

The logo for Robert Walters Group, consisting of the company name in a white, sans-serif font centered within a white square. The background of the entire slide features a pattern of curved, parallel lines in shades of blue and teal, creating a sense of depth and movement.

ROBERT  
WALTERS  
GROUP

# Full-year results

Robert Walters Plc  
10 March 2023

## About us

# Our brands



ROBERT WALTERS

### Specialist professional recruitment

Robert Walters recruits specialists for permanent, contract and interim roles across our core disciplines of accountancy & finance, banking, engineering, HR, healthcare, legal, sales, marketing, secretarial & support, technology and supply chain, logistics & procurement.



Walters  
— People

### Specialist staffing

Walters People is the staffing specialist for tomorrow's working world matching people to permanent and contract jobs.



RESOURCESOLUTIONS

### Recruitment process outsourcing

Resource Solutions is a market leader in recruitment process outsourcing (RPO) and managed services. Resource Solutions designs and deploys tailored recruitment outsourcing solutions for clients across the world.

## About us

# Our strategy

The Group's strategy for growth is centred on organic international expansion and discipline diversification, ensuring a balanced footprint covering mature and developing markets

### **International expansion**

Driving growth through expansion into new geographic locations.

### **Discipline diversification**

Driving growth through the building of new and existing disciplines.

### **Our mission**

To be the world's leading specialist professional recruitment group.

## Strategy in action



**1** New country  
(Italy)

**3** New offices in  
existing regions  
(Austin, Bilbao, Berlin)

**49** New teams  
opened in 2022  
(Technology recruitment  
teams now in every  
business globally)

# Financial review

## Group performance

- Net fee income up 21% (20%\*) to £428.2m (2021: £353.6m)
- Operating profit up 8% (9%\*) to £58.2m (2021: £54.1m)
- Profit before taxation up 11% (12%\*) to £55.6m (2021: £50.2m)
- H1 - Fierce competition for talent and significant wage inflation (circa 15-20%)
- H2 - Softening of activity levels and lengthening time to hire. Covid lockdowns and restrictions had a major impact in China with a ripple effect across major trading partners in Asia Pacific. Global technology market layoffs also dented market confidence
- Significant long-term investment:
  - Group headcount now stands at 4,356 (2021: 3,484)
    - Headcount growth slowed in the second half reflecting tightening market conditions
  - Expanded geographic footprint
    - Opened Group's first office in Italy (Milan)
    - Opened 3 new offices in existing markets – Austin, Berlin and Bilbao
  - Opened 49 new teams – expanded Technology recruitment coverage across all the Group's markets worldwide

## Regional analysis

- 83% (2021: 81%) of net fee income generated from international businesses
- Strongest performances delivered by the Group's two largest regions – Asia Pacific and Europe
  - Asia Pacific – net fee income up 18% (16%\*), operating profit up 3% (3%\*)
  - Europe – net fee income up 30% (31%\*), operating profit increased by 29% (31%\*)
  - UK – net fee income up 8%, operating profit up 1%
  - Other International – net fee income up 43% (29%\*), operating loss of £0.3m

## Consolidated income statement and financial review

£	12 months to 31 Dec 2022	12 months to 31 Dec 2021	% Change	% Change (constant currency*)
Revenue <sup>1</sup>	1,099.6m	970.7m	13%	12%
Gross profit (net fee income) <sup>2</sup>	428.2m	353.6m	21%	20%
Operating profit	58.2m	54.1m	8%	9%
Interest and foreign exchange	(2.6m)	(3.9m)	-	-
Profit before taxation	55.6m	50.2m	11%	12%
Taxation	(16.5m)	(16.7m)	-	-
Profit for the year	39.1m	33.5m	-	-
Basic EPS	56.2p	46.3p	21%	-

- Proposed final dividend of 17.0p per share (2021: 15.0p per share)
- In 2022, the Group purchased 2,024,071 shares at an average price of £6.25 for £12.7m through the Group's Employee Benefit Trust. A further 2,029,880 shares were purchased at an average price of £4.93 for £10.0m and cancelled

\* Constant currency is calculated by applying prior year exchange rates to local currency results for the current and prior years.

<sup>1</sup>Revenue is the total income from the placement of permanent and contract staff and therefore includes the remuneration costs of contract candidates and the total cost of advertising recharged to clients. It also includes outsourcing fees, consultancy fees and the margin derived from payrolling contracts charged by Resource Solutions to its clients.

<sup>2</sup>Net fee income is the total placement fees of permanent candidates, the margin earned on the placement of contract candidates and the margin from advertising. It also includes the outsourcing, consultancy and payrolling margin earned by Resource Solutions.

## Summary of Group balance sheet

£m	As at 31 Dec 2022	As at 31 Dec 2021
Goodwill	8.1	8.1
Tangible assets and computer software	35.5	25.6
Right-of-use asset	71.6	62.6
	115.2	96.3
Receivables	221.4	190.4
Payables and provisions	(182.5)	(176.7)
Lease liabilities	(76.4)	(66.4)
	77.7	43.6
Current and deferred tax	9.1	4.6
Net cash	97.1	126.6
Net assets	183.9	174.8

- Strong balance sheet with net cash of £97.1m as at 31 December 2022 (31 December 2021: £126.6m)
- Group has a £60.0m committed loan facility due for renewal in 2026. £26.1m drawn down on this facility as at 31 December 2022

