
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549**

FORM 8-K

CURRENT REPORT

**PURSUANT TO SECTION 13 OR 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934**

Date of report (Date of earliest event reported): February 2, 2022



TrueBlue, Inc.

(Exact Name of Registrant as Specified in Its Charter)

Washington
(State or Other Jurisdiction
of Incorporation)

001-14543
(Commission
File Number)

91-1287341
(IRS Employer
Identification No.)

1015 A Street, Tacoma, Washington 98402
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (253) 383-9101

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class
Common stock, no par value

Trading Symbol(s)
TBI

Name of each exchange on which registered
New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 2.02. Results of Operations and Financial Condition.

On February 2, 2022, TrueBlue, Inc. (the “company”) issued a press release (the “Press Release”) reporting its financial results for the fourth quarter and fiscal year ended December 26, 2021, and certain outlook information for the first quarter and fiscal year 2022, a copy of which is attached hereto as Exhibit 99.1 and the contents of which are incorporated herein by this reference. Also attached to this report as Exhibit 99.2 is a slide presentation relating to the financial results for the fourth quarter and fiscal year ended December 26, 2021 (the “Earnings Results Presentation”), which will be discussed by management of the company on a live conference call at 2:30 p.m. Pacific Time (5:30 p.m. Eastern Time) on Wednesday, February 2, 2022. The Earnings Results Presentation is also available on the company’s website at www.trueblue.com.

In accordance with General Instruction B.2. of Form 8-K, the information contained above in this report (including the Press Release and the Earnings Results Presentation) shall not be deemed “Filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section, nor shall the Press Release or the Earnings Results Presentation be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such a filing. This report will not be deemed a determination or an admission as to the materiality of any information in the report that is required to be disclosed solely by Regulation FD.

Item 7.01. Regulation FD Disclosure.

We are also attaching our Investor Roadshow Presentation to this report as Exhibit 99.3, which we will reference in our Q4 2021 earnings results discussion and which may be used in future investor conferences. The Investor Roadshow Presentation is also available on the company’s website at www.trueblue.com.

In accordance with General Instruction B.2. of Form 8-K, the information contained above in this report (including the Investor Roadshow Presentation) shall not be deemed “Filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section, nor shall the Investor Roadshow Presentation be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such a filing. This report will not be deemed a determination or an admission as to the materiality of any information in the report that is required to be disclosed solely by Regulation FD.

Item 9.01. Financial Statements and Exhibits.**(d) Exhibits**

Exhibit Number	Exhibit Description	Filed Herewith
99.1	Press Release dated February 2, 2022	X
99.2	Earnings Results Presentation for February 2, 2022 conference call	X
99.3	Investor Roadshow Presentation	X
104	Cover page interactive data file - The cover page from this Current Report on Form 8-K is formatted as Inline XBRL	X

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

TRUEBLUE, INC.
(Registrant)

Date: February 2, 2022

By: /s/ Derrek L. Gafford
Derrek L. Gafford
Chief Financial Officer and Executive Vice President

TRUEBLUE REPORTS FOURTH QUARTER AND FULL-YEAR 2021 RESULTS

Fourth quarter results exceed pre-pandemic 2019 levels

TACOMA, WASH. - Feb. 2, 2022 -- TrueBlue (NYSE:TBI) today announced its fourth quarter and full-year results for 2021.

Fourth quarter revenue was \$622 million, an increase of 20 percent compared to revenue of \$519 million in the fourth quarter of 2020 and an increase of 5 percent compared to revenue of \$591 million in the fourth quarter of 2019¹. Net income per diluted share was \$0.57 compared to net income per diluted share of \$0.23 in the fourth quarters of 2020 and 2019. Fourth quarter adjusted net income² per diluted share was \$0.69 compared to adjusted net income per diluted share of \$0.33 in the fourth quarter of 2020 and \$0.39 in the fourth quarter of 2019.

Full-year revenue was \$2.2 billion, an increase of 18 percent compared to 2020 and a decline of 8 percent compared to 2019. Net income per diluted share was \$1.74 compared to net loss per diluted share of \$4.01 in 2020 and net income per diluted share of \$1.61 in 2019. Adjusted net income per diluted share was \$2.00 compared to adjusted net income per diluted share of \$0.43 in 2020 and \$2.05 in 2019.

"We are pleased to announce that fourth quarter results surpassed the comparable 2019 period," said Patrick Beharelle, CEO of TrueBlue. "Our digital investments are differentiating us from the competition and are helping us capitalize on the rising demand for our services as businesses turn to flexible solutions to solve their workforce challenges. Numerous operating enhancements made over the last two years have lowered the cost of delivering our services and increased our agility in responding to customer needs.

"The fourth quarter marked the third consecutive quarter of double-digit revenue growth," Mr. Beharelle continued. "PeopleReady's revenue growth accelerated throughout the quarter driven by improving worker supply and strong results within the retail sector, while same customer demand and new customer wins continued to produce impressive PeopleScout results. Momentum from our finish to the year has TrueBlue well-positioned in 2022 and beyond."

The company also announced that its Board of Directors authorized \$100 million of share repurchases which the company intends to complete over the next three years. "Our balance sheet is in great shape and the business is producing strong cash flow," said Derrek Gafford, CFO of TrueBlue. "This authorization reflects confidence in our growth prospects and ability to create long-term value for our shareholders."

2022 Outlook

TrueBlue is providing certain forward-looking information to help investors form their own estimates, which can be found in the quarterly earnings presentation filed today.

Management will discuss fourth quarter and full-year 2021 results on a webcast at 2:30 p.m. PT (5:30 p.m. ET), today, Wednesday, **Feb. 2, 2022**. The webcast can be accessed on TrueBlue's website: www.trueblue.com.

About TrueBlue

TrueBlue (NYSE: TBI) is a leading provider of specialized workforce solutions that help clients achieve business growth and improve productivity. In 2021, TrueBlue connected approximately 615,000 people with work. Its PeopleReady segment offers on-demand, industrial staffing, PeopleManagement offers contingent, on-site industrial staffing and commercial driver services, and PeopleScout offers recruitment process outsourcing (RPO) and managed service provider (MSP) solutions to a wide variety of industries. Learn more at www.trueblue.com.

¹Refer to our previously filed reports on Forms 10-K and 8-K for the 2019 consolidated statements of operations.

² Refer to the financial statements accompanying this release and the company's website for more information regarding non-GAAP terms.

Forward-looking statements

This document contains forward-looking statements relating to our plans and expectations including, without limitation, statements regarding the future performance and operations of our business, expected growth from our digital investments, and the expected amount and timing of any share repurchases, all of which are subject to risks and uncertainties. Such statements

are based on management's expectations and assumptions as of the date of this release and involve many risks and uncertainties that could cause actual results to differ materially from those expressed or implied in our forward-looking statements including: (1) national and global economic conditions, (2) the continued impact of COVID-19 and related economic impact and governmental response, (3) our ability to attract sufficient qualified candidates and employees to meet the needs of our clients, (4) our ability to attract and retain clients, (5) our ability to maintain profit margins, (6) our ability to successfully execute on business strategies to further digitalize our business model, (7) the timing and amount of common stock repurchases, if any, which will be determined at management's discretion and depend upon several factors, including market and business conditions, the trading price of our common stock and the nature of other investment opportunities, (8) new laws, regulations, and government incentives that could affect our operations or financial results, (9) our ability to access sufficient capital to finance our operations, including our ability to comply with covenants contained in our revolving credit facility, and (10) any reduction or change in tax credits we utilize, including the Work Opportunity Tax Credit. Other information regarding factors that could affect our results is included in our Securities Exchange Commission (SEC) filings, including the company's most recent reports on Forms 10-K and 10-Q, copies of which may be obtained by visiting our website at www.trueblue.com under the Investor Relations section or the SEC's website at www.sec.gov. We assume no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise, except as required by law. Any other references to future financial estimates are included for informational purposes only and subject to risk factors discussed in our most recent filings with the SEC.

In addition, we use several non-GAAP financial measures when presenting our financial results in this document. Please refer to the reconciliations between our GAAP and non-GAAP financial measures in the appendix to this document and on our website at www.trueblue.com under the Investor Relations section for additional information on both current and historical periods. The presentation of these non-GAAP financial measures is used to enhance the understanding of certain aspects of our financial performance. It is not meant to be considered in isolation, superior to, or as a substitute for the directly comparable financial measures prepared in accordance with U.S. GAAP, and may not be comparable to similarly titled measures of other companies.

