

press release

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More information

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Randstad provides strategic update at Capital Markets Day

Sets out 'partner for talent' strategy to be the world's most equitable and specialized talent company

Randstad NV, the world's leading talent company and partner of choice for clients, is hosting a capital markets day today for investors and analysts during which its leadership will outline its strategy to grow through specialization.

Sander van 't Noordende, CEO of Randstad, said:

"The world of work is being transformed by three fundamental trends; structural talent scarcity and changing talent expectations, clients seeking deeper partnerships to manage their talent needs, and the deployment of digital technologies, including AI in the workplace.

Talent is looking for advice on how to ensure they have contemporary skills and relevant experiences, as well as the assurance they will be given a fair chance for employment, supporting them to secure their next jobs and ultimately empowering them to have rewarding careers. Our clients, which range from local SMEs to the world's largest enterprises, are all looking for the same thing - specialized skills. That's why we've set ourselves the aspiration to become the world's most equitable and specialized talent company.

Randstad is the global talent market leader with truly local expertise. We have a strong brand, a passionate culture and core values that are as relevant today as when the company was founded over 60 years ago. We are well placed to build on our strong foundations in the dynamic world of work and, by focusing our efforts on four core specializations, we will be a partner for talent and clients."

Partner for talent

The 'partner for talent' strategy that Randstad is setting out today represents a very important step that will bring Randstad to the next level. Building on its strong fundamentals, Randstad is now focusing its offering around four core specializations: (i) Randstad Operational Talent Solutions, (ii) Randstad Professional Talent Solutions, (iii) Randstad Digital Talent Solutions and (iv) Randstad Enterprise Talent Solutions. This new specialization approach ensures that talent receive the focused support that they require and clients receive the specialized skills and expertise that their business needs. The executive leadership team is confident it positions the company to capitalize on the fundamental trends that will shape the talent market in the years to come.

Randstad will realize its ambition by executing on five strategic pillars.

- **Growth through specialization**
 - The specializations will bring focus and distinctness, enabling Randstad to grow faster and deliver better for our clients and talent. Randstad will target high growth segments, such as engineering, finance, healthcare and IT, and continue to execute locally from a position of strength. It will further expand its services offering to address diverse forms of work and add new capabilities to its strategic talent solutions portfolio, like workforce advisory, coaching and skilling.
- **Talent and equity**
 - In a market characterized by talent scarcity, Randstad is dedicated to finding, developing and retaining the best talent in each specialization, whilst ensuring that they have equitable opportunities and experiences. Randstad will put talent and equitable opportunities for talent at the heart of everything it does.

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- **Delivery excellence**
 - Randstad will make a step-up in delivery excellence, building on its long track record of delivering talent and client satisfaction by providing an even more specialized approach. It will expand and enhance its omnichannel delivery model for both talent and clients, ensuring that they benefit from Randstad's reliability at scale and at speed, in all our markets.
- **Randstad Talent platform**
 - Randstad will enhance its Randstad Talent platform, upgrading its core IT capabilities over the coming period and scaling its digital solutions, to support talent and clients, whilst increasing efficiency and its ability to deliver future innovations at pace and at scale.
- **Best team in the industry**
 - Randstad has developed a unique entrepreneurial culture and strong core values that enable it to attract and retain the best talent in the market. The company will continue to invest in its employee value proposition, to deliver on its equity and specialization ambition and provide the best experiences for its employees.

A new growth algorithm

The global market for talent solutions continues to expand and Randstad is well positioned to capture future growth opportunities provided by the focus on the specialization. Randstad has a strong foundation of compounding growth and delivering resilient cash-flow.

Moving forwards, the Group has identified the following ambitions to drive future value creation for stakeholders:

- **Accelerate growth**
 - Through specialization, targeting high growth segments and expanding its services portfolio to accelerate growth.
 - Continued investments in organic growth opportunities and the Randstad Talent Platform. M&A to complement organic growth in each of the four specializations.
- **Expand margins**
 - Increased field productivity and scale to drive gradual margin expansion towards underlying EBITA margin of 5%-6% over time.
- **Capital allocation**
 - A strong focus on return on invested capital, optimizing Economic Value Add (EVA) by applying a disciplined capital allocation framework whilst maintaining a sound financial position.
 - Attractive returns to shareholders in the form of ordinary cash dividend, with a payout ratio of 40%-50% of adjusted net income. Optional additional returns if leverage ratio is below 1.0, (excluding lease liabilities) through either a special cash dividend or share buyback.

Event details

The capital markets day is scheduled to take place from 14:00 – 18:00 CET and there will be an opportunity for investors and analysts to participate in a live Q&A session with the Executive Leadership Team members after the presentations.

To attend the virtual event and watch all the presentations in real-time, please register here: <https://www.randstad.com/investor-relations>.

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The online event will be recorded and a replay will be available on our website shortly after the event at <https://www.randstad.com/investor-relations/results-and-reports/quarterly-results/>

about randstad

Randstad is the world's leading talent company and a partner of choice to clients. We are committed to providing equitable opportunities to people from all backgrounds and help them remain relevant in the rapidly changing world of work. We have a deep understanding of the labor market and help our clients to create the high-quality, diverse and agile workforces they need to succeed. Our 40,000+ employees around the world make a positive impact on society by helping people to realize their true potential throughout their working life.

Randstad was founded in 1960 and is headquartered in Diemen, the Netherlands. In 2022, in our 39 markets, we helped more than 2 million people find a job that feels good and advised over 230,000 clients on their talent needs. We generated revenue of €27.6 billion. Randstad N.V. is listed on the Euronext Amsterdam. For more information, see www.randstad.com