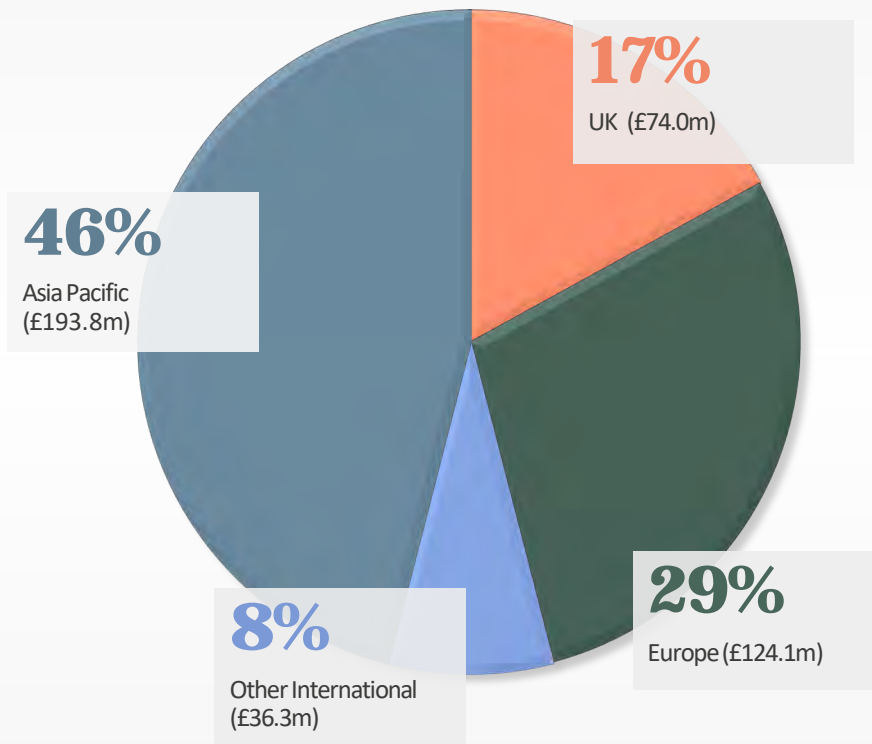


## Summary of cash flow

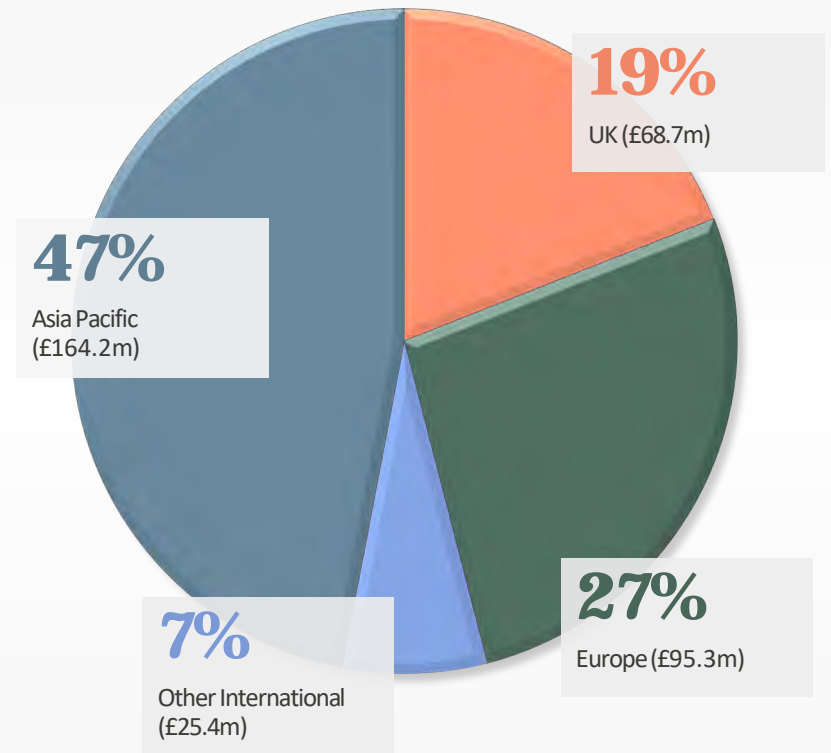
£m	12 months to 31 Dec 2022	12 months to 31 Dec 2021
Operating profit	58.2	54.1
Depreciation, amortisation and impairment	22.1	20.2
Share-based payments and other non-cash items	2.5	2.3
Unrealised foreign exchange loss (gain)	3.8	(0.3)
Working capital movements	(27.0)	(33.6)
Cash generated by operating activities	59.6	42.7
Principal paid on lease liabilities	(16.8)	(16.4)
Taxation paid	(21.5)	(9.1)
Capital expenditure	(15.9)	(13.2)
Interest and foreign exchange movements	2.7	(9.4)
Dividends paid	(15.2)	(11.9)
Proceeds from exercise of share options and issue of new shares	0.3	0.7
Purchase of shares	(22.7)	(12.3)
Movement in net cash	(29.5)	(28.9)
Net cash at year-end	97.1	126.6

## Regional analysis (net fee income)

### 12 months to 31 Dec 2022



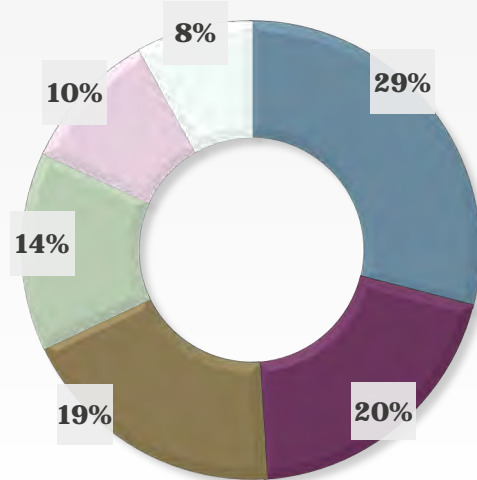
### 12 months to 31 Dec 2021



## Net fee income by geography

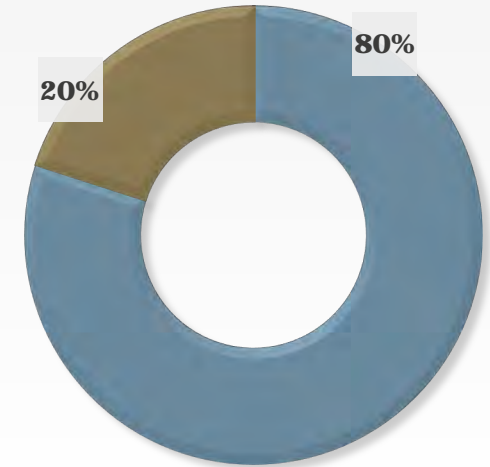
### Asia Pacific (46% of Group NFI)

- Japan 2021: 32%
- Greater China 2021: 18%
- Australia 2021: 20%
- Other 2021: 15%
- New Zealand 2021: 9%
- Singapore 2021: 6%



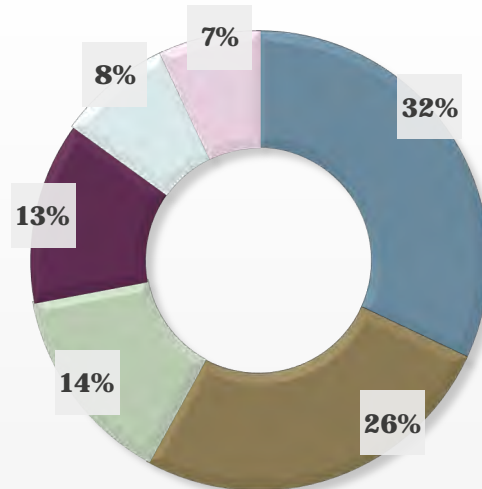
### UK (17% of Group NFI)

- London 2021: 79%
- Regions 2021: 21%



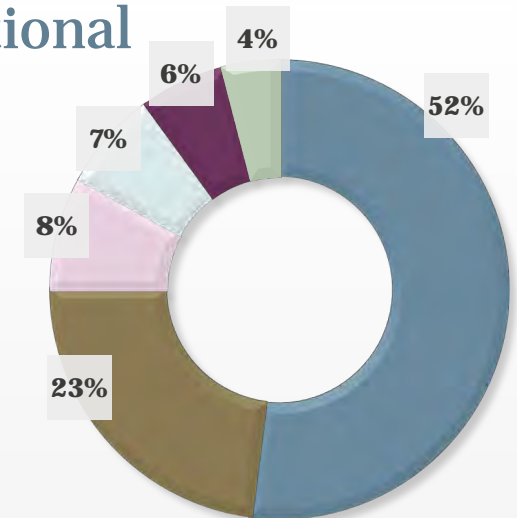
### Europe (29% of Group NFI)

- France 2021: 33%
- Netherlands 2021: 26%
- Spain 2021: 14%
- Belgium 2021: 14%
- Other 2021: 6%
- Germany 2021: 7%

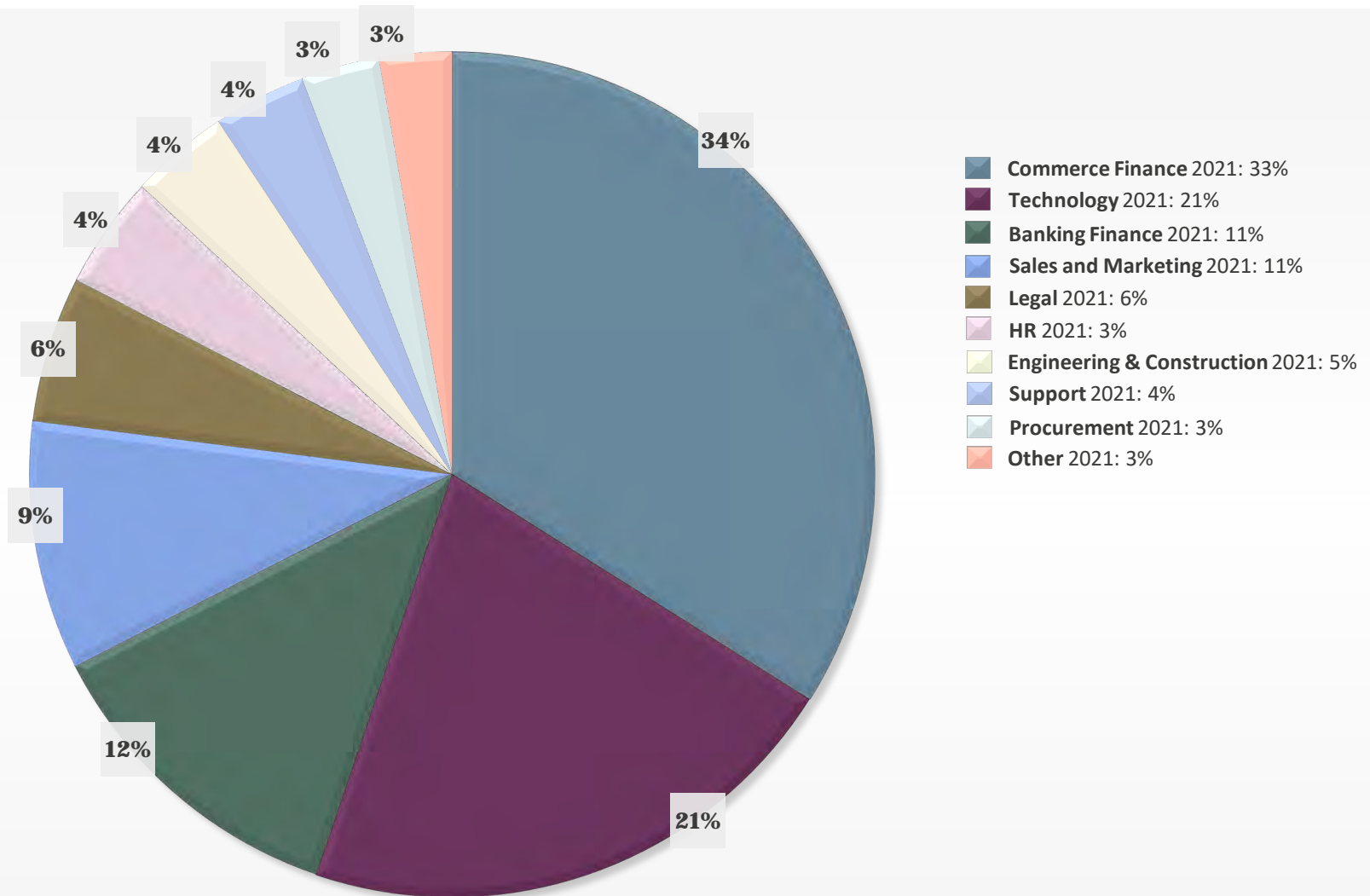


### Other International (8% of Group NFI)

- USA 2021: 55%
- Middle East 2021: 21%
- Chile 2021: 5%
- Other 2021: 4%
- South Africa 2021: 10%
- Canada 2021: 5%