Contact:
Derrek Gafford, Executive Vice President and CFO
253-680-8214

TRUEBLUE, INC.
SUMMARY CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

<i>(in thousands, except per share data)</i>	13 weeks ended		52 weeks ended	
	Dec 26, 2021	Dec 27, 2020	Dec 26, 2021	Dec 27, 2020
Revenue from services	\$ 621,930	\$ 518,634	\$ 2,173,622	\$ 1,846,360
Cost of services	455,154	397,837	1,613,302	1,405,715
Gross profit	166,776	120,797	560,320	440,645
Selling, general and administrative expense	137,665	103,626	464,322	408,307
Depreciation and amortization	7,151	8,029	27,556	32,031
Goodwill and intangible asset impairment charge	—	—	—	175,189
Income (loss) from operations	21,960	9,142	68,442	(174,882)
Interest expense and other income, net	3,528	1,943	5,408	1,620
Income (loss) before tax expense (benefit)	25,488	11,085	73,850	(173,262)
Income tax expense (benefit)	5,278	3,059	12,216	(31,421)
Net income (loss)	\$ 20,210	\$ 8,026	\$ 61,634	\$ (141,841)
Net income (loss) per common share:				
Basic	\$ 0.58	\$ 0.23	\$ 1.77	\$ (4.01)
Diluted	\$ 0.57	\$ 0.23	\$ 1.74	\$ (4.01)
Weighted average shares outstanding:				
Basic	34,809	34,529	34,798	35,365
Diluted	35,621	34,954	35,434	35,365

TRUEBLUE, INC.
SUMMARY CONSOLIDATED BALANCE SHEETS
(Unaudited)

<i>(in thousands)</i>	<i>Dec 26, 2021</i>	<i>Dec 27, 2020</i>
ASSETS		
Cash and cash equivalents	\$ 49,896	\$ 62,507
Accounts receivable, net	353,882	278,343
Other current assets	41,295	38,035
Total current assets	445,073	378,885
Property and equipment, net	88,090	71,734
Restricted cash and investments	221,026	240,534
Goodwill and intangible assets, net	116,749	123,802
Other assets, net	162,288	165,622
Total assets	\$ 1,033,226	\$ 980,577
LIABILITIES AND SHAREHOLDERS' EQUITY		
Accounts payable and other accrued expenses	\$ 77,172	\$ 58,447
Accrued wages and benefits	100,173	122,657
Current portion of workers' compensation claims reserve	61,596	66,007
Other current liabilities	19,605	21,856
Total current liabilities	258,546	268,967
Workers' compensation claims reserve, less current portion	194,598	189,486
Other long-term liabilities	87,015	84,934
Total liabilities	540,159	543,387
Shareholders' equity	493,067	437,190
Total liabilities and shareholders' equity	\$ 1,033,226	\$ 980,577

TRUEBLUE, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

<i>(in thousands)</i>	52 weeks ended	
	Dec 26, 2021	Dec 27, 2020
Cash flows from operating activities:		
Net income (loss)	\$ 61,634	\$ (141,841)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization	27,556	32,031
Goodwill and intangible asset impairment charge	—	175,189
Provision for credit losses	6,493	6,300
Stock-based compensation	13,943	9,113
Deferred income taxes	752	(26,791)
Non-cash lease expense	14,446	15,195
Other operating activities	(1,968)	(686)
Changes in operating assets and liabilities:		
Accounts receivable	(81,616)	57,146
Income tax receivable	1,602	(1,122)
Operating lease right-of-use-asset	8,080	—
Other assets	(13,715)	(2,124)
Accounts payable and other accrued expenses	16,425	(6,561)
Other accrued wages and benefits	34,581	(2,012)
Deferred employer payroll taxes	(57,065)	57,065
Workers' compensation claims reserve	701	(125)
Operating lease liabilities	(13,457)	(14,562)
Other liabilities	2,048	(3,684)
Net cash provided by operating activities	20,440	152,531
Cash flows from investing activities:		
Capital expenditures	(35,006)	(27,066)
Payments for company-owned life insurance	(4,000)	(12,031)
Proceeds from company-owned life insurance	832	—
Purchases of restricted available-for-sale investments	(43)	(2,896)
Sales of restricted available-for-sale investments	7,333	12,311
Purchases of restricted held-to-maturity investments	(9,411)	(32,495)
Maturities of restricted held-to-maturity investments	23,935	27,561
Other	140	205
Net cash used in investing activities	(16,220)	(34,411)
Cash flows from financing activities:		
Purchases and retirement of common stock	(16,678)	(52,346)
Net proceeds from employee stock purchase plans	1,135	922
Common stock repurchases for taxes upon vesting of restricted stock	(3,238)	(2,438)
Net change in revolving credit facility	—	(37,100)
Other	(345)	(1,540)
Net cash used in financing activities	(19,126)	(92,502)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(521)	623
Net change in cash, cash equivalents, and restricted cash	(15,427)	26,241
Cash, cash equivalents and restricted cash, beginning of period	118,612	92,371
Cash, cash equivalents and restricted cash, end of period	\$ 103,185	\$ 118,612

TRUEBLUE, INC.
SEGMENT DATA
(Unaudited)

<i>(in thousands)</i>	13 weeks ended		52 weeks ended	
	Dec 26, 2021	Dec 27, 2020	Dec 26, 2021	Dec 27, 2020
Revenue from services:				
PeopleReady	\$ 362,164	\$ 297,471	\$ 1,270,928	\$ 1,099,462
PeopleManagement	177,842	179,306	639,741	586,822
PeopleScout	81,924	41,857	262,953	160,076
Total company	\$ 621,930	\$ 518,634	\$ 2,173,622	\$ 1,846,360
Segment profit (1):				
PeopleReady	\$ 27,411	\$ 16,198	\$ 82,398	\$ 43,200
PeopleManagement	4,499	5,654	13,196	11,717
PeopleScout	11,491	4,450	36,163	4,525
Total segment profit	43,401	26,302	131,757	59,442
Corporate unallocated expense	(7,344)	(4,608)	(27,937)	(20,714)
Total company Adjusted EBITDA (2)	36,057	21,694	103,820	38,728
Third-party processing fees for hiring tax credits (3)	(150)	(186)	(734)	(495)
Amortization of software as a service assets (4)	(720)	(615)	(2,709)	(2,307)
Goodwill and intangible asset impairment charge	—	—	—	(175,189)
Gain on deferred compensation assets (5)	(2,897)	(1,725)	(2,897)	(1,725)
Workforce reduction costs (6)	(1,799)	19	(1,993)	(12,570)
COVID-19 government subsidies, net (7)	91	(964)	4,222	6,211
Other adjustments, net (8)	(1,471)	(1,052)	(3,711)	4,496
EBITDA (2)	29,111	17,171	95,998	(142,851)
Depreciation and amortization	(7,151)	(8,029)	(27,556)	(32,031)
Interest expense and other income, net	3,528	1,943	5,408	1,620
Income before tax expense	25,488	11,085	73,850	(173,262)
Income tax expense (benefit)	(5,278)	(3,059)	(12,216)	31,421
Net income	\$ 20,210	\$ 8,026	\$ 61,634	\$ (141,841)

- (1) We evaluate performance based on segment revenue and segment profit. Segment profit includes revenue, related cost of services, and ongoing operating expenses directly attributable to the reportable segment. Segment profit excludes depreciation and amortization expense, unallocated corporate general and administrative expense, interest expense, other income, income taxes, and other adjustments not considered to be ongoing.
- (2) See the Non-GAAP Financial Measures table on the next page for definitions of EBITDA and Adjusted EBITDA.
- (3) These third-party processing fees are associated with generating hiring tax credits.
- (4) Amortization of software as a service assets is reported in selling, general and administrative expense.
- (5) Gain realized on sale of deferred compensation mutual funds to purchase corporate owned life insurance policies.
- (6) Workforce reduction costs for the 13 and 52 weeks ended December 26, 2021 in selling, general and administrative expense primarily include costs to streamline our delivery teams within our PeopleReady and PeopleScout segments. Workforce reduction costs for the 13 and 52 weeks ended December 27, 2020 were primarily due to employee reductions as part of our cost management actions in response to COVID-19 (\$3.7 million in cost of services and \$8.9 million in selling, general and administrative expense for the full-year).
- (7) Net impact of COVID-19 related government subsidies. For the 13 and 52 weeks ended December 27, 2020, we received government subsidies of \$2.7 million and \$9.9 million, respectively. We elected to distribute a portion of the total benefit for the year to our employees in the form of a \$3.7 million bonus, resulting in a net cost of \$1.0 million for Q4 and a net benefit of \$6.2 million for the fiscal year. These subsidies extended into 2021, providing a benefit of \$4.2 million for the 52 weeks ended December 26, 2021.
- (8) Other adjustments for the 13 and 52 weeks ended December 26, 2021 primarily include implementation costs for cloud-based systems of \$1.4 million and \$1.7 million, respectively and costs incurred while transitioning into our new Chicago office of \$0.1 million and \$1.8 million, respectively. Other adjustments for the 13 and 52 weeks ended December 27,

2020 primarily include costs of \$0.7 million incurred while transitioning into our new Chicago office and implementation costs for cloud-based systems of \$0.1 million and \$0.9 million, respectively. For the 52 weeks ended December 27, 2020, these expenses were offset by a \$6.3 million benefit from a reduction in expected costs to comply with the Affordable Care Act.

TRUEBLUE, INC.
NON-GAAP FINANCIAL MEASURES AND NON-GAAP RECONCILIATIONS

In addition to financial measures presented in accordance with U.S. GAAP, we monitor certain non-GAAP key financial measures. The presentation of these non-GAAP financial measures is used to enhance the understanding of certain aspects of our financial performance. It is not meant to be considered in isolation, superior to, or as a substitute for the directly comparable financial measures prepared in accordance with U.S. GAAP, and may not be comparable to similarly titled measures of other companies.

Non-GAAP measure	Definition	Purpose of adjusted measures
EBITDA and Adjusted EBITDA	<p>EBITDA excludes from net income (loss):</p> <ul style="list-style-type: none"> - interest expense and other income, net, - income taxes, and - depreciation and amortization. <p>Adjusted EBITDA, further excludes:</p> <ul style="list-style-type: none"> - third-party processing fees for hiring tax credits, - amortization of software as a service assets, - goodwill and intangible asset impairment charge, - gain on deferred compensation assets, - workforce reductions costs, - COVID-19 government subsidies, net, and - other adjustments, net. 	<ul style="list-style-type: none"> - Enhances comparability on a consistent basis and provides investors with useful insight into the underlying trends of the business. - Used by management to assess performance and effectiveness of our business strategies. - Provides a measure, among others, used in the determination of incentive compensation for management.
Adjusted net income and Adjusted net income per diluted share	<p>Net income (loss) and net income (loss) per diluted share, excluding:</p> <ul style="list-style-type: none"> - amortization of intangibles of acquired businesses, - amortization of software as a service assets, - goodwill and intangible asset impairment charge, - workforce reduction costs, - COVID-19 government subsidies, net, - other adjustments, net, - tax effect of each adjustment to U.S. GAAP, and - adjustment of income taxes to normalized effective rate for periods prior to Q2 2020. 	<ul style="list-style-type: none"> - Enhances comparability on a consistent basis and provides investors with useful insight into the underlying trends of the business. - Used by management to assess performance and effectiveness of our business strategies.

