



Market Growth in OHS: M&A and Valuations in Occupational Health and Safety











Investing in occupational health and safety (OHS) is not just a regulatory requirement in Europe; it is a strategic advantage. For every Euro invested, employers can expect nearly double the return, underscoring the critical role of OHS in fostering a productive workforce and sustainable economy. In 2019, the societal cost of work-related injuries and illnesses exceeded €3,000 billion, with fatal cases accounting for 55% of this staggering figure. Over the past three decades, advancements in OHS have led to a remarkable 70% reduction in fatal accidents, bringing the rate down to fewer than 1.5 fatal cases per 100,000 employees. Still, as workplaces evolve, new challenges and risks necessitate innovative and integrated solutions beyond mandatory OHS solutions, creating growth opportunities for outsourced service providers and providing value-added solutions to corporates and their workforce.

The growth trajectory of OHS is driven by five key trends in Europe, analyzed below by Lincoln International's experts using proprietary industry data and deep sector expertise. With a successful track record of completing numerous deals in the OHS sector, Lincoln International's team is uniquely positioned to guide owners and sponsors in capturing growth opportunities by leveraging these trends based on an unrivalled sector expertise.

OHS Growth Drivers

Europe’s OHS market is expanding steadily, with the five largest national markets together worth roughly €11 billion in 2024. Germany is the heavyweight at roughly €5 billion, while the Netherlands, Italy, Spain and the U.K. each fall between ~€1.5 and €2.0 billion. Looking ahead to 2025–2030, growth across Europe is expected to remain stable and broadly in the mid to single digits.

Snapshot of Selected European Markets

						
Protected employees (% of covered workers)		7.2m (80%)	33.3m (80%)	21.9m (89%)	16.7m (51%)	29.0m (75%)
Outsourced mandatory OHS market size (2024)		€1.5	€5.0	€2.0	€1.8	€2.2
2025–2030 market CAGR		1.5%	1.5%	1.5%	1.5%	1.5%
Attractiveness of regulatory framework	Length of employer liability for sick leaves	2 years	6 weeks	16 days	28 weeks	6 months
	Extent of obligation in OHS service provision	Mandatory across all industries	Mandatory across all industries	Mandatory for most industries	Mandatory for specific industries	Mandatory across all industries
Overall attractiveness of the market		Reach out to see the full picture				
Key players						

Overall, the market combines stable, regulation-led baseline demand with consistent, mid-single-digit growth, positioning European OHS as a resilient health-services segment through the decade, driven primarily by the following factors:

**Driver
01**

Employed workforce and available OHS personnel

In the 27 EU member states, a legal framework of regulations and guidelines covers roughly 220 million workers. As macroeconomic forces like immigration and lower unemployment rates, as well as the trend toward more second- and part time jobs, increases workforce numbers across Europe, the demand for tailored OHS solutions grows. Specific worker demographics such as aging employees face unique workplace risks, increasing their likelihood of accidents. Additionally, workers in high-risk, low-skill jobs are more prone to workplace hazards, necessitating targeted prevention and health interventions.

Despite the growing workforce, the number of OHS professionals remains stable yet below market demand. This imbalance presents an opportunity for OHS suppliers to capitalize on increased demand and higher service volumes, leading to improving margins and stable revenue streams.

As the workforce evolves, OHS providers must adapt to meet the diverse needs of expanding worker groups, ensuring safety, health and wellbeing of workers across all sectors.

**Driver
02**

Demand for company-specific services

Europe's ongoing transition from an industrial to a service-based economy mirrors the shift seen during the Industrial Revolution, which moved workers from agricultural to manufacturing roles. This modern transformation has profound implications for OHS, necessitating a reevaluation of service demands. Two key changes are shaping the OHS landscape:

1. Shifts in risks for employees: As employment moves from physical and safety-intensive industries to service sectors, the focus shifts to psychosocial and emotional risks. These new challenges require innovative, preventive approaches to address issues such as stress and physical inactivity.
2. Value focused services: While EU-27 member states mandate OHS, more companies recognize the need for elective OHS programs, such as mental-health programs, to expand preventive measures, increase employee satisfaction and ultimately reduce churn and boost attractiveness to prospective employees.

As Europe's economy grows, OHS providers must innovate to protect workers' wellbeing, ensuring that institutional and customized solutions evolve with changing employment dynamics to offer value-added services for clients.

Driver 03

Technology

- Technology is revolutionizing the OHS sector, driving operational efficiencies and enhancing service quality. The deployment of advanced technologies has increased the number of billable hours for providers while simultaneously improving training effectiveness and communication. These innovations contribute to better outcomes for employees and heightened demands for service providers by further shifting safety and health from reactive to preventive. Some of these innovations include: Tele-OHS, automation and self-service portals cut the cost to serve while additionally speeding case resolution
- Integrated compliance workflows and audit-ready reporting reduce regulatory risk
- A mobile, personalized experience boosts engagement, return-to-work speed and satisfaction
- Scalable platforms support multi-site and hybrid workforces and integrate cleanly with HR, EHS and payroll systems
- Providers also unlock new revenue through data-driven services; continuous monitoring, advanced analytics and immersive training, while proving ROI with clearer KPI improvements

As technology continues to shape end markets, OHS providers must adapt their offerings to meet the evolving needs of employees, ensuring safety and wellbeing in both remote and physical work environments.