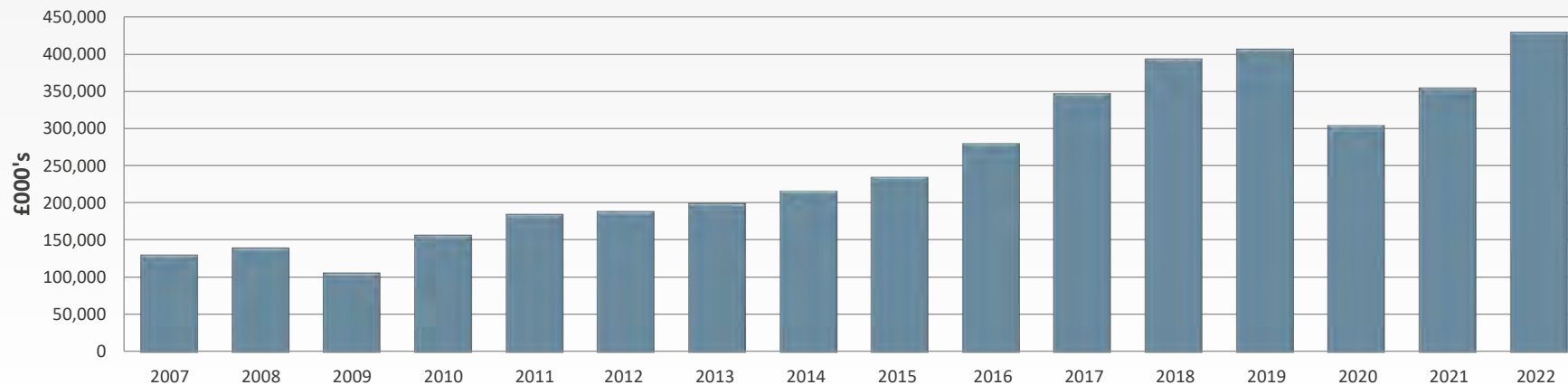


## Net fee income by discipline

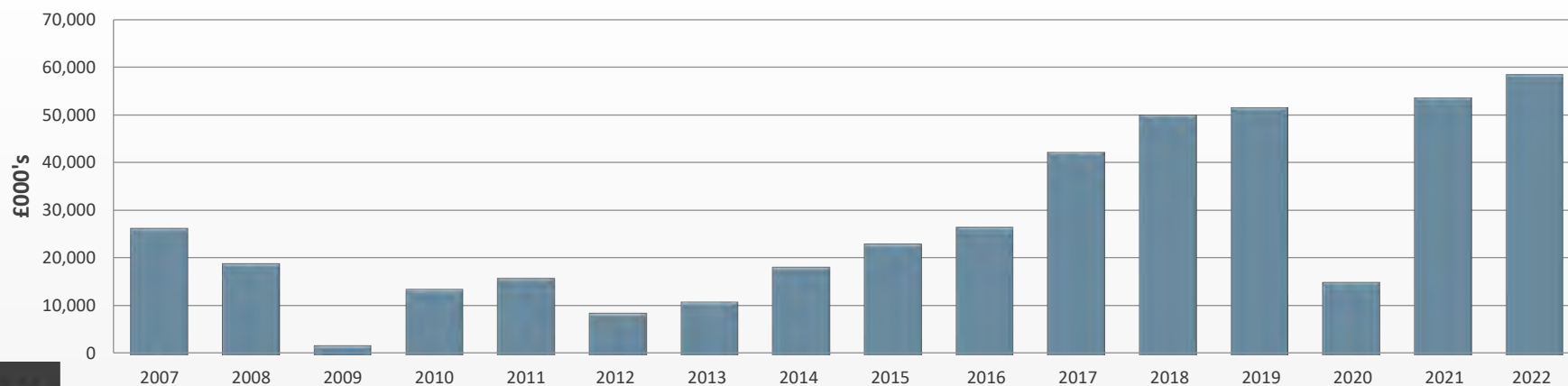


## Track record of growth

### Net fee income 2007 - 2022

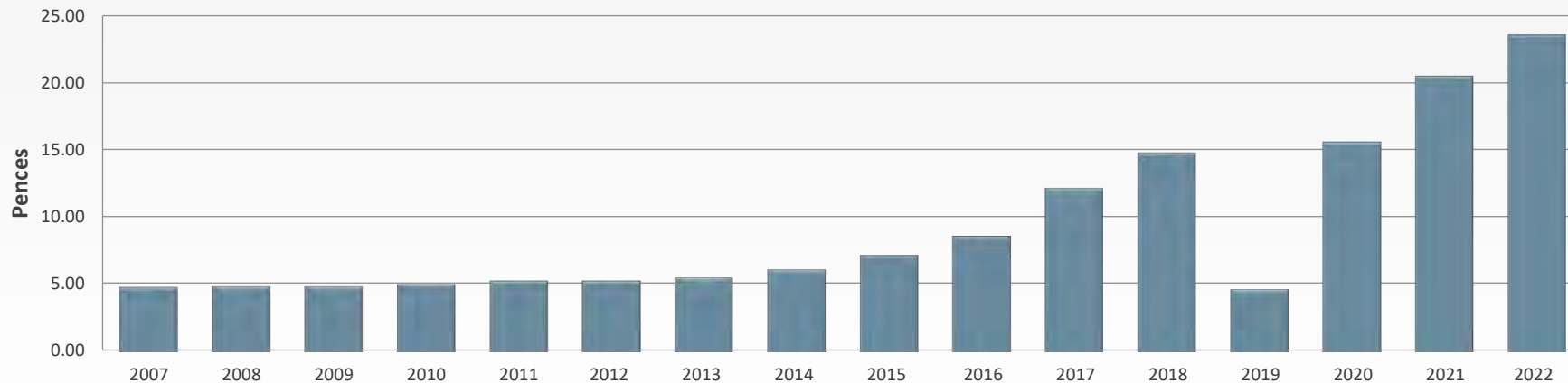


### Operating Profit 2007 - 2022

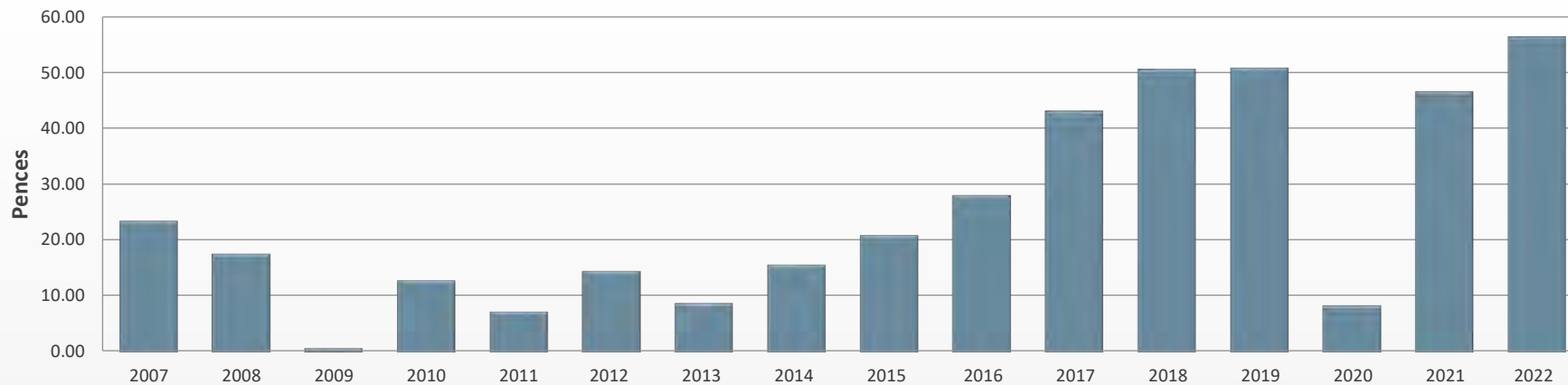


## Track record of growth

### Dividend Payments 2007 – 2022 (progressive policy)

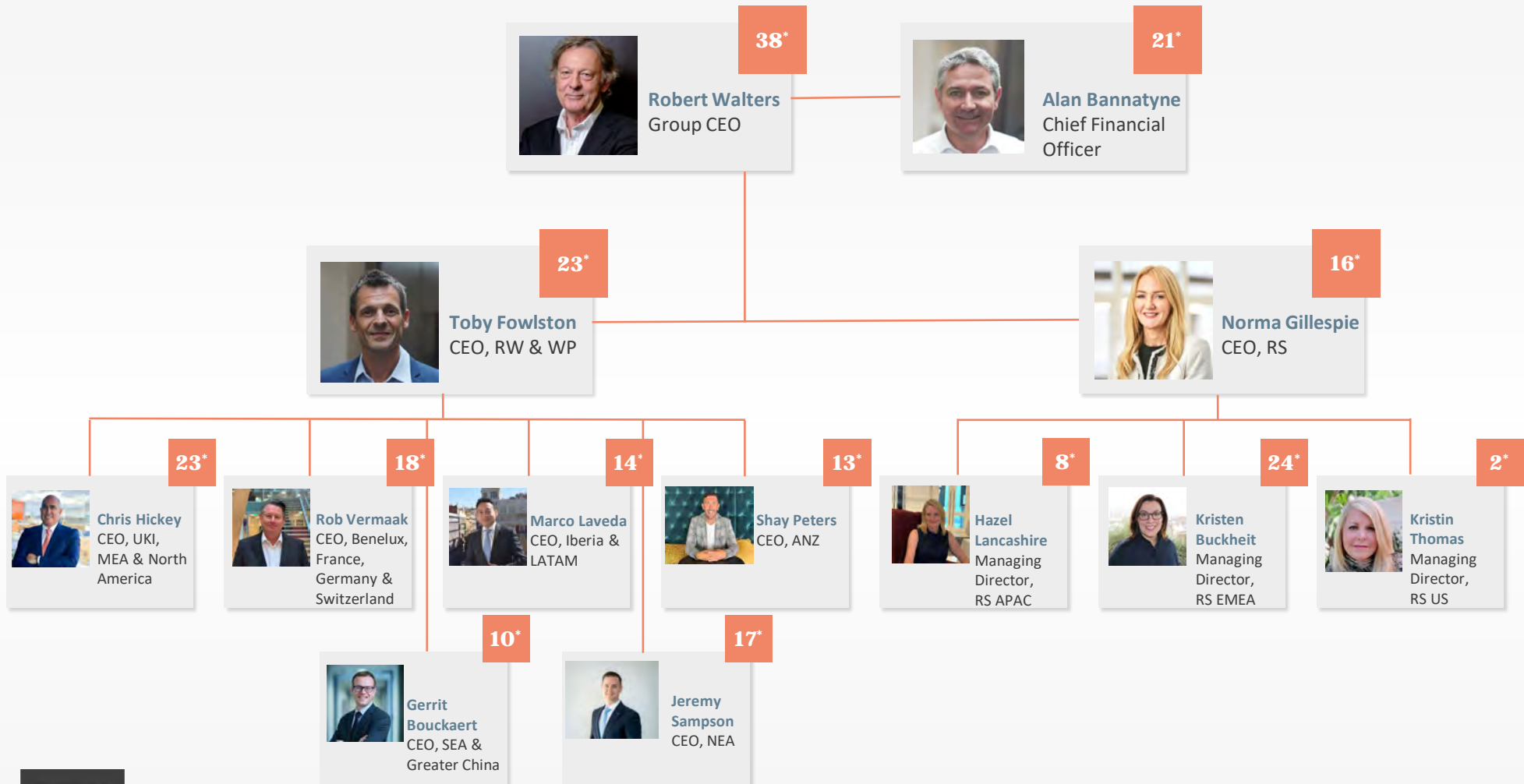


### Earnings per share 2007 - 2022



# Operations review

## Operational management team



\*Denotes length of tenure in years



## Asia Pacific (46% of net fee income)

### Asia Pacific

- Net fee income: £193.8m (2021: £164.2m)
- Operating profit: £37.5m (2021: £36.5m)



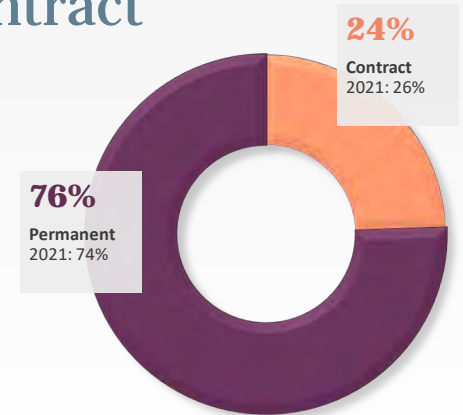
**Locations:**

- |                |             |
|----------------|-------------|
| Australia      | New Zealand |
| Hong Kong      | Philippines |
| India          | Singapore   |
| Indonesia      | South Korea |
| Japan          | Taiwan      |
| Mainland China | Thailand    |
| Malaysia       | Vietnam     |

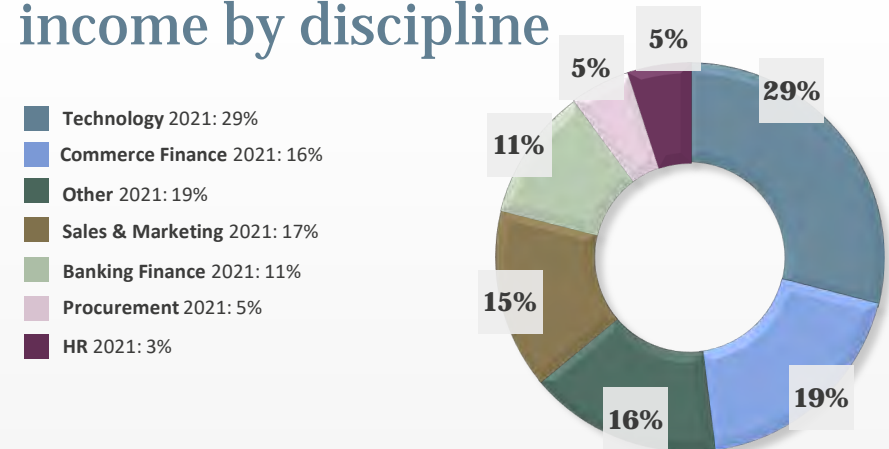
### Average tenure

<b>13 years</b> Directors	<b>10 years</b> Associate Directors	<b>6 years</b> Managers
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### Permanent/contract recruitment



### Recruitment net fee income by discipline



## Asia Pacific

# Japan and South Korea

### Japan

- The Group's most profitable business – clear market leader in bilingual professional recruitment
- Record year. Net fee income increased by 16%\* and operating profit by 6%\*
  - Market conditions impacted by disruption of trade with China. International borders only re-opened in Q4
  - Hospitality and retail industries beginning to show signs of recovery to pre-covid levels
- Remains a systemic shortage of bilingual professionals – permanent and contract
- Average wage inflation of circa 13-15% for job movers. Even higher premiums (20%+) for hard-to-find and niche skillsets such as technology and sales & marketing
  - Local companies increasingly reviewing remuneration structures to stay competitive against international businesses
- Strongest areas of demand – digital transformation, AI, EV, robotics, HR and sales & marketing