1. RECONCILIATION OF U.S. GAAP NET INCOME (LOSS) TO ADJUSTED NET INCOME AND ADJUSTED NET INCOME PER DILUTED SHARE
(Unaudited)

	Q4 2021	Q4 2020	Q4 2019
		13 weeks ended	
(in thousands, except for per share data)	Dec 26, 2021	Dec 27, 2020	Dec 29, 2019
Net income	\$ 20,210	\$ 8,026	\$ 8,715
Amortization of intangible assets of acquired businesses	1,503	2,028	4,003
Amortization of software as a service assets (1)	720	615	513
Acquisition/integration costs	—	—	(50)
Workforce reduction costs (2)	1,799	(19)	2,829
COVID-19 government subsidies, net (3)	(91)	964	—
Other adjustments, net (4)	1,471	1,052	571
Tax effect of adjustments to net income (5)	(1,014)	(1,280)	(1,102)
Adjustment of income taxes to normalized effective rate (6)	—	—	(671)
Adjusted net income	\$ 24,598	\$ 11,386	\$ 14,808
Adjusted net income per diluted share	\$ 0.69	\$ 0.33	\$ 0.39
Diluted weighted average shares outstanding	35,621	34,954	38,348

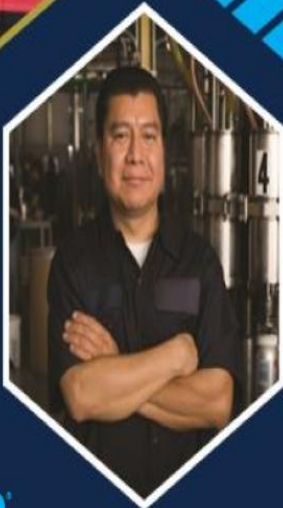
	2021	2020	2019
	52 weeks ended		
(in thousands, except for per share data)	Dec 26, 2021	Dec 27, 2020	Dec 29, 2019
Net income (loss)	\$ 61,634	\$ (141,841)	\$ 63,073
Amortization of intangible assets of acquired businesses	6,704	10,144	17,899
Amortization of software as a service assets (1)	2,709	2,307	1,624
Acquisition/integration costs	—	—	1,562
Goodwill and intangible asset impairment charge	—	175,189	—
Workforce reduction costs (2)	1,993	12,570	3,301
COVID-19 government subsidies, net (3)	(4,222)	(6,211)	—
Other adjustments, net (4)	3,711	(4,496)	(1,010)
Tax effect of adjustments to net income (loss) (5)	(1,802)	(28,729)	(3,273)
Adjustment of income taxes to normalized effective rate (6)	—	(3,719)	(2,835)
Adjusted net income	\$ 70,727	\$ 15,214	\$ 80,341
Adjusted net income per diluted share	\$ 2.00	\$ 0.43	\$ 2.05
Diluted weighted average shares outstanding	35,429	35,658	39,179

2. RECONCILIATION OF U.S. GAAP NET INCOME (LOSS) TO EBITDA AND ADJUSTED EBITDA
(Unaudited)

	Q4 2021	Q4 2020	Q4 2019
	13 weeks ended		
(in thousands)	Dec 26, 2021	Dec 27, 2020	Dec 29, 2019
Net income	\$ 20,210	\$ 8,026	\$ 8,715
Income tax expense	5,278	3,059	638
Interest expense and other (income), net	(3,528)	(1,943)	(2,014)
Depreciation and amortization	7,151	8,029	9,021
EBITDA	29,111	17,171	16,360
Third-party processing fees for hiring tax credits (7)	150	186	240
Amortization of software as a service assets (1)	720	615	513
Acquisition/integration costs	—	—	(50)
Gain on deferred compensation assets (8)	2,897	1,725	495
Workforce reduction costs (2)	1,799	(19)	2,829
COVID-19 government subsidies, net (3)	(91)	964	—
Other adjustments, net (4)	1,471	1,052	571
Adjusted EBITDA	\$ 36,057	\$ 21,694	\$ 20,958
Margin / % of revenue:			
Net income	3.2%	1.5%	1.5%
Adjusted EBITDA	5.8%	4.2%	3.5%

	2021	2020	2019
	52 weeks ended		
(in thousands)	Dec 26, 2021	Dec 27, 2020	Dec 29, 2019
Net income (loss)	\$ 61,634	\$ (141,841)	\$ 63,073
Income tax expense (benefit)	12,216	(31,421)	6,971
Interest expense and other (income), net	(5,408)	(1,620)	(3,865)
Depreciation and amortization	27,556	32,031	37,549
EBITDA	95,998	(142,851)	103,728
Third-party processing fees for hiring tax credits (7)	734	495	960
Amortization of software as a service assets (1)	2,709	2,307	1,624
Acquisition/integration costs	—	—	1,562
Goodwill and intangible asset impairment charge	—	175,189	—
Gain on deferred compensation assets (8)	2,897	1,725	495
Workforce reduction costs (2)	1,993	12,570	3,301
COVID-19 government subsidies, net (3)	(4,222)	(6,211)	—
Other adjustments, net (4)	3,711	(4,496)	(1,010)
Adjusted EBITDA	\$ 103,820	\$ 38,728	\$ 110,660
Margin / % of revenue:			
Net income (loss)	2.8%	(7.7)%	2.7%
Adjusted EBITDA	4.8%	2.1%	4.7%

- (1) Amortization of software as a service assets is reported in selling, general and administrative expense.
- (2) Workforce reduction costs for the 13 and 52 weeks ended December 26, 2021 in selling, general and administrative expense primarily include costs to streamline our delivery teams within our PeopleReady and PeopleScout segments. Workforce reduction costs for the 13 and 52 weeks ended December 27, 2020 were primarily due to employee reductions as part of our cost management actions in response to COVID-19 (\$3.7 million in cost of services and \$8.9 million in selling, general and administrative expense for the full-year). Workforce reduction costs for the 13 and 52 weeks ended December 29, 2019 were primarily associated with employee reductions in the PeopleReady business.
- (3) Net impact of COVID-19 related government subsidies. For the 13 and 52 weeks ended December 27, 2020, we received government subsidies of \$2.7 million and \$9.9 million, respectively. We elected to distribute a portion of the total benefit for the year to our employees in the form of a \$3.7 million bonus, resulting in a net cost of \$1.0 million for Q4 and a net benefit of \$6.2 million for the fiscal year. These subsidies extended into 2021, providing a benefit of \$4.2 million for the 52 weeks ended December 26, 2021.
- (4) Other adjustments for the 13 and 52 weeks ended December 26, 2021 primarily include implementation costs for cloud-based systems of \$1.4 million and \$1.7 million, respectively and costs incurred while transitioning into our new Chicago office of \$0.1 million and \$1.8 million, respectively. Other adjustments for the 13 and 52 weeks ended December 27, 2020 primarily include costs of \$0.7 million incurred while transitioning into our new Chicago office and implementation costs for cloud-based systems of \$0.1 million and \$0.9 million, respectively. For the 52 weeks ended December 27, 2020, these expenses were offset by a \$6.3 million benefit from a reduction in expected costs to comply with the Affordable Care Act. Other adjustments for the 13 and 52 weeks ended December 29, 2019 primarily include implementation costs for cloud-based systems of \$0.6 million and \$3.2 million, respectively. For the 52 weeks ended December 29, 2019, these expenses were offset by \$3.9 million of workers' compensation benefit related to additional insurance coverage associated with former workers' compensation carriers in liquidation.
- (5) Total tax effect of each of the adjustments to U.S. GAAP net income (loss) using the effective income tax rate for the respective periods in 2021 and 2020, and the expected long-term ongoing rate of 14 percent for Q4 and fiscal year 2019.
- (6) Beginning in Q2 2020, we decided not to adjust our GAAP tax rate to an expected long-term ongoing rate in our adjusted net income calculation. Thus the adjustment for fiscal year 2020 relates to the Q1 2020 adjustment of the effective income tax rate to the long-term ongoing rate of 12 percent expected at that time. The adjustment for Q4 and fiscal year 2019 reflects the adjustment of the effective income tax rate to the long-term ongoing rate of 14 percent expected at that time.
- (7) These third-party processing fees are associated with generating hiring tax credits.
- (8) Gain realized on sale of deferred compensation mutual funds to purchase corporate owned life insurance policies.



Q4 2021 Earnings

February 2022

Forward-looking statements

This document contains forward-looking statements relating to our plans and expectations including, without limitation, statements regarding the future performance and operations of our business, expected growth from our digital investments, and the expected amount and timing of any share repurchases, all of which are subject to risks and uncertainties. Such statements are based on management's expectations and assumptions as of the date of this release and involve many risks and uncertainties that could cause actual results to differ materially from those expressed or implied in our forward-looking statements including: (1) national and global economic conditions, (2) the continued impact of COVID-19 and related economic impact and governmental response, (3) our ability to attract sufficient qualified candidates and employees to meet the needs of our clients, (4) our ability to attract and retain clients, (5) our ability to maintain profit margins, (6) our ability to successfully execute on business strategies to further digitalize our business model, (7) the timing and amount of common stock repurchases, if any, which will be determined at management's discretion and depend upon several factors, including market and business conditions, the trading price of our common stock and the nature of other investment opportunities, (8) new laws, regulations, and government incentives that could affect our operations or financial results, (9) our ability to access sufficient capital to finance our operations, including our ability to comply with covenants contained in our revolving credit facility, and (10) any reduction or change in tax credits we utilize, including the Work Opportunity Tax Credit. Other information regarding factors that could affect our results is included in our Securities Exchange Commission (SEC) filings, including the company's most recent reports on Forms 10-K and 10-Q, copies of which may be obtained by visiting our website at www.trueblue.com under the Investor Relations section or the SEC's website at www.sec.gov. We assume no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise, except as required by law. Any other references to future financial estimates are included for informational purposes only and subject to risk factors discussed in our most recent filings with the SEC.

