sheet date and the date of this report, the Company acquired 2,040,406 Ordinary Shares, which completed Tranche 2 of the buyback programme, for a total consideration of £986,714, at an average of 48.4p per share. The Ordinary Shares purchased pursuant to the share buyback programme have been cancelled.

There were no other events between the balance sheet date of 31 December 2025 and the approval of these accounts on 23 March 2026 that are required to be brought to the attention of shareholders.



# Staffline Group PLC

## Unaudited Five-Year Summary of Financial Data

	Financial reporting years ended 31 December £m				
	2025	2024*	2023	2022	2021
<b>Comprehensive income</b>					
Revenue	1,106.7	992.9	871.3	928.1	942.7
Underlying operating profit	13.0	10.1	7.2	12.0	10.3
% margin	1.2%	1.0%	0.8%	1.3%	1.1%
Operating profit	13.0	9.9	2.1	4.6	2.3
Net profit/(loss) after taxation from continuing activities	5.5	3.8	(1.2)	3.8	1.2
Underlying earnings per share (diluted)	4.4p	3.1p	2.0p	5.7p	7.1p
<b>Financial position</b>					
Goodwill	27.1	27.1	50.7	59.6	59.6
Intangible assets	11.9	10.0	6.7	9.4	16.5
Property, plant and equipment	3.0	3.2	5.5	7.6	8.0
Trade and other receivables	185.7	141.5	129.4	119.8	114.7
Cash and cash equivalents	8.4	14.6	13.3	31.0	29.8
Trade and other payables	(186.5)	(153.2)	(140.8)	(130.3)	(134.3)
Borrowings (excluding deal fees)	(6.9)	(5.0)	(9.5)	(26.0)	(22.9)
Lease liabilities	(4.0)	(4.7)	(4.0)	(4.9)	(4.6)
Deferred tax net asset	0.9	2.4	3.9	3.5	2.2
Net assets included in disposal group classified as held for sale	–	3.3	–	–	–
Other net (liabilities)/assets	(1.0)	(0.3)	(0.3)	2.0	(3.1)
<b>Net assets</b>	<b>38.6</b>	<b>38.9</b>	<b>54.9</b>	<b>71.7</b>	<b>65.9</b>
Net cash, pre-IFRS 16	1.5	9.6	3.8	5.0	6.9
Goodwill, intangibles	39.0	37.1	57.4	69.0	76.1
Other net liabilities	(1.9)	(7.8)	(6.3)	(2.3)	(14.8)
<b>Cash flows</b>					
Underlying operating profit	13.0	10.1	7.2	12.0	10.3
(Loss)/Profit on discontinued operations	(0.7)	1.3	(0.3)	–	(0.4)
Non-underlying cash costs	–	(0.2)	(1.8)	–	–
Depreciation, amortisation, loss on disposal	3.3	4.7	5.2	5.7	6.6
Working capital movements	(11.1)	3.9	1.3	(12.7)	(45.1)
Capital expenditure, including software	(5.0)	(4.4)	(2.7)	(3.1)	(4.4)
Taxation (paid)/received (net)	–	(0.2)	(0.4)	0.4	5.8
<b>Adjusted free cash from operations</b>	<b>(0.5)</b>	<b>15.2</b>	<b>8.5</b>	<b>2.3</b>	<b>(27.2)</b>
Interest paid	(5.5)	(4.7)	(3.7)	(2.5)	(1.9)
Issue of share capital (net)	–	–	–	–	46.4
Own shares purchased	(6.5)	(4.4)	(5.5)	(0.4)	–
Disposal of PeoplePlus	6.2	–	–	–	–
Others	(1.8)	(0.3)	(0.5)	(1.3)	(11.8)
<b>Reduction/(increase) in net debt, pre-IFRS 16</b>	<b>(8.1)</b>	<b>5.8</b>	<b>(1.2)</b>	<b>(1.9)</b>	<b>5.5</b>

\* Restated to exclude the results of PeoplePlus.



## Company Details

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Albert Ellis (Chief Executive Officer)  
Daniel Quint (Chief Financial Officer)  
Amanda Aldridge (Senior Independent Director)  
Catherine Lynch (Non-Executive Director)

**Company Secretary:**

Louise Barber FCG

**Company website:**[www.stafflinegroupplc.co.uk](http://www.stafflinegroupplc.co.uk)**Investor relations contact details:**[investors@staffline.co.uk](mailto:investors@staffline.co.uk)**Nominated adviser and joint brokers:****Panmure Liberum Limited**

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As part of our commitment to sustainability and reducing our environmental impact, Staffline has moved to an electronic annual report format.

➤ **The 2025 Annual Report is now available to view or download at [www.stafflinegroupplc.co.uk/investor-relations/results-reports-and-presentations/](http://www.stafflinegroupplc.co.uk/investor-relations/results-reports-and-presentations/)**



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