### South Korea

- Record year. Significant increase in both net fee income and operating profit year-on-year
- Bilingual specialist professionals, much like Japan, in very short supply
- Business successfully places into both international and domestic businesses – competition limited
  - Technology, sales & marketing, HR and healthcare professionals in high demand

## Asia Pacific

# Australia and New Zealand

### Australia

- Region's second largest business. Net fee income increased by 9%\* and operating profit by 4%\* year-on-year
- Ripple effect of China slowdown in addition to strong inflationary pressure impacted market confidence especially in the second half of the year
- Contract rates now outpacing permanent salary growth – some perm roles now seeing effective 'pay-cuts' due to inflation
- Activity levels strongest across legal and technology disciplines
- International Candidate Management and Market Intelligence offerings proving a competitive advantage

### New Zealand

- Clear market leader in specialist professional recruitment space. No meaningful competition due to competitor exits
- End-to-end recruitment offering – permanent, contract, payroll, MSA, SoW. Plus private and public sector client mix
- Global footprint and International Candidate Management programme again proving successful as borders have fully reopened

## Asia Pacific

# Greater China and South-East Asia

Unrivalled footprint – including some of the world’s fastest growing emerging recruitment markets. Strong platform for long-term growth

### Greater China

- Mainland China significantly impacted by Covid-related lockdowns and disruption
  - Operating profit declined by 45%\* year-on-year
  - Signs of supply chain migration out of the China market
- Bounce-back of Hong Kong continued, particularly during first half
  - Candidate shortages and wage inflation heightened by acceleration of ex-pat professionals leaving the market
  - Healthy perm/contract mix – technology, engineering, private wealth management all hotspots of growth
- Record net fee income and operating profit in Taiwan. Market leader with proven 11-year track record