In addition, we use several non-GAAP financial measures when presenting our financial results in this document. Please refer to the reconciliations between our GAAP and non-GAAP financial measures in the appendix to this presentation and on our website at www.trueblue.com under the Investor Relations section for additional information on both current and historical periods. The presentation of these non-GAAP financial measures is used to enhance the understanding of certain aspects of our financial performance. It is not meant to be considered in isolation, superior to, or as a substitute for the directly comparable financial measures prepared in accordance with U.S. GAAP, and may not be comparable to similarly titled measures of other companies. Any comparisons made herein to other periods are based on a comparison to the same period in the prior year unless otherwise stated.

Overview

Q4 2021

Results exceed pre-pandemic levels

- Total revenue +5% v. Q4 2019
 - Digital strategies creating a competitive advantage
 - More agile in responding to customer needs
- Total revenue +20% v. Q4 2020 — third consecutive quarter of double-digit growth
 - PeopleReady +22% - improving worker supply and strong retail performance
 - PeopleScout +96% - higher same customer demand and new wins
- Net income was \$20 million v. \$8 million in Q4 2020 and \$9 million in Q4 2019
 - Corresponding margin up 170 bps v. Q4 2020 and v. Q4 2019
- Adjusted EBITDA¹ was \$36 million v. \$22 million in Q4 2020 and \$21 million in Q4 2019
 - Corresponding margin up 160 bps v. Q4 2020 and up 230 bps v. Q4 2019

FY 2021

Strong revenue growth and margin expansion drove results

- Total revenue +18% v. 2020
 - Worker supply rebounding
 - Customer wins at multi-year high
 - PeopleScout surpassed pre-pandemic 2019 revenue
- Net income was \$62 million v. a net loss of \$142 million in 2020
 - 2020 net loss included a non-cash impairment charge of \$152 million, net of tax
 - Net income margin was 2.8% v. net loss margin of 7.7% in 2020
- Adjusted EBITDA was \$104 million v. \$39 million in 2020
 - Corresponding margin up 270 bps v. 2020

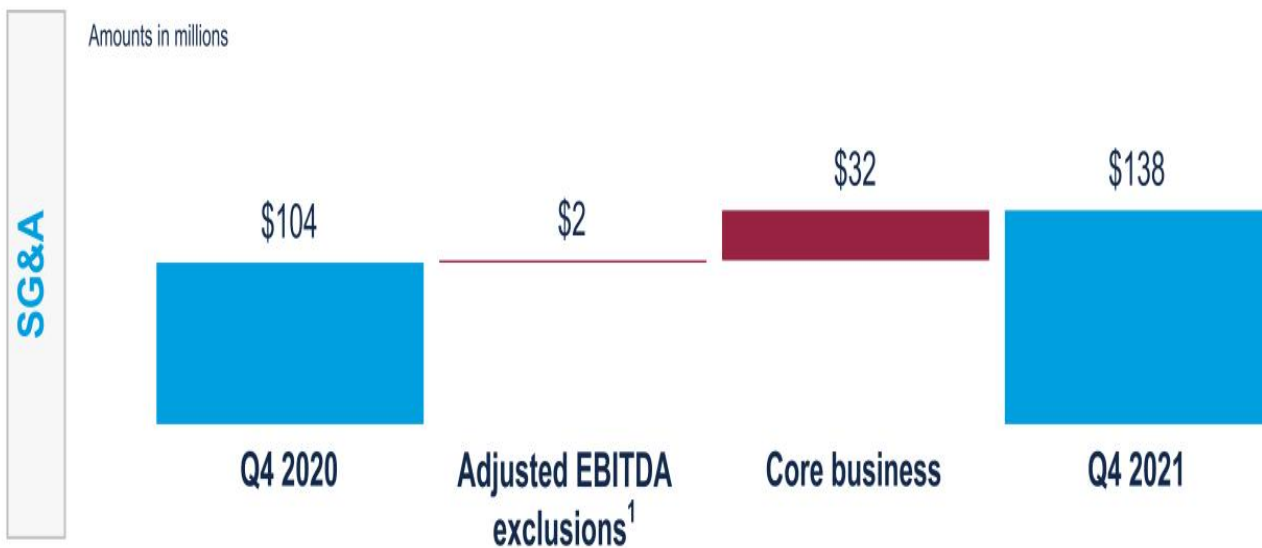
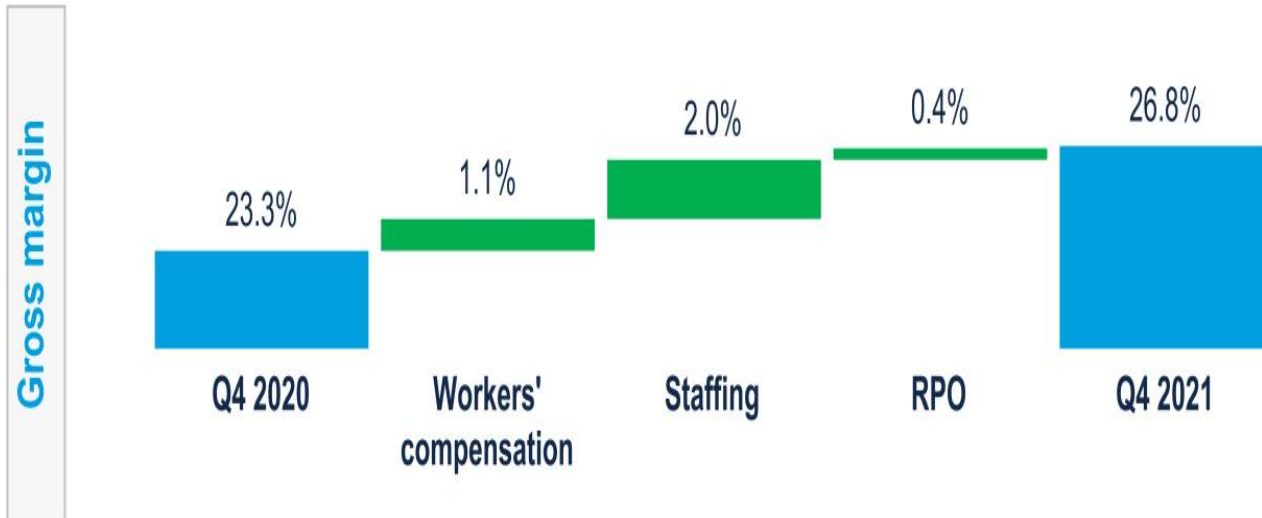
¹ Refer to the appendix to this presentation and "Financial Information" in the investors section of our website at www.trueblue.com for a definition and full reconciliation of non-GAAP financial measures to GAAP financial results.

Financial summary

Amounts in millions, except per share data	Q4 2021	Change	FY 2021	Change
Revenue	\$622	20%	\$2,174	18%
Net income	\$20.2	152%	\$61.6	NM
Net income per diluted share	\$0.57	148%	\$1.74	NM
Net income margin	3.2%	170 bps	2.8%	NM
Adjusted net income ¹	\$24.6	116%	\$70.7	365%
Adj. net income per diluted share	\$0.69	109%	\$2.00	365%
Adjusted EBITDA	\$36.1	66%	\$103.8	168%
Adjusted EBITDA margin	5.8%	160 bps	4.8%	270 bps
Notes:	<ul style="list-style-type: none"> Increased profitability was primarily driven by revenue growth and gross margin expansion. 		<ul style="list-style-type: none"> FY 2020 net loss included a non-cash impairment charge in Q1 2020 of \$152 million, net of tax, which is excluded from adjusted net income. 	

¹ Refer to the appendix to this presentation and "Financial Information" in the investors section of our website at www.trueblue.com for a definition and full reconciliation of non-GAAP financial measures to GAAP financial results.

Gross margin and SG&A bridges



¹ \$2 million represents the year-over-year change in Adjusted EBITDA exclusions impacting SG&A. Refer to the adjusted EBITDA reconciliation in the appendix to this presentation for more information.

Q4 2021 Results by segment

Amounts in millions	PeopleReady	PeopleManagement	PeopleScout
Revenue	\$362	\$178	\$82
% Change	+22%	-1%	+96%
Segment profit ¹	\$27	\$4	\$11
% Change	69%	-20%	158%
% Margin	7.6%	2.5%	14.0%
Change	+210 bps	-60 bps	+340 bps
Notes:	<ul style="list-style-type: none"> ■ Revenue +22% <ul style="list-style-type: none"> • 99% of 2019 revenue recovered • Worker supply and retail sector revenue leading to accelerating monthly growth trends <ul style="list-style-type: none"> • October +17% v. December +24% ■ Segment profit margin expansion primarily driven by lower workers' compensation costs and better bill / pay spreads 	<ul style="list-style-type: none"> ■ Revenue -1% <ul style="list-style-type: none"> • +4% versus 2019 ■ \$95 million in annualized new business wins v. three year historical average of \$68 million ■ Segment profit margin contracted <ul style="list-style-type: none"> • Lower existing site revenue (-12%) from supply chain challenges (note: existing sites are more profitable than new sites) • Return of temporary cost reductions taken in 2020 	<ul style="list-style-type: none"> ■ Revenue +96% <ul style="list-style-type: none"> • +49% versus 2019 • Rapid recovery in travel and leisure (22% of mix; up 152%) combined with new wins ■ \$39 million in annualized new business wins v. three year historical average of \$11 million ■ Segment profit margin expansion primarily due to increased operating leverage

¹ We evaluate performance based on segment revenue and segment profit. Segment profit includes revenue, related cost of services, and ongoing operating expenses directly attributable to the reportable segment. Segment profit excludes depreciation and amortization expense, unallocated corporate general and administrative expense, interest expense, other income, income taxes, and other adjustments not considered to be ongoing.

