

INVESTMENT CASE

## SThree's growth opportunity is substantial

We are a purpose-led business with a clear strategy, focused on the two long-term secular trends of STEM and flexible working. We have built a staffing platform that will enable us to scale, increase our margins and deliver long-term profitable growth, whilst making a net positive impact on the world.

We are the only global pure-play STEM specialist; a unique investment proposition.

### Capitalising on two major secular growth trends

Long-term growth in the demand for STEM skills as STEM fields are at the forefront of change across the world.

SThree deeply understands the niches within each different sector and has expertise in sourcing highly skilled and highly valuable candidates.

Flexible working is becoming the future of the workplace. There is a global shift towards increased use of contingent workforces, shorter job tenures and rapidly growing societal preferences towards remote working arrangements.

Additionally, our strategic focus on flexible working will increase the recurring nature of our revenues, contract lifetime values and provide greater revenue visibility.

#### Net fees by sector



#### Net fees by type of contract



#### UNIQUE OPPORTUNITY

SThree is at the centre of two long-term secular trends with a unique global footprint to maximise this opportunity.

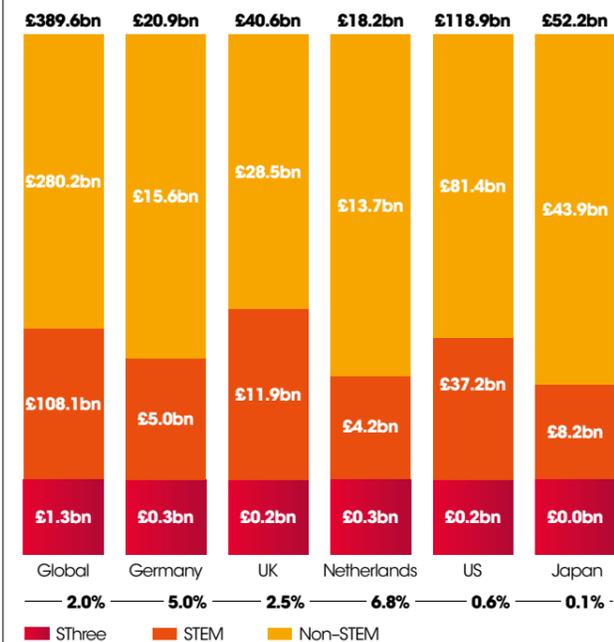
### Clear focus on the best STEM regions

Successful operations in the five best STEM markets for the Group: USA, Germany, the Netherlands, UK and Japan.

We are ideally placed to benefit from scale and global reach.

There is significant room for market share growth and one of our key targets is to grow market share by 50% by 2024.

#### STEM staffing market overview and SThree share<sup>1</sup>



1. Source: SIA 2020, SMU analysis June 2020

All five markets share several positive attributes we are committed to build upon. They are mature staffing markets that rely on services and high-end technology, driving a strong demand for the STEM workforce with a growth rate greater than that of the market as a whole.

### Building a world class operational platform

Embracing new technologies and the implementation of strategic initiatives will drive efficiencies and supports further margin expansion. Our aim is to reach an operating profit conversion ratio in the range of 21% to 24% by 2024.

A strong infrastructure allows us to focus on consultant productivity and customer journey. Between now and 2024 we aim to grow productivity per head by 1% to 2% per annum.

This demands the most efficient and cost-effective solutions deployed across the business.

We challenge conventions and promote innovative solutions, with an emphasis on driving value for our core proposition and supporting long-term growth.

### Strong cash generation

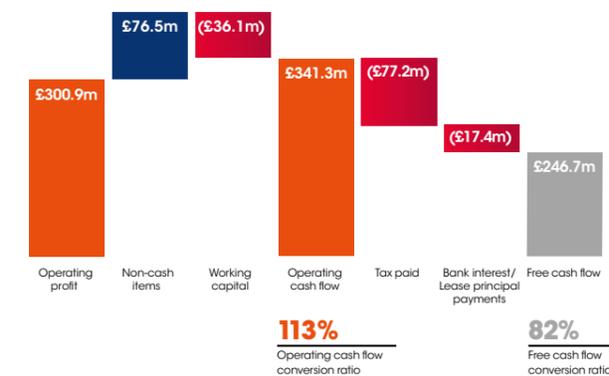
Growing sustainable free cash flow and value for shareholders over the long term.

Clear and efficient approach, with the Group's framework defining three priorities for uses of cash generated from operations:

- (i) reinvest in the business to fund organic growth;
- (ii) pursue and fund selective strategic investments; and
- (iii) maintain a sustainable dividend.

#### 2014 to 2020

Operating profit to free cash flow conversion:



### Ambitious management team focused on quality execution

As a Group we have been delivering client and candidate solutions for over 30 years.

We continually develop the way we work and deliver our services in line with global trends and evolving local markets.

Our management team comprises substantial experience in staffing and SThree along with talented new hires from other industries.

Continued focus on delivering on stated 2024 ambitions, despite challenging external conditions.

KPI progress demonstrates proof of execution.

### ESG - building a sustainable future

Our purpose of 'bringing skilled people together to build the future' is underpinned by our commitment to building a sustainable future for all, in line with the UN Sustainable Development Goals.

We source, nurture and place STEM talent who are solving complex world challenges. This includes solutions to climate change and it is our aim to grow our renewables business to ensure the right talent is available to overcome the climate emergency facing our world.

Through our work we are actively building an inclusive workforce for the future. It is our aim to positively impact 150,000 lives by 2024 through providing inclusive recruitment solutions and community programmes.

In 2020 we developed both career support and STEM career pathway programmes that help overcome inequality in our key markets.