### South-East Asia

- Standout and record performances delivered in Malaysia, Thailand and Vietnam
  - Borders now reopened across the region and Covid restrictions negligible
  - Region has benefitted from organisations moving supply-side operations outside of Mainland China
- Tech recruitment strong but slowed in second half of the year as a result of wider industry layoffs. Financial services including fintech also robust. Increasingly seeing a move towards hiring in the sustainability, ED&I and broader ESG spaces
- Typical salary increments of circa 15% for job moves but inflationary environment caused a levelling off as the year progressed

## Europe (29% of net fee income)

### Europe

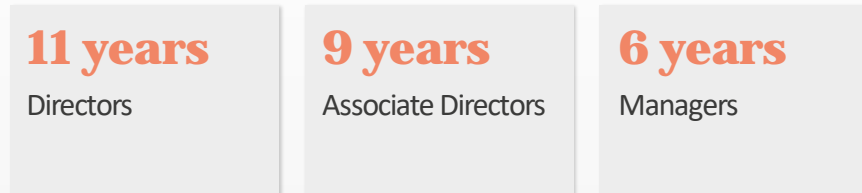
- Net fee income: £124.1m (2021: £95.3m)
- Operating profit: £17.6m (2021: £13.7m)



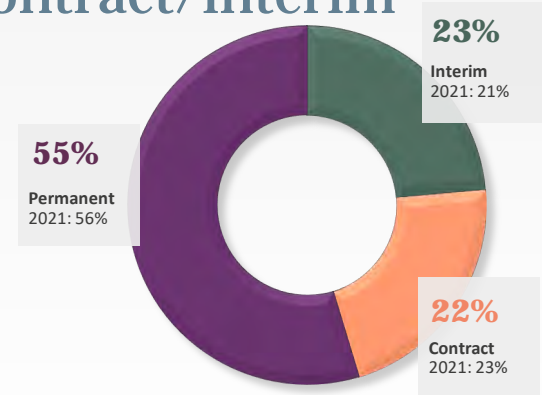
**Locations:**

- Belgium
- France
- Germany
- Ireland
- Italy
- Netherlands
- Poland
- Portugal
- Spain
- Switzerland

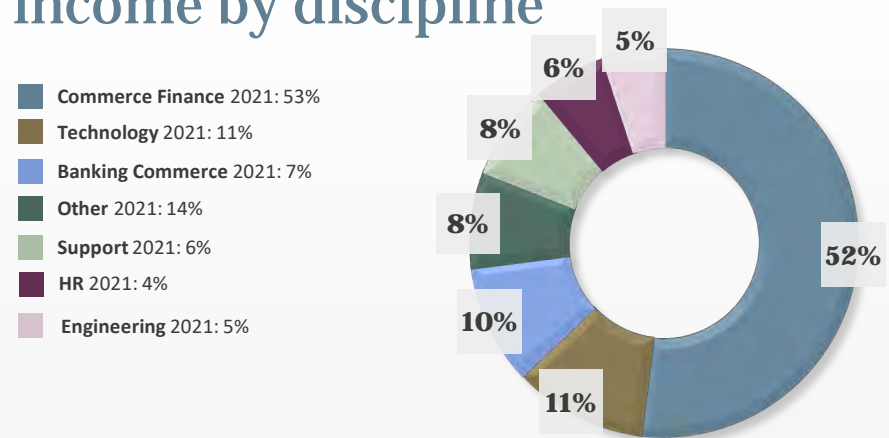
### Average tenure



### Permanent/contract/interim recruitment



### Recruitment net fee income by discipline



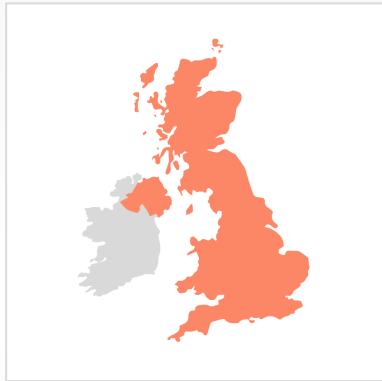
## Europe

- Strong performance across region. Seven out of nine markets delivered record performances
- Blend of permanent, contract and interim recruitment solutions continues to be a key competitive advantage allowing us to service diverse client requirements irrespective of market conditions
  - Perm and interim recruitment strong through the year. Contract activity grew as the year progressed
- Record profit in France, the region's largest business – Paris and regions both growing well
  - Permanent talent in strongest demand across finance, legal, HR, technology and sales
  - Interim activity strongest across finance and engineering
- Well-established Netherlands and Belgium businesses both produced record net fee income and operating profit
  - Netherlands – acute talent shortages across all our professional disciplines
    - Finance, legal and compliance, HR and ESG all areas of strong demand
  - Belgium – record job vacancies through the year
    - Salary inflation running at circa 11%. Candidates increasingly looking beyond pure salary to training, culture and sustainability policies
- Spain – net fee income up 32%\* year-on-year
  - New office opened in Bilbao to add to existing office footprint of Barcelona, Madrid and Valencia. Significant uplift in counter-offers as organisations fought hard to retain top talent
- Germany – business continues to go from strength-to-strength with second year of record net fee income and operating profit
  - New office opened in Berlin
- Opened Group's first office in Italy (Milan) – business has started well

## UK (17% of net fee income)

### UK

- Net fee income: £74.0m (2021: £68.7m)
- Operating profit: £3.4m (2021: £3.3m)



**Locations:**

Birmingham  
Bracknell  
Liverpool  
London  
Manchester  
Milton Keynes  
St Albans

### Average tenure

**11 years**

Directors

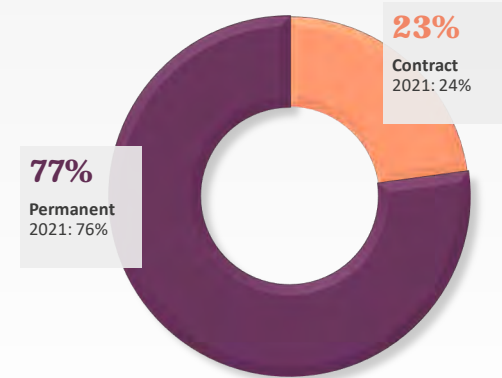
**9 years**

Associate Directors

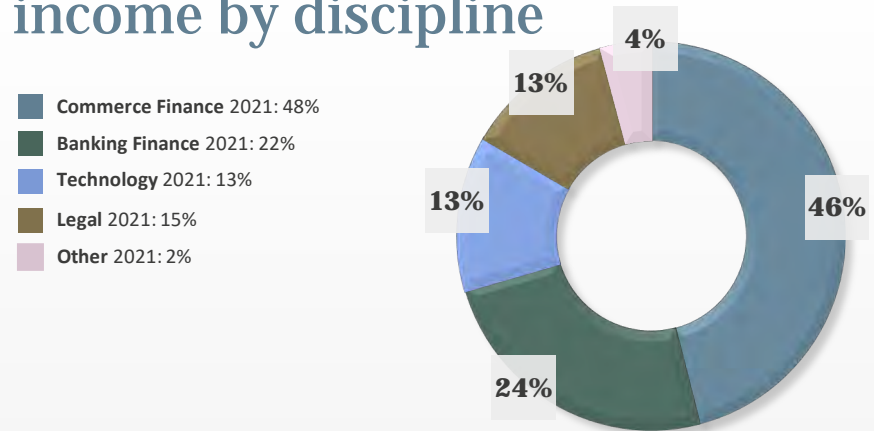
**5 years**

Managers

### Permanent/contract recruitment



### Recruitment net fee income by discipline



## UK

- Solid and broad-based growth – permanent and contract across London and the regions
- Job flow remained largely positive throughout the year despite some softening in the second half
- While concerns about recession do remain, the underlying job market sentiment is on the whole positive
- Financial services, legal and technology disciplines were the strongest performers
  - Technology continues to reshape the financial services sector – fintech particularly active
  - Regulatory changes driving demand for risk and compliance professionals
  - Demand high across legal - in-house and real-estate were particular hotspots
  - Technology slowed down in second half in line with industry layoffs but activity still relatively high
    - A correction rather than a systemic adjustment
    - Growth areas included tech management (products, projects and change), development and engineering
- Market intelligence solutions assisting with cut-through versus smaller competitors
- Salary inflation moderated to circa 5-10% for job movers. Still at higher levels for very specialised or hard-to-find talent



## Other International (8% of net fee income)

### Other International

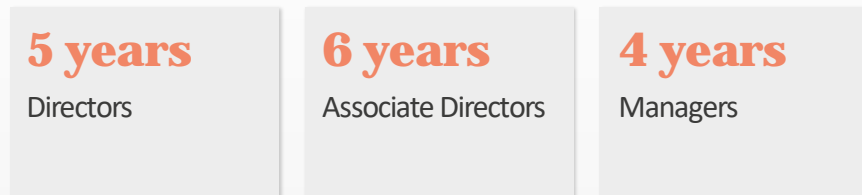
- Net fee income: £36.3m (2021: £25.4m)
- Operating loss: £0.3m (2021: profit £0.6m)