Strategy highlights



- Digitalize our business model to gain market share from smaller and less capitalized competitors and reduce expenses
- Drive higher client usage of JobStack™, our industry-leading technology, to accelerate revenue growth
- Improve client and candidate experience using centralized services combined with digital onboarding platforms



- Continue momentum on new customer wins through strong execution of sales initiatives
- Leverage recent sales resource investments to expand into under-penetrated geographic markets
- Invest in client and associate care in addition to retention programs



- Focus sales and marketing efforts to capitalize on industry trend towards outsourcing
- Leverage our strong brand; independently ranked as a market leader
- Expand technology offering to improve client delivery and recruiting efficiency

Leverage technology and industry leading position to grow market share and enhance efficiency

PeopleReady's digital and enhanced delivery model strategies

JobStack™



Industry leading mobile app that connects our associates with jobs and simplifies ordering

Increasing client usage

- **29,700** client users, up 13% v. Q4 2020
- **964,000** shifts filled in Q4 2021, up 19% v. Q4 2020
- **56%** of eligible revenue¹ from heavy client users², +21 ppts YOY

Strong associate adoption

- **95%** associate adoption
- **4.6** star rating in iOS app store
- Digital fills of **59%**

Delivery Model

Market pilots utilizing centralized service centers to manage recruiting, onboarding and delivery



Key learnings from pilots leading to improved operating model

- Enhanced customer service by increasing operating hours from 60 to **85 per week**
- Shifting resources to more sales and account management
- **\$10M - \$15M** in estimated cost savings³

¹ Eligible revenue includes our U.S. on-demand business. Skilled trades, Canada and Puerto Rico are excluded as non-eligible users.

² Heavy client users are clients for any given month that have 50+ touches on JobStack (entering an order, rating a worker, etc.). Year-over-year growth rates for heavy client users are calculated on a same customer basis.

³ Estimate represents annualized cost savings after the delivery models have been implemented resulting in a smaller branch footprint. Pilots will expand in 2022. Full implementation expected after 2022.

Balance sheet remains strong

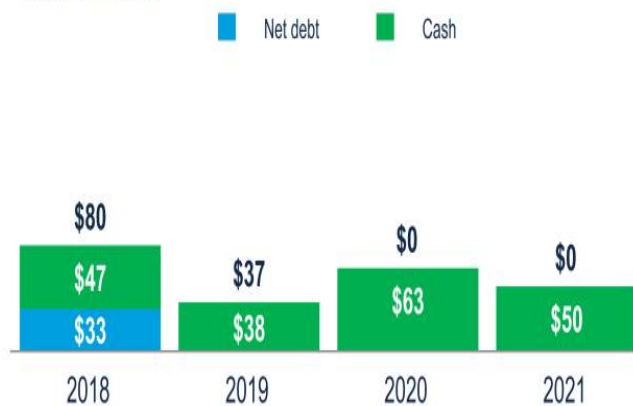
Liquidity

Amounts in millions

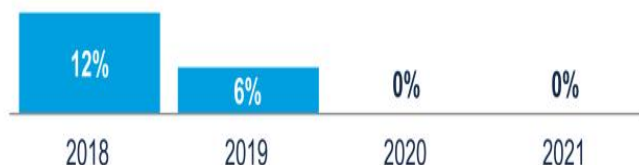


Total debt

Amounts in millions



Total debt to capital¹



Share repurchases²

Amounts in millions



Note: Figures may not sum to consolidated totals due to rounding. Balances as of fiscal period end.

¹ Total Debt to Capital calculated as total debt divided by the sum of total debt plus shareholders' equity.

² During the first quarter of 2022, we repurchased an additional \$13 million in shares..

\$100M of share repurchases was authorized on January 31, 2022

Outlook

Select outlook information for Q1 2022

Item	Q1 2022	Commentary
Revenue	We are not providing customary revenue guidance. However, our prior four-year historical average for sequential revenue change from Q4 to Q1 was a decline of roughly 15% as Q1 is typically our lowest volume quarter.	
Gross margin	+140 to +180 bps v. prior year	Expansion from segment revenue mix and positive bill / pay spread.
SG&A	\$118M to \$122M	
EBITDA adjustments ¹	~\$5M	<ul style="list-style-type: none"> • ~\$3M in PeopleReady technology implementation costs • ~\$1M in SaaS amortization • ~\$1M in other adjustments
Pre-tax net income adjustments	~\$6M	<ul style="list-style-type: none"> • ~\$3M in PeopleReady technology implementation costs • ~\$2M in intangibles amortization • ~\$1M in SaaS amortization
CapEx ²	~\$11M	Q1 depreciation is expected to be ~\$6M.
Shares	~34.8M	Reflects diluted weighted average shares outstanding.

¹ Refer to the appendix to this presentation and "Financial Information" in the investors section of our website at www.trueblue.com for a definition of non-GAAP financial measures.

² Includes planned investments in software as a service (SaaS) assets capitalized in other long-term assets with the related amortization recorded in SG&A.

Select outlook information for FY 2022

Item	FY 2022	Commentary
Gross margin	-70 to -10 bps v. prior year	Gross margin headwinds primarily due to higher workers' compensation.
EBITDA adjustments ¹	\$14M to \$18M	<ul style="list-style-type: none"> • ~\$10M in PeopleReady technology implementation costs • ~\$3M in SaaS amortization • ~\$3M in other adjustments
Pre-tax net income adjustments	\$21M to \$25M	<ul style="list-style-type: none"> • ~\$10M in PeopleReady technology implementation costs • ~\$6M in intangibles amortization • ~\$3M in SaaS amortization • ~\$2M in accelerated depreciation • ~\$2M in other adjustments
CapEx ²	\$43M to \$48M	<ul style="list-style-type: none"> • FY 2022 depreciation is expected to be ~\$24M, including ~\$2M in accelerated depreciation associated with updating certain technologies. • FY 2023 depreciation is expected to be \$27M to \$31M.
Tax Rate	14% to 18%	Reflects effective income tax rate.

¹ Refer to the appendix to this presentation and "Financial Information" in the investors section of our website at www.trueblue.com for a definition of non-GAAP financial measures.

² Includes planned investments in software as a service (SaaS) assets capitalized in other long-term assets with the related amortization recorded in SG&A.

Appendix

NON-GAAP FINANCIAL MEASURES AND NON-GAAP RECONCILIATIONS

In addition to financial measures presented in accordance with U.S. GAAP, we monitor certain non-GAAP key financial measures. The presentation of these non-GAAP financial measures is used to enhance the understanding of certain aspects of our financial performance. It is not meant to be considered in isolation, superior to, or as a substitute for the directly comparable financial measures prepared in accordance with U.S. GAAP, and may not be comparable to similarly titled measures of other companies.

Non-GAAP measure	Definition	Purpose of adjusted measures
EBITDA and Adjusted EBITDA	<p>EBITDA excludes from net income (loss):</p> <ul style="list-style-type: none"> - interest expense and other income, net, - income taxes, and - depreciation and amortization. <p>Adjusted EBITDA, further excludes:</p> <ul style="list-style-type: none"> - third-party processing fees for hiring tax credits, - amortization of software as a service assets, - goodwill and intangible asset impairment charge, - gain on deferred compensation assets, - workforce reductions costs, - COVID-19 government subsidies, net, and - other adjustments, net. 	<ul style="list-style-type: none"> - Enhances comparability on a consistent basis and provides investors with useful insight into the underlying trends of the business. - Used by management to assess performance and effectiveness of our business strategies. - Provides a measure, among others, used in the determination of incentive compensation for management.
Adjusted net income and Adjusted net income per diluted share	<p>Net income (loss) and net income (loss) per diluted share, excluding:</p> <ul style="list-style-type: none"> - amortization of intangibles of acquired businesses, - amortization of software as a service assets, - goodwill and intangible asset impairment charge, - workforce reduction costs, - COVID-19 government subsidies, net, - other adjustments, net, - tax effect of each adjustment to U.S. GAAP, and - adjustment of income taxes to normalized effective rate for periods prior to Q2 2020. 	<ul style="list-style-type: none"> - Enhances comparability on a consistent basis and provides investors with useful insight into the underlying trends of the business. - Used by management to assess performance and effectiveness of our business strategies.

1. RECONCILIATION OF U.S. GAAP NET INCOME (LOSS) TO ADJUSTED NET INCOME AND ADJUSTED NET INCOME PER DILUTED SHARE *(Unaudited)*

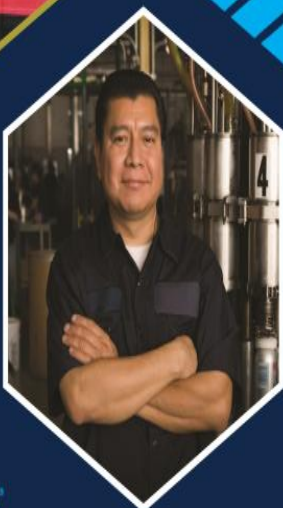
	Q4 2021	Q4 2020	Q4 2019	2021	2020	2019
	13 weeks ended			52 weeks ended		
<i>(in thousands, except for per share data)</i>	Dec 26, 2021	Dec 27, 2020	Dec 29, 2019	Dec 26, 2021	Dec 27, 2020	Dec 29, 2019
Net income (loss)	\$ 20,210	\$ 8,026	\$ 8,715	\$ 61,634	\$ (141,841)	\$ 63,073
Amortization of intangible assets of acquired businesses	1,503	2,028	4,003	6,704	10,144	17,899
Amortization of software as a service assets (1)	720	615	513	2,709	2,307	1,624
Acquisition/integration costs	—	—	(50)	—	—	1,562
Goodwill and intangible asset impairment charge	—	—	—	—	175,189	—
Workforce reduction costs (2)	1,799	(19)	2,829	1,993	12,570	3,301
COVID-19 government subsidies, net (3)	(91)	964	—	(4,222)	(6,211)	—
Other adjustments, net (4)	1,471	1,052	571	3,711	(4,496)	(1,010)
Tax effect of adjustments to net income (loss) (5)	(1,014)	(1,280)	(1,102)	(1,802)	(28,729)	(3,273)
Adjustment of income taxes to normalized effective rate (6)	—	—	(671)	—	(3,719)	(2,835)
Adjusted net income	\$ 24,598	\$ 11,386	\$ 14,808	\$ 70,727	\$ 15,214	\$ 80,341
Adjusted net income per diluted share	\$ 0.69	\$ 0.33	\$ 0.39	\$ 2.00	\$ 0.43	\$ 2.05
Diluted weighted average shares outstanding	35,621	34,954	38,348	35,429	35,658	39,179