Driver 04

Regulatory environment

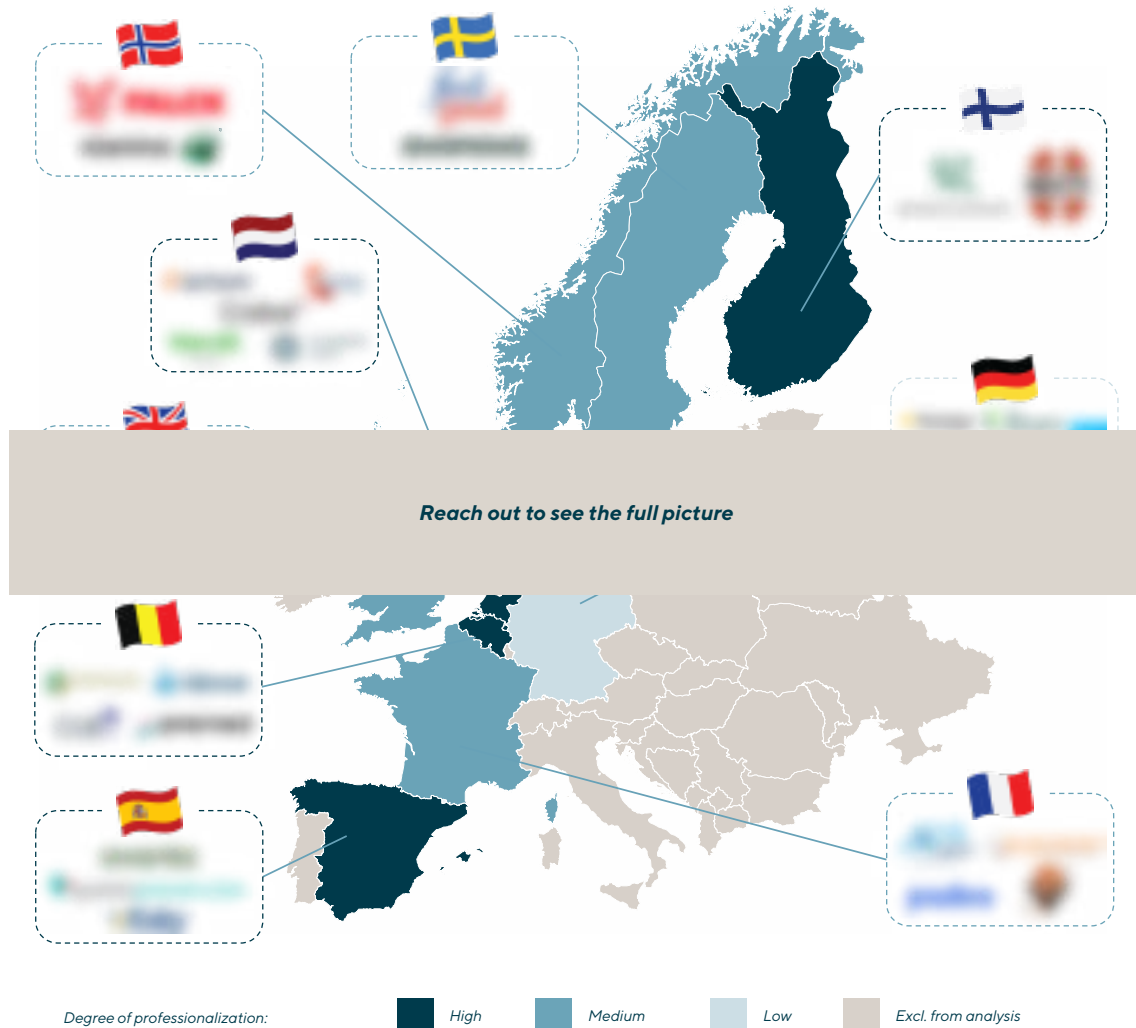
The European Union has established a comprehensive legal framework for OHS regulations over the years, adapting to new challenges and safeguarding workers across diverse industries. Regulatory requirements vary significantly by geography, with Germany recognized for its comparatively extensive regulations. France, the Netherlands and Belgium also impose comprehensive legal demands on OHS practices. Meanwhile, the Nordic countries prioritize value alongside compulsory OHS regulations, particularly in services addressing mental health.

Service providers must remain vigilant to changes in local frameworks as ongoing regulatory efforts continue to evolve. Understanding these geographic nuances is crucial for providers to effectively navigate the regulatory landscape and ensure compliance while delivering high-quality OHS services.

Consolidation Opportunities

Europe's OHS landscape shows the highest professionalization in Northern and parts of Western Europe where service standards and operating models are more mature. Fragmentation, however, varies sharply by country: Germany, the U.K. and Italy remain highly fragmented with many small providers, while Spain and the Netherlands show meaningfully higher consolidation.