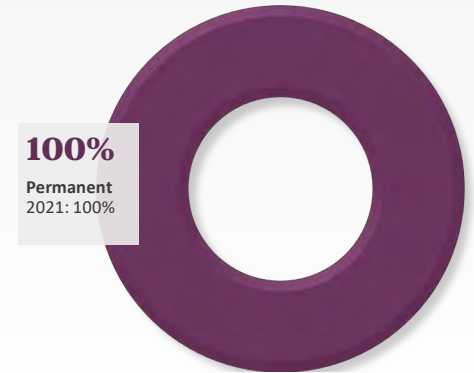
**Locations:**

- Brazil
- Canada
- Chile
- Mexico
- Middle East
- South Africa
- US

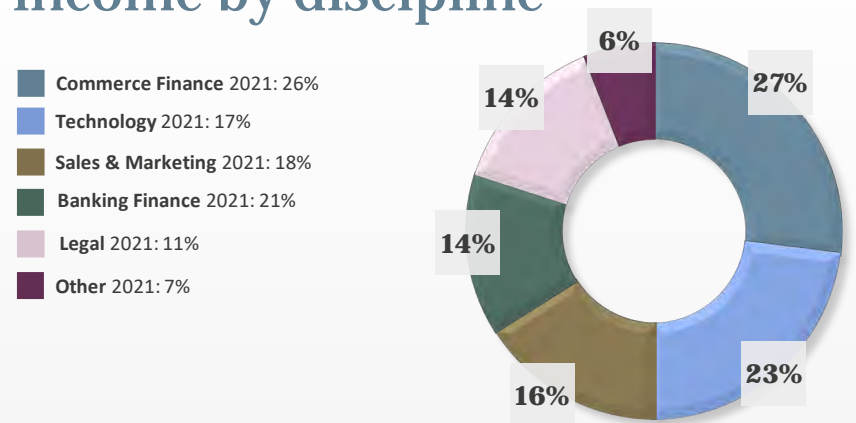
### Average tenure



### Permanent/contract recruitment



### Recruitment net fee income by discipline



## Other International

### Americas

- US business significantly impacted by mass tech sector layoffs
- Impact not limited to West Coast – spread into financial services, consumer goods and other sectors particularly during the second half
- Invested in the opening of a new office in Austin. Significant flow of talent from West Coast to Texas
- Newer businesses in Chile and Mexico continue to grow strongly
  - Net fee income and operating profit more than doubled in each market
  - E-commerce, sales & marketing and technology/digital particularly active

### South Africa

- Pipeline of qualified candidates moving from SA to the UK continues to grow as a result of open border policies post-Covid
- Increasingly strong coverage across West, North and East Africa

### Middle East

- Business goes from strength-to-strength
- Record net fee income and operating profit
- Market coverage across Dubai, Abu Dhabi and Saudi Arabia

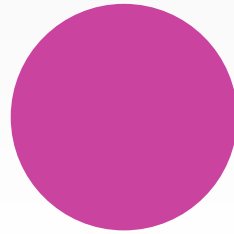
## Resource Solutions

# Core service propositions



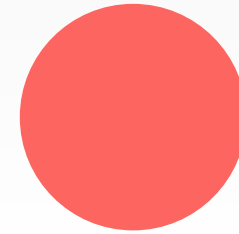
### RPO (Recruitment Process Outsourcing)

Delivering the functionality of an in-house recruitment team. Our services are designed with client and candidate needs at the core; agile, experience-led and empowered by technology. From project-based assistance to full RPO delivery.



### Non-permanent workforce solutions

Helping our clients build a balanced, flexible workforce. Driven by cutting-edge insight, control and compliance, efficiency and our focus on hiring-manager and candidate experience.



### Advisory

Our consulting services are delivered with deep speciality and grounded in a single vision – to improve recruitment outcomes.

Our promise is to meet our clients' briefs and show real, measurable impact. We focus on experience; of the candidate, hiring manager and recruiter.

## Resource Solutions

- Net fee income in the UK declined by 6% year-on-year with placement rates impacted in the first half of the year by candidate shortages and delays in the time taken to onboard new hires
  - Business remained resilient with performance improving as the year progressed. Encouragingly, the business has won seven net new clients year-on-year which provides a good platform for long-term growth
- Second successive record year in Asia Pacific
  - A number of new client wins and extensions particularly across South-East Asia and India
- Successfully launched a series of new advisory services to clients that are performing well including:
  - RSIntelligence
  - D&I audit and advisory
  - ESG audit and advisory
  - Workforce consultancy
- Increasing client demand for ethical resourcing solutions
- Building strong pipeline of RS talent through a new 'Recruiter Academy'

## Technology & Transformation

As a business with innovation embedded at its core, being at the cutting edge of technological change has paid dividends in terms of our readiness to face the continued and unique challenges presented to us whilst realising strong commercial benefits



### Leveraging our Microsoft relationship for efficiency

- Deployed Unified Comms through **MS Teams** to ensure our consultants are always available to support our candidates and clients
- Increased application of **Microsoft Defender** security tooling to further strengthen our security capabilities
- Use of **Microsoft Power Platform** to automate workflows across our RS Global Sourcing Centres

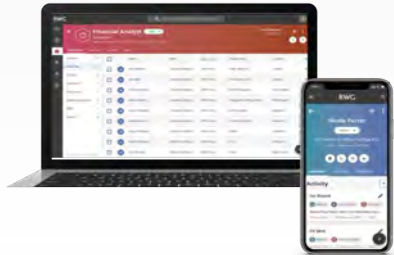


### Simplifying our Back Office processes through automation

- Partnered with MS to support their development of new functionality within **Microsoft D365 Finance & Operations and Talent**
- We continue to leverage **Microsoft Power BI** and our **Snowflake DWH** to further deliver meaningful business insights and MI
- The **Digital Integration Platform** has been used to streamline and de-risk payroll processes through full E2E integration
- Our bespoke **CV formatting** technology has significantly reduced the admin burden on our front-office teams



### A new CRM for the Group



- Custom solution to replace our existing CRM platform (Profile). Focus on user experience and simplicity
- Built to suit the way *our* consultants do business — putting people first
- Zenith now live in Middle East, North America and South America. Deployment activities under way for SEA
- Email response functionality and full integration with Broadbean and Billing has been deployed

## Innovation

### Innovation Driven Consultancy in ED&I



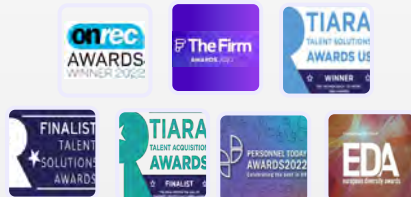
#### Diverse Hiring Inclusivity Audits



The Group is delighted to have reached an important milestone, having delivered the Diverse Hiring Recruitment Inclusivity Audit to 20 clients, including Aviva and the NHS, who all report enhancements to the inclusivity of their hiring practices post-audit.

The ongoing success of our consultancy services in 2022 resulted in 3 award wins for innovation and ED&I, as well as 4 finalist positions.

Judges praised our audit for being a “genuine game-changer”.

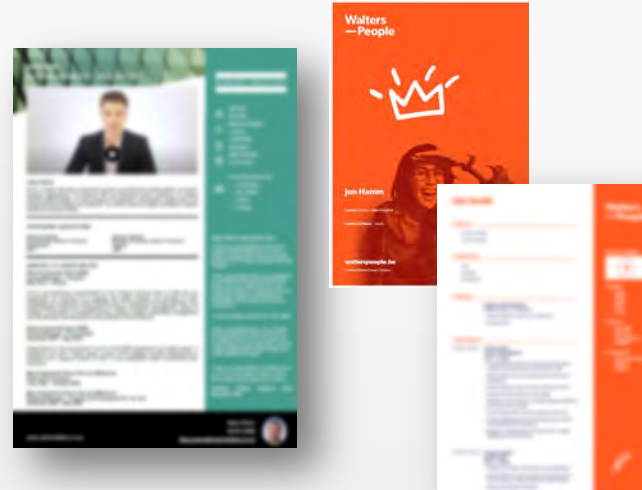


### Innovation Accelerator: CV of the Future

Back in 2021, the Group took the unique opportunity to purchase the source code of an innovative CV formatting and marketplace technology.

Throughout 2022, the team successfully developed and rolled out the tool to Japan, Benelux, Spain, Germany, Switzerland & South America.

Our bespoke technology is streamlining the recruitment process and continues to deliver up to **40% time and resource savings** after only 6-8 weeks of implementation.