2. RECONCILIATION OF U.S. GAAP NET INCOME (LOSS) TO EBITDA AND ADJUSTED EBITDA (Unaudited)

	Q4 2021	Q4 2020	Q4 2019	2021	2020	2019
	13 weeks ended			52 weeks ended		
(in thousands)	Dec 26, 2021	Dec 27, 2020	Dec 29, 2019	Dec 26, 2021	Dec 27, 2020	Dec 29, 2019
Net income (loss)	\$ 20,210	\$ 8,026	\$ 8,715	\$ 61,634	\$ (141,841)	\$ 63,073
Income tax expense (benefit)	5,278	3,059	638	12,216	(31,421)	6,971
Interest expense and other (income), net	(3,528)	(1,943)	(2,014)	(5,408)	(1,620)	(3,865)
Depreciation and amortization	7,151	8,029	9,021	27,556	32,031	37,549
EBITDA	29,111	17,171	16,360	95,998	(142,851)	103,728
Third-party processing fees for hiring tax credits (7)	150	186	240	734	495	960
Amortization of software as a service assets (1)	720	615	513	2,709	2,307	1,624
Acquisition/integration costs	—	—	(50)	—	—	1,562
Goodwill and intangible asset impairment charge	—	—	—	—	175,189	—
Gain on deferred compensation assets (8)	2,897	1,725	495	2,897	1,725	495
Workforce reduction costs (2)	1,799	(19)	2,829	1,993	12,570	3,301
COVID-19 government subsidies, net (3)	(91)	964	—	(4,222)	(6,211)	—
Other adjustments, net (4)	1,471	1,052	571	3,711	(4,496)	(1,010)
Adjusted EBITDA	\$ 36,057	\$ 21,694	\$ 20,958	\$ 103,820	\$ 38,728	\$ 110,660
Margin / % of revenue:						
Net income	3.2%	1.5%	1.5%	2.8%	(7.7)%	2.7%
Adjusted EBITDA	5.8%	4.2%	3.5%	4.8%	2.1%	4.7%

Footnotes:

- (1) Amortization of software as a service assets is reported in selling, general and administrative expense.
- (2) Workforce reduction costs for the 13 and 52 weeks ended December 26, 2021 in selling, general and administrative expense primarily include costs to streamline our delivery teams within our PeopleReady and PeopleScout segments. Workforce reduction costs for the 13 and 52 weeks ended December 27, 2020 were primarily due to employee reductions as part of our cost management actions in response to COVID-19 (\$3.7 million in cost of services and \$8.9 million in selling, general and administrative expense for the full-year). Workforce reduction costs for the 13 and 52 weeks ended December 29, 2019 were primarily associated with employee reductions in the PeopleReady business.
- (3) Net impact of COVID-19 related government subsidies. For the 13 and 52 weeks ended December 27, 2020, we received government subsidies of \$2.7 million and \$9.9 million, respectively. We elected to distribute a portion of the total benefit for the year to our employees in the form of a \$3.7 million bonus, resulting in a net cost of \$1.0 million for Q4 and a net benefit of \$6.2 million for the fiscal year. These subsidies extended into 2021, providing a benefit of \$4.2 million for the 52 weeks ended December 26, 2021.
- (4) Other adjustments for the 13 and 52 weeks ended December 26, 2021 primarily include implementation costs for cloud-based systems of \$1.4 million and \$1.7 million, respectively and costs incurred while transitioning into our new Chicago office of \$0.1 million and \$1.8 million, respectively. Other adjustments for the 13 and 52 weeks ended December 27, 2020 primarily include costs of \$0.7 million incurred while transitioning into our new Chicago office and implementation costs for cloud-based systems of \$0.1 million and \$0.9 million, respectively. For the 52 weeks ended December 27, 2020, these expenses were offset by a \$6.3 million benefit from a reduction in expected costs to comply with the Affordable Care Act. Other adjustments for the 13 and 52 weeks ended December 29, 2019 primarily include implementation costs for cloud-based systems of \$0.6 million and \$3.2 million, respectively. For the 52 weeks ended December 29, 2019, these expenses were offset by \$3.9 million of workers' compensation benefit related to additional insurance coverage associated with former workers' compensation carriers in liquidation.
- (5) Total tax effect of each of the adjustments to U.S. GAAP net income (loss) using the effective income tax rate for the respective periods in 2021 and 2020, and the expected long-term ongoing rate of 14 percent for Q4 and fiscal year 2019.
- (6) Beginning in Q2 2020, we decided not to adjust our GAAP tax rate to an expected long-term ongoing rate in our adjusted net income calculation. Thus the adjustment for fiscal year 2020 relates to the Q1 2020 adjustment of the effective income tax rate to the long-term ongoing rate of 12 percent expected at that time. The adjustment for Q4 and fiscal year 2019 reflects the adjustment of the effective income tax rate to the long-term ongoing rate of 14 percent expected at that time.
- (7) These third-party processing fees are associated with generating hiring tax credits.
- (8) Gain realized on sale of deferred compensation mutual funds to purchase corporate owned life insurance policies.



Investor Roadshow Presentation

February 2022

Forward-Looking Statements

This document contains forward-looking statements relating to our plans and expectations including, without limitation, statements regarding the future performance and operations of our business, expected growth from our digital investments, and the expected amount and timing of any share repurchases, all of which are subject to risks and uncertainties. Such statements are based on management's expectations and assumptions as of the date of this release and involve many risks and uncertainties that could cause actual results to differ materially from those expressed or implied in our forward-looking statements including: (1) national and global economic conditions, (2) the continued impact of COVID-19 and related economic impact and governmental response, (3) our ability to attract sufficient qualified candidates and employees to meet the needs of our clients, (4) our ability to attract and retain clients, (5) our ability to maintain profit margins, (6) our ability to successfully execute on business strategies to further digitalize our business model, (7) the timing and amount of common stock repurchases, if any, which will be determined at management's discretion and depend upon several factors, including market and business conditions, the trading price of our common stock and the nature of other investment opportunities, (8) new laws, regulations, and government incentives that could affect our operations or financial results, (9) our ability to access sufficient capital to finance our operations, including our ability to comply with covenants contained in our revolving credit facility, and (10) any reduction or change in tax credits we utilize, including the Work Opportunity Tax Credit. Other information regarding factors that could affect our results is included in our Securities Exchange Commission (SEC) filings, including the company's most recent reports on Forms 10-K and 10-Q, copies of which may be obtained by visiting our website at www.trueblue.com under the Investor Relations section or the SEC's website at www.sec.gov. We assume no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise, except as required by law. Any other references to future financial estimates are included for informational purposes only and subject to risk factors discussed in our most recent filings with the SEC.

In addition, we use several non-GAAP financial measures when presenting our financial results in this document. Please refer to the reconciliations between our GAAP and non-GAAP financial measures in the appendix to this presentation and on our website at www.trueblue.com under the Investor Relations section for additional information on both current and historical periods. The presentation of these non-GAAP financial measures is used to enhance the understanding of certain aspects of our financial performance. It is not meant to be considered in isolation, superior to, or as a substitute for the directly comparable financial measures prepared in accordance with U.S. GAAP, and may not be comparable to similarly titled measures of other companies. Any comparisons made herein to other periods are based on a comparison to the same period in the prior year unless otherwise stated.

Investment highlights

Market Leader

Market leader in U.S. blue collar staffing and global RPO with increasingly diverse service offerings

Industry Growth Prospects

Attractive growth potential from secular, cyclical and post-Covid recovery factors

Compelling Strategies

Sound growth strategies applying industry leading digital technology to increase market share

Return of Capital

Strong balance sheet and cash flow to support stock buybacks

Experienced Leadership Team

Deep human capital expertise with proven success at driving growth and delivering value to stakeholders

Our Mission: Connecting People and Work

95,000

Clients served annually
with strong diversity¹

615,000

People connected to
work during 2021



One of the largest U.S. industrial
staffing providers



One of the largest global
RPO providers

2017-2021
Average Return on Equity²



12%

Returning Value to Shareholders
(Share Repurchases last 5 years)



\$179M

\$2.2B
2021 Revenue



All segments earned the Top
Workplaces USA Award
issued by Energage

HRO
TODAY

HRO Today magazine repeatedly
recognizes PeopleScout as a global
market leader



Thousands of veterans hired each
year via internal programs as well as
Hiring Our Heroes and Wounded
Warriors



Recognized for breakthrough board
practices that promote greater
diversity and inclusion

¹ No single client accounted for more than 3% of total revenue for FY 2021.

² Calculated as adjusted net income divided by average shareholders' equity over the prior four quarters. See the appendix to this presentation and "Financial Information" in the Investors section of our website at www.trueblue.com for a definition and full reconciliation of non-GAAP financial measures to GAAP financial results.