Degree of Professionalism by Country















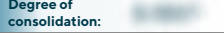

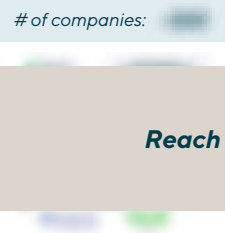
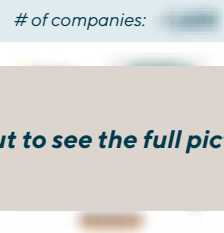
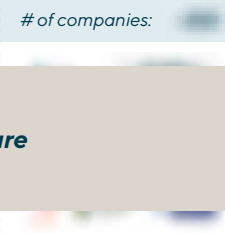



Consolidation momentum is building across the continent as investors target scale benefits, national coverage and broader service portfolios. Spain already displays advanced consolidation, reflecting a large protected workforce and rising spend per employee. The Netherlands sits mid-pack: Regulation is strict, professional standards are high and the market has been steadily consolidating. Germany's large market remains the most fragmented, with many physician-owned centers and regional providers creating ample roll-up opportunities.

The U.K. is also fragmented, with demand influenced by absence trends and mixed public-private purchasing dynamics, leaving room for platform expansion. Italy's fragmentation persists despite tougher enforcement since 2023, offering scope for tuck-ins and regional build-outs.

Overall, the most attractive markets combine robust regulation, sizeable protected worker bases and clear room for consolidation—conditions that support stable demand today and value creation through scale over the coming years.

Consolidation Opportunities by Geography

	 Spain	 The Netherlands	 Germany	 United Kingdom	 Italy
Market attractiveness	 <p>OHS regulation is mandatory for nearly the entire workforce, with rising per-employee spending and stricter rules, covering ~22 m protected workers</p>	 <p>Strict OHS laws mandate employer-provided prevention and health surveillance, with a two-year liability period and approximately 7m protected workers</p>	 <p>Companies are obliged to comply with OHS service hours, with six liability periods and limited absence-prevention incentives, and roughly 33m protected workers</p>	 <p>OHS services are mandatory only in selected industries with tax incentives, a 28-week liability period, and a sizable protected workforce of roughly 17m protected workers</p>	 <p>Stricter OHS enforcement with tougher compliance, rising demand from an ageing workforce, and a protected workforce of 27 m</p>
Consolidation	<ul style="list-style-type: none"> Spanish OHS market primarily dominated by large service providers Consolidation is led by PE-backed players, whose strong market share has expanded coverage 	<ul style="list-style-type: none"> The Netherlands has a mature OHS market shaped by strict regulations Highly acquisitive market, with PE-backed players consolidating via M&A across OHS services 	<ul style="list-style-type: none"> Germany's OHS market is large and fragmented, with consolidation limited to selected private players Buy & build through add-ons and roll-ups of private centers, which lack succession 	<ul style="list-style-type: none"> UK OHS market is fragmented, with consolidation driven by NHS limits and absenteeism Leading players acquire smaller firms to expand well-being and upsell 	<ul style="list-style-type: none"> Italy is highly fragmented, with ~1,500 mostly small or family-owned OHS providers Top players are acquiring smaller firms to expand services and share.
	Degree of consolidation: 	Degree of consolidation: 	Degree of consolidation: 	Degree of consolidation: 	Degree of consolidation: 
Selected OHS providers					

Reach out to see the full picture

Strategic acquirers and sponsors are expected to continue pursuing attractive assets across European geographies, driving further consolidation in the OHS sector. Understanding the regional nuances and market dynamics is essential for stakeholders looking to capitalize on these consolidation opportunities.

OHS Valuations Trends

Given historical trading levels of comparable companies and strong momentum in the European OHS market, valuations are likely to remain robust in the coming quarters. This momentum, together with sustained private-equity interest in a highly regulated sector, is evident in past OHS deals, which have typically priced above listed peers. Supported by powerful megatrends, regulatory enforcement, demographics, digitization and consolidation in a still-fragmented market, plus multiple growth avenues, OHS should remain a priority for investors, translating into stable, attractive valuation levels. Understanding these valuation dynamics is crucial for stakeholders aiming to make informed investment decisions and capitalize on the growth potential within the OHS sector.



Looking Ahead with Lincoln

As the OHS sector continues to experience strong deal momentum and evolving industry trends, outsourced service providers are positioned as attractive assets for both private equity and strategic buyers. Lincoln International's team of cross-border healthcare experts is adept at guiding European providers through the full credit cycle, from raising capital to identifying opportunities and executing a well-structured sale process.

The dynamic landscape of OHS presents numerous opportunities for growth and consolidation, driven by technological advancements, regulatory changes and shifting workforce dynamics. By leveraging Lincoln's expertise, providers can navigate these complexities and maximize their strategic potential.

Reach out to Lincoln International today to explore how our team can support your organization and portfolio in capturing these growth opportunities and achieving sustainable success in the OHS sector.

Ready to discuss the opportunities ahead for you?

Connect with a senior professional at connect@lincolninternational.com