“ Embedding efficiency at the core of our day-to-day processes ”

## ESG: Our new targets

Working with Sillion, a leading ESG consultancy, we have set robust ESG targets which align to the UN's Sustainable Development Goals (SDG's)

### Engaging our workforce

#### Employee engagement

- 82% plus of employees completing the engagement survey
- 80% or more employees feel aligned to our company purpose as reported via engagement survey
- Employee engagement score to increase to 80%

#### Other

- To achieve a 17.5% internal promotion rate
- Continue to focus on the Recruiter Academy and build further to support admin roles
- Maintain a cohort of wellbeing champions across all key locations



### Enhancing our ED&I initiatives

- 80% of employees report feeling a sense of belonging at the Group in 2023
- 50% of global leaders (associate directors and above) identify as female by 2025
- 40% of Non-executive Board members identify as female by 2025
- At least 50% of promotions awarded to those identifying as female in 2023



### Responding to a sustainable world of work

- Agree comprehensive and robust ESG categorisation framework to measure sustainable and responsible business placements in 2023
- Increase number of engagements by clients, candidates and employees with our ESG thought leadership by 10%
- Launch the Employee Sustainability Proposition Audit in 2023



## ESG: Our new targets

### Reducing our environmental impact

- Reach net zero across Scope 1 and 2 GHG emissions by 2040
- 100% of energy to come from renewable energy sources by 2035 in offices where we have control over our energy supply
- 30% reduction per head in business travel emissions by 2030
- Over 100k trees planted by 2030



### Supporting our communities

- £500k raised through Global Charity Day fundraising over the next three years (2023-2025)
- Maintain 100% of countries to participate in Global Charity Day annually
- Positively impact 400,000 lives by 2030 (2020-2030)



### Being a responsible business

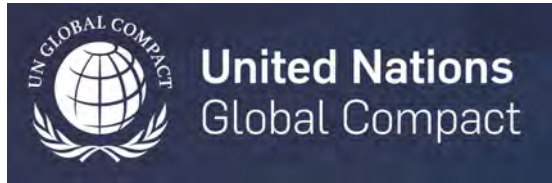
- Executive remuneration to be linked to ESG targets
  - 8% bonus opportunity
  - 10% LTIPS opportunity
- Rate of serious injuries or fatalities no more than 1%
- Join and comply with the obligations of the UN Global Compact



*\*The Group's commitments will be measured using 2019 as the baseline year.*



## ESG: Awards and Accreditations



We have been accepted as a participant of the United Nations Global Compact, the largest corporate sustainability initiative in the world



FTSE4Good

In 2022, the Group was once again listed as a constituent member of the **FTSE4Good** index for the fourteenth consecutive year



We were named as a finalist in the **ESG Reporting Awards 2022** alongside major brands such as Moderna, Lenovo Group and Novartis



We are finalists in two categories at the edie Awards, the Social Sustainability, Diversity & Inclusion category and Product Innovation of the Year

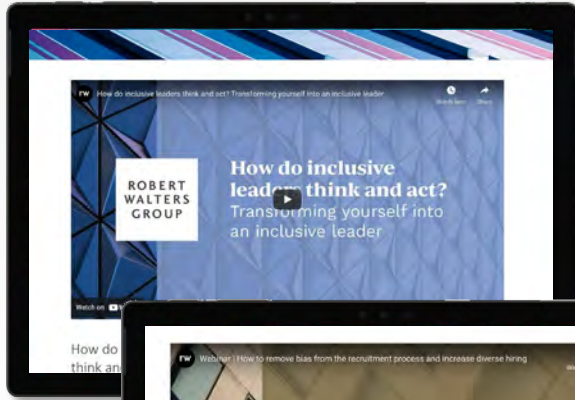
## Outlook

*“The global macro-economic backdrop became increasingly uncertain as 2022 progressed and this uncertainty has tipped over into the early months of 2023.*

*“Whilst it’s too early to tell whether this is a short-lived correction or a more prolonged economic slowdown, we have successfully managed the business through numerous economic cycles and I am confident that the Group’s strong brand, experienced senior management team and diverse breadth of geographies, disciplines and revenue streams ensures we are well positioned to quickly respond to any further deterioration of market confidence or equally to rapidly capitalise on market opportunities as they arise.”*

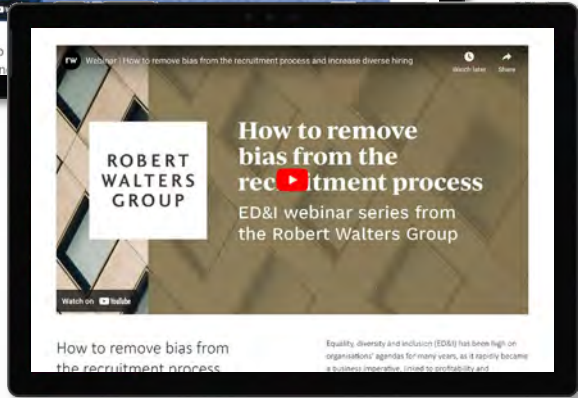
# Appendix

# ED&I global webinars

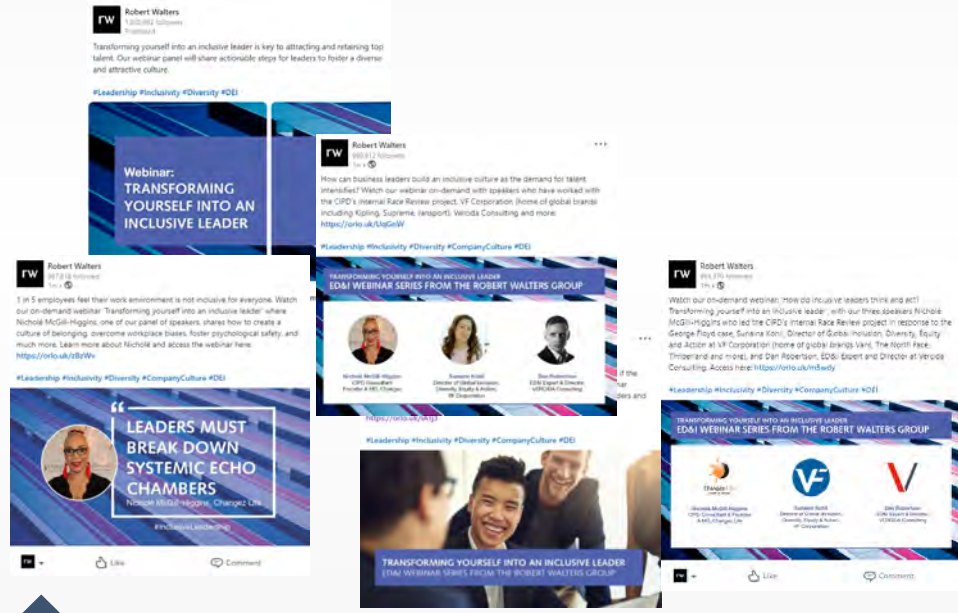


How do inclusive leaders think and act? Transforming yourself into an inclusive leader

Over **1,000** registrations across **2** webinars



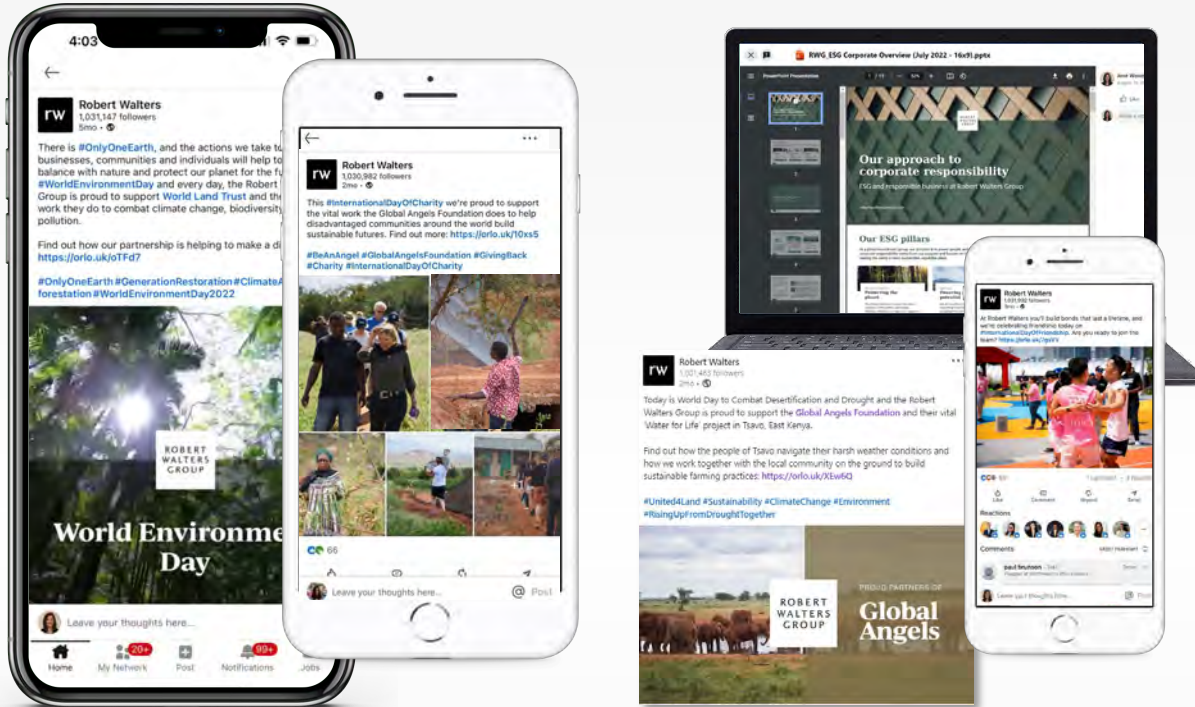
How to remove bias from the recruitment process and increase diverse hiring



Social media plan promoting the live webinars and webinars-on-demand across all regions meant we were communicating all year, growing brand awareness in ED&I



## ESG communications



72.6k  
impressions

5.6k  
video views

900+  
employees

We recognised key ESG days on social including International Day of Charity, World Environment Day and World Day to Combat Desertification and Drought, and hosted two internal webinars for employees to share our ESG strategy, with over 900 attendees.