Three specialized segments meet diverse client needs



On-demand general and skilled labor for industrial jobs

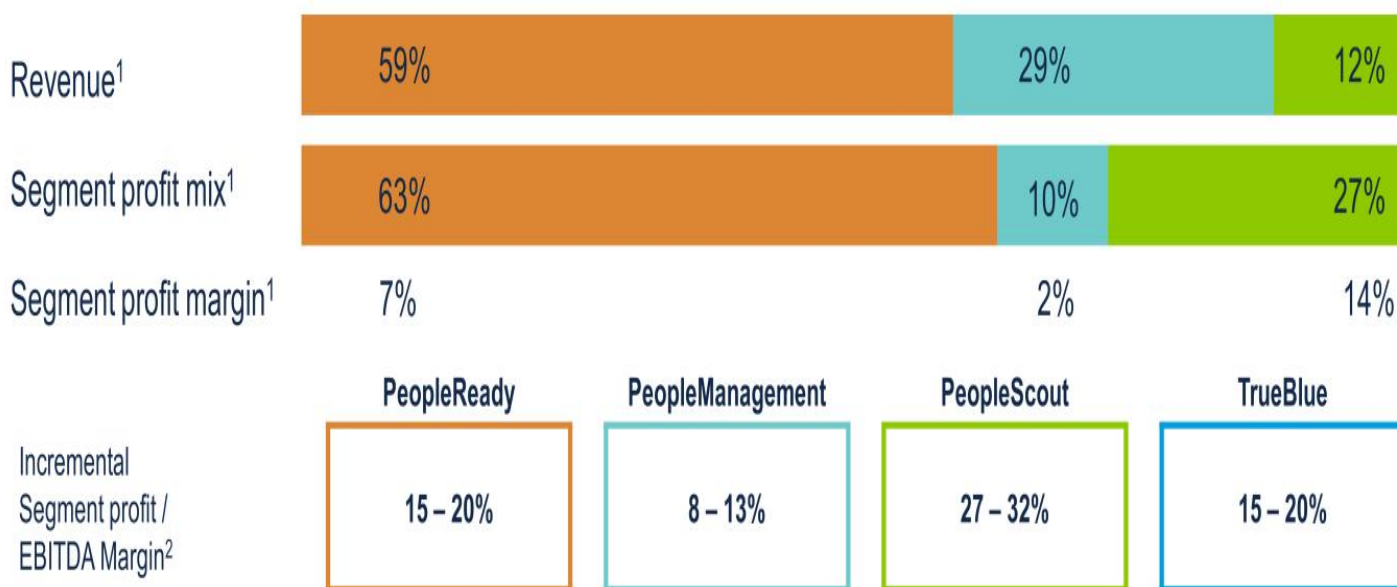


Contingent, on-site industrial staffing and commercial driver services



Talent solutions for outsourcing the recruiting process for permanent employees

■ PeopleReady ■ PeopleManagement ■ PeopleScout



¹ Revenue and segment profit calculations based on FY 2021. We evaluate performance based on segment revenue and segment profit. Segment profit includes revenue, related cost of services, and ongoing operating expenses directly attributable to the reportable segment. Segment profit excludes depreciation and amortization expense, unallocated corporate general and administrative expense, interest expense, other income, income taxes, and other adjustments not considered to be ongoing.

² Average, estimated margin associated with additional organic revenue. Refer to "Financial Information" in the investors section of our website at www.trueblue.com for more information regarding non-GAAP terms.

Solving workforce challenges

Workforce solutions are in high demand as businesses increasingly turn to human capital experts to solve talent challenges.

Remote Recruiting

The **worker supply chain** is becoming increasingly decentralized.

TrueBlue's digital strategy connects people anywhere at any time.

Artificial Intelligence

Companies are seeking ways to become **nimbler** and **more efficient**.

Deploying AI to source human capital will be a requirement to compete.

Workforce Complexity

Many factors, including globalization, the "gig" economy and diversity are **changing the world of work** requiring a disciplined approach to hiring.



A **robust** value proposition with specialized, digital **solutions** for staffing, workforce management and recruitment process outsourcing.

US Industrial Staffing: Promising growth rates

Why Industrial Staffing?

- **Largest segment** of the staffing industry (\$30B¹ in 2020)
- No **dominant** competition
- **Digital adoption** by the industry can expand growth opportunity, like Uber did in rideshare
- Capitalize on **ecommerce logistics** as retail shifts online
- Unique growth opportunity to fill key **skilled trades** positions as baby boomers retire
- The Biden Administration's **infrastructure plan** could inject **billions** into the labor market

U.S. Industrial Temp Staffing Revenue (\$B)¹



The industry rebounds quickly in the early stages of a recovery

¹ Source: Staffing Industry Analyst reports: US Staffing Industry Forecast (September 2021). Industrial temp staffing includes various occupations such as: laborers, packers, construction workers, skilled trades, machinists, janitors, etc.

RPO: Historically, a double-digit growth industry

Why RPO?

- “**Immature**” market with no one dominant player
- Industry produced **double-digit** annual revenue growth historically and swift recovery from recent recession is expected
- Industry poised for **growth** as companies seek new solutions to increasing labor challenges
- Traditionally “**sticky**” business model with high client retention and engagement

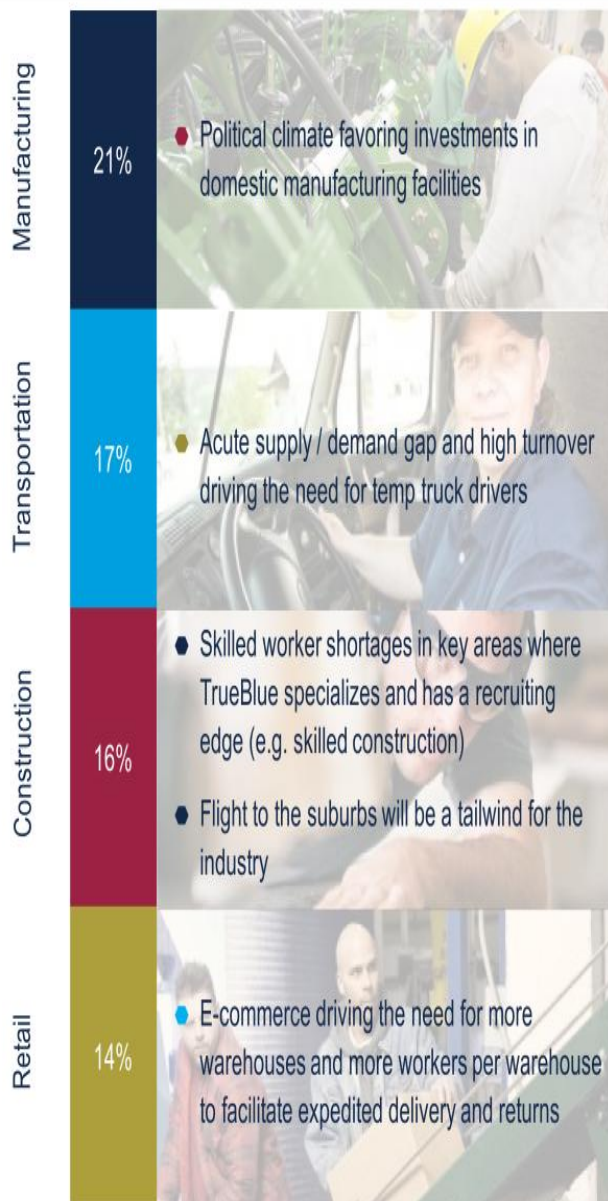
RPO Revenue Growth¹



¹ Source: Everest Group State of the Market Report 2021 (September 2021)

Strategically positioned for secular growth

Strong position in attractive vertical markets



FY 2021 Mix by Vertical

TrueBlue, Inc.

Powerful secular forces in industrial staffing



Positive Demographic Trends

- Deepening of the general contingent labor pool as workers across the generational spectrum are embracing the gig economy (e.g. millennials with side-hustles and semi-retired baby boomers)



Compelling Technology

- Industry is ripe for digital disruption
- Potential for large providers with sizeable transaction volume to capture market share
- Opportunity to enhance efficiency and growth



Capitalizing on Industry Evolution

- Heightened scrutiny around worker classification (contractor v. employee)
- Offering a variety of workforce management solutions (e.g. PPO, Employer of Record, MSP) to help clients seek compliant solutions

Strategy highlights



- Digitalize our business model to gain market share from smaller and less capitalized competitors and reduce expenses
- Drive higher client usage of JobStack™, our industry-leading technology, to accelerate revenue growth
- Improve client and candidate experience using centralized services combined with digital onboarding platforms



- Continue momentum on new customer wins through strong execution of sales initiatives
- Leverage recent sales resource investments to expand into under-penetrated geographic markets
- Invest in client and associate care in addition to retention programs



- Focus sales and marketing efforts to capitalize on industry trend towards outsourcing
- Leverage our strong brand; independently ranked as a market leader
- Expand technology offering to improve client delivery and recruiting efficiency

Leverage technology and industry leading position to grow share and enhance efficiency

Leadership with deep industry experience



A. Patrick Beharelle
President and CEO

25+ years of industry
experience

10 years of CEO
experience

TrueBlue CEO since
2018



Derrek Gafford
EVP and CFO

20 years of industry
experience

18 years of CFO
experience

TrueBlue CFO since
2006



Taryn Owen
President and COO
PeopleReady & PeopleScout

20+ years of industry
experience

9 years as business leader

PeopleReady President since
2019

7 years as PeopleScout
President



Carl Schweih
President and COO
PeopleManagement

9 years of industry
experience

PeopleManagement
President since 2019

PeopleReady: Leading industry with digital strategy and enhanced delivery model

JobStack™



Industry leading mobile app that **connects** our associates with jobs and **simplifies** ordering

Increasing client usage

- **29,700** client users
- **56%** of eligible revenue¹ from **heavy client users**², up 21 ppts YOY

Strong associate adoption

- **> 90%** associate adoption
- Digital fills of **59%**

Delivery Model

Market pilots utilizing **centralized** service centers to manage **recruiting, onboarding** and **delivery**



Key learnings from pilots leading to improved operating model

- Enhanced customer service by increasing operating hours from 60 to **85 per week**
- Shifting resources to more sales and account management
- **\$10M - \$15M** in estimated cost savings³

¹ Eligible revenue includes our U.S. on-demand business. Skilled trades, Canada and Puerto Rico are excluded as non-eligible users.

² Heavy client users are clients for any given month that have 50+ touches on JobStack (entering an order, rating a worker, etc.). Year-over-year growth rates for heavy client users are calculated on a same customer basis.

