

**Randstad Luxembourg UK Limited**  
**Annual Report and Financial Statement for the year ended 31 December 2023**

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**Strategic Report**

**Introduction**

The directors present their strategic report on the company for the year ended 31 December 2023.

**Principal activity**

The company's principal activity is that of a holding company for Randstad's US investments. The company is a wholly owned subsidiary of Randstad Group UK; the ultimate parent company is Randstad NV, a company incorporated in the Netherlands. The group provides professional staffing services. The directors continue to develop the business of the group companies in each of their respective sectors.

**Review of the business**

As shown in the company's statement of comprehensive income on page 11, the company has not involved in any business activity recognised a Profit before taxation of £ 97,270,000 (2022 - £nil) primarily due to receipt of dividend from subsidiary.

**Position of the business**

As at 31 December 2023, the company had £1,082,237,000 (2022 - £928,148,000) of net assets.

**Key performance indicators**

Given the straight-forward nature of the business, we are of the opinion that analysis using key performance indicators is not necessary for the understanding of the development, performance or position of the business.

**Principal risks and uncertainties**

The principal risks facing the company continue to be those impacting its subsidiary companies registered in the US. These risks are being addressed directly by the US management team and more details can be found in the US subsidiary financial statements.

# Randstad Luxembourg UK Limited

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### Strategic Report (Continued)

#### Directors' statement of compliance with section 172(1)

The Directors of the company act in good faith, to promote the success of the company for the benefit of its stakeholders as a whole, in line with one of our Group's core values, "the simultaneous promotion of all interests". The annual statement of our ultimate shareholding company, Randstad Group NV, sets out in detail how we operate to provide value for clients, talent, employees, investors, suppliers and society. Specifically, the Directors of this subsidiary have regard for the following matters:

a) The likely consequences of any decision in the long term:

- The Directors have set out a clear strategy for the business over the medium and long term for creating value and growth, which has been shared with staff and shareholders, the key pillars of which are set out below:
  - Technology - investing in new technologies, in order to better connect clients and candidates, by making processes smart, simple, and efficient; and
  - Humanity - being passionate about supporting people and organisations and by creating an experience that is more human, creating that personal connection.
  - Sustainable profitability – to ensure that the business generates sufficient profits by focusing growth on profitable sectors and managing our cost base
- All significant decisions are agreed by the board within the context of the strategic plan.

b) The interests of the company's employees are recognised and valued by the Directors through a variety of mechanisms, including;

- Regular Leadership team webinars, team and department meetings, and conferences;
- Actively seeking employee feedback through Employee Network Groups, Q&A sessions, an open culture, and a regular anonymous survey which allows all issues to be raised and tracks employee engagement across a number of key factors; and
- The provision of learning and development opportunities for staff, covering hard and soft skills, as well as management training and mental health.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. The recoverable amount of an asset is the greater of its fair value less costs to sell and its value in use.

c) The need to foster the company's business relationships with suppliers, customers and others by ensuring all stakeholders are treated within the spirit and detail of the Randstad Group ethics policies and core values.

d) The impact of the company's operations on the community and the environment, including consideration of climate change through supporting appropriate Energy Savings Opportunities Scheme recommendations, supporting Electric Vehicles where appropriate with an 'EV first' car policy, supporting a wide variety of charities under the Randstad with Heart initiative, and the Randstad Group VSO scheme. The company has also published a social responsibility statement, available on its website.

e) The desirability of the company to maintain a reputation for high standards of business conduct, through the organisation's values, culture and ethical standards, as set out in the company's business principles, which are published on its website. Our core values represent the foundation of our culture: to know, to serve, to trust, to strive for perfection, and simultaneous promotion of all interests. They help us develop, grow and better serve our clients, talent and other stakeholders.

f) Since the company is a wholly owned (indirect) subsidiary of Randstad NV, it only has one shareholder; accordingly, the need to act fairly between shareholders is not applicable for the company, although Randstad NV's annual report does set out how it engages with key stakeholder groups, including shareholders, in its "Key Material Topics" section.

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**Strategic Report (Continued)**

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**Going Concern**

The company is a subsidiary of Randstad Group UK, which is the parent company of the UK subgroup of Randstad NV, the ultimate parent company.

The UK subgroup ("Randstad UK") has intercompany financing in place, which principally comprises the following:

- A long-term intercompany loan, for an amount of £30m, repayable in December 2025.
- An intercompany overdraft facility, for an amount of £65.5m, that is provided by the wider Randstad NV group, under a group-wide cash pooling arrangement, which is used to finance Randstad UK's day-to-day trading activities and in which the Company participates in; this is headed by Randstad Group UK.

The Directors of Randstad Group UK have prepared a forecast for a period of at least 12 months from the date of signing, for the wider Randstad Group UK sub-group, which shows that the UK sub-group will remain within its current intercompany overdraft facilities throughout the forecast period.

The nature of Randstad UK's business is such that, during periods of revenue growth, there is an adverse impact on the group's working capital, which is required to fund that growth, whereby cash is required to fund the resultant increase in debtors. Conversely, if revenues are declining, then the working capital unwinds, resulting in cash being released.

As at April 2024, the UK sub-group had a substantial level of available headroom of £69.7m against the intercompany overdraft facility.

Notwithstanding the above, we note that the Company had net current liabilities, which include amounts owed to; accordingly, the directors have obtained confirmation from the directors of Randstad Group UK Limited that they will not request repayment of any outstanding amounts, for a period of at least 12 months from the date of approval of these accounts, unless the Company is in a position to do so.

Taking all of the above into account, the Directors do not consider that there are any material uncertainties, in relation to the company's ability to continue as a going concern and are satisfied that the company will continue to meet its obligations, as they fall due, for a period of at least 12 months from the date of approval of these financial statements. Accordingly, they have prepared these financial statements on a going concern basis.

A letter of comfort covering a period of at least 12 months from the signing date of the accounts was received from the ultimate parent Randstad NV.

The Directors of Randstad Group UK satisfied that Randstad NV have the ability to provide the required level of financing to Randstad Group UK and its subsidiaries.

Approved by the Board and signed on its behalf by:



**D Bruce**  
Director

Date: 13 June 2024