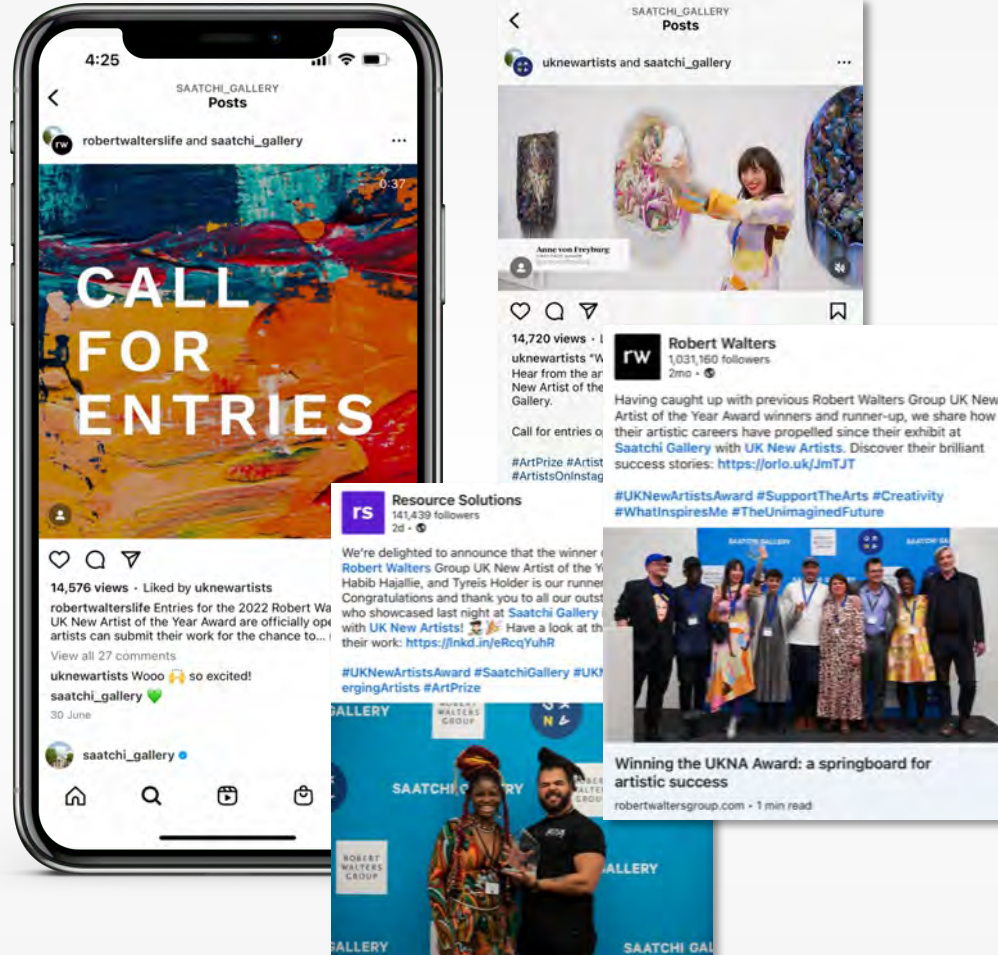
# Robert Walters Group UK New Artist of the Year Award 2022

1,348 entries  
(44% increase on 2021)

1.3M  
social media impressions

676k  
video views

15k  
clicks



Best Arts and Culture Programme



Best Collaboration on a Single Event



## Supporting our communities

# £151.5k raised for local charities around the world, including:



Stephen Edwards ▸ Group News  
November 10 at 9:05 AM  
Global Charity Day 2022

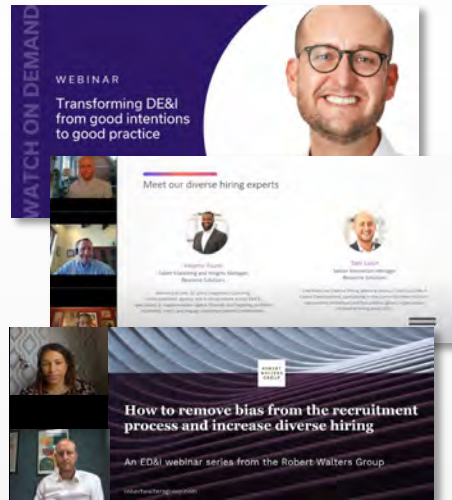
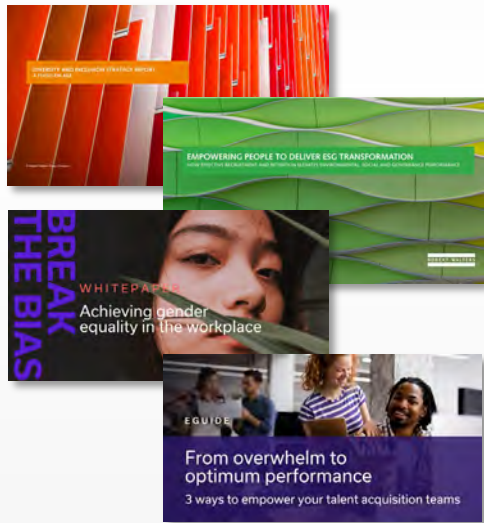
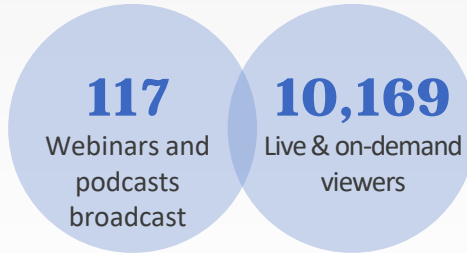
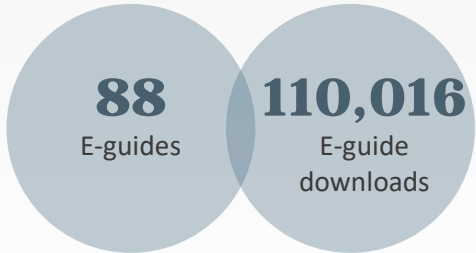
The figures are in and I'm delighted to announce our record-breaking Global Charity Day results. This year we collectively raised an incredible £151,582 including our Group contribution for charities around the world, our highest ever fundraising total.

Each year your creativity and passion to support your local charities is so inspiring to see and this year was no exception. From fancy dress to BBQs, doggy daycare and eating competitions the day did no... See more

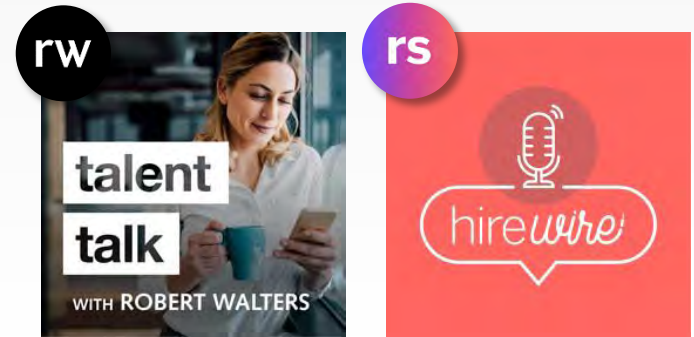


## Brand-building and market share

Providing value-added commentary, thought leadership, best practice guides, webinars, podcasts and digital events to keep key stakeholders informed on market and recruitment trends



## Podcasts




## PR & Media Coverage






# Awards


**UK**





UK's Top 25 Companies for Senior Leadership


**Greater China**





Most  Awards | 全球化 吸引力榜单




**Netherlands**





**Middle East**




**Resource Solutions**


**Japan**








**South Korea**






**Australia**



FINALIST

**Group**

**Switzerland**