³ Estimate represents annualized cost savings after the delivery models have been implemented resulting in a smaller branch footprint. Pilots will expand in 2022. Full implementation expected after 2022.

JobStack heavy client user success story

Customer Profile

- Midwest Food Producer and Distributor
- Long-time PeopleReady Client

PeopleReady Service Overview

- Supplied associates for one shift
- Filled a narrow set of positions
- Shared relationship with another staffing agency, which placed temp to perm workers
- Branches fill orders, provide customer service and troubleshoot issues

The JobStack Value

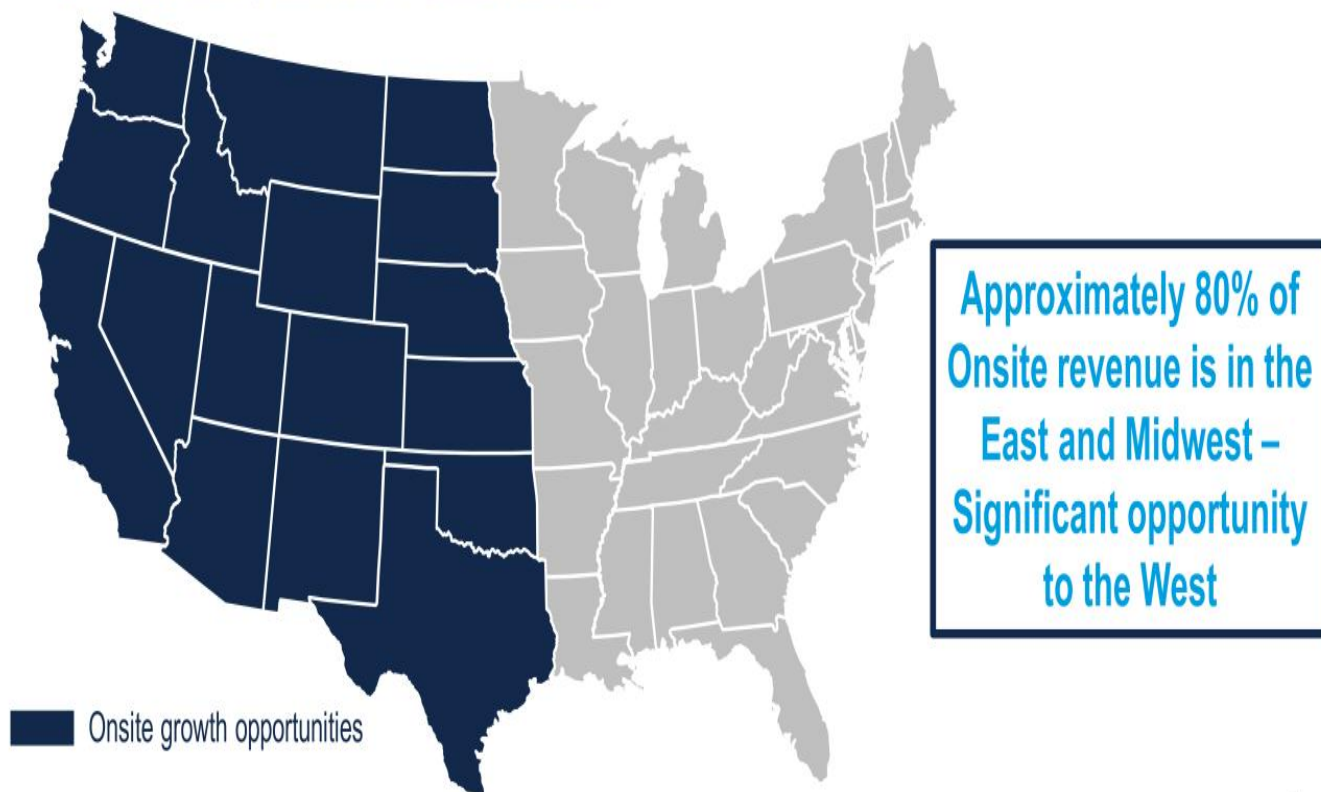
- Ability to fill more positions across all shifts
- Access to a variety of positions
- Elimination of multiple staffing agencies
- Branch focus shifted to customer service and troubleshooting vs. sourcing associates

Revenue Trend



PeopleManagement: Expanding market share

- PeopleManagement proved more resilient during the pandemic due to the **outsourced nature** of our client relationships and is **well-positioned for growth**
- The team is deploying a variety of tactics and strategies to **expand market share**
 - Creating an offering focused on short-term quick ramp requirements (e.g., projects, site start-ups)
 - Launched effort focused on smaller, local markets
 - Hiring additional salespeople and condensing their geographic footprint
 - Expanding into new sites at National Account clients
 - Cross-selling with other TrueBlue brands



PeopleScout: Industry leader with historically high margins

● Strong Brand Recognition

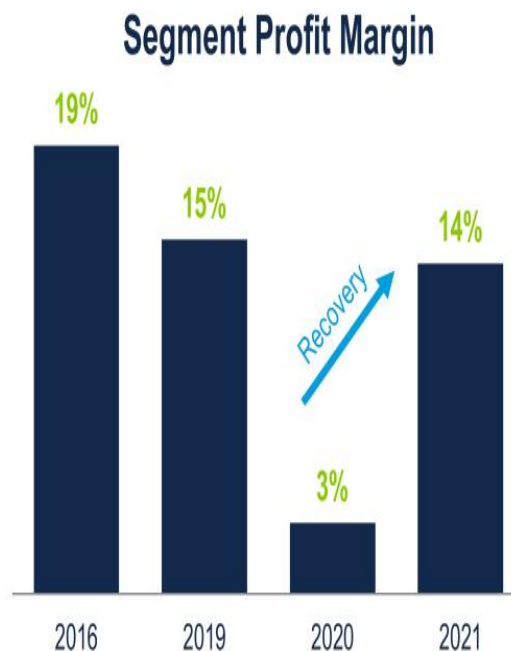
- **#1** by HRO Today's Total Workforce Solution Baker's Dozen
- **5th largest** global RPO provider¹

● Affinix Technology: A Differentiated Experience

- Connects clients and candidates using AI, machine learnings and predictive analytics ideal in today's **remote recruiting** landscape
- Flexible platform with plans to **monetize** services our clients can use directly

● Strong Growth & Profitability Prospects

- Demonstrated track record servicing large employers with dynamic needs in industries (hospitality, travel) **positioned for a rebound**
- **Segment profit margins** expected to increase as scale returns
- Expanding sales and client delivery teams to **accelerate new business**
- **Global focus** as growing number of deals are multi-region and multi-country



¹ Source: Transformative RPO for the New Era of Work - HR Technology and Services, December 2021 [Nelson Hall]
TrueBlue, Inc.

ESG principles help us make sound decisions

Key Statistics:

- 67% of Board Members are women or racially diverse
- 48% of Senior Management are women
- 96% of shareholders approved Executive Compensation

How ESG guides our decision making:

- Risk Management framework development and governance
- Board of Directors oversight & governance
- Executive Compensation structure
- Compliance, Ethics and Code of Conduct policymaking

External ESG Ratings:

MSCI 
AA Rating

 **SUSTAINALYTICS**
a Morningstar company

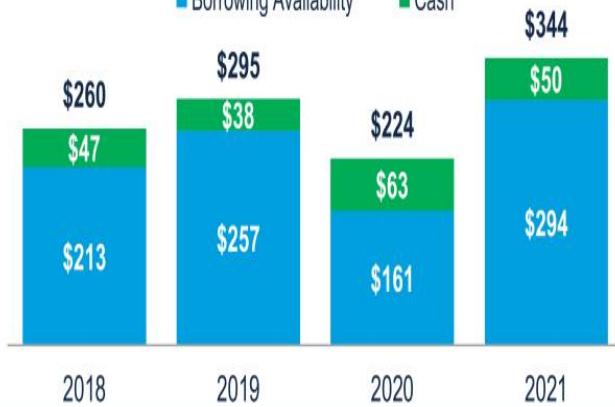
Risk Ranking: Negligible
Risk Exposure: Low
Risk Management: Strong

The balance sheet remains strong

Liquidity

Amounts in millions

■ Borrowing Availability ■ Cash



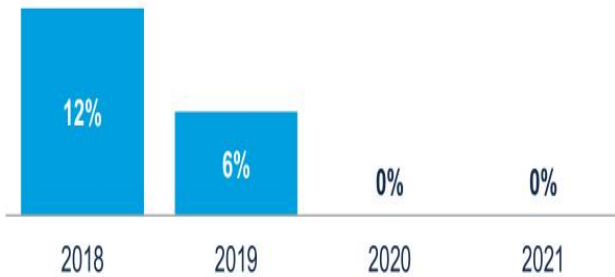
Total Debt

Amounts in millions

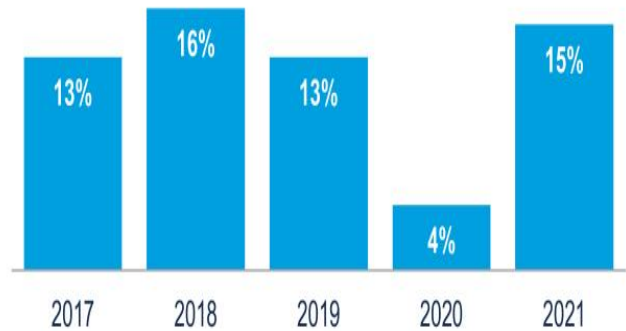
■ Net Debt ■ Cash



Total Debt to Capital¹



Return on Equity²



¹ Total Debt to Capital calculated as total debt divided by the sum of total debt plus shareholders' equity.

² Calculated as adjusted net income divided by average shareholders' equity over the prior four quarters. See the appendix to this presentation and "Financial Information" in the Investors section of our website at www.trueblue.com for a definition and full reconciliation of non-GAAP financial measures to GAAP financial results.

Focused capital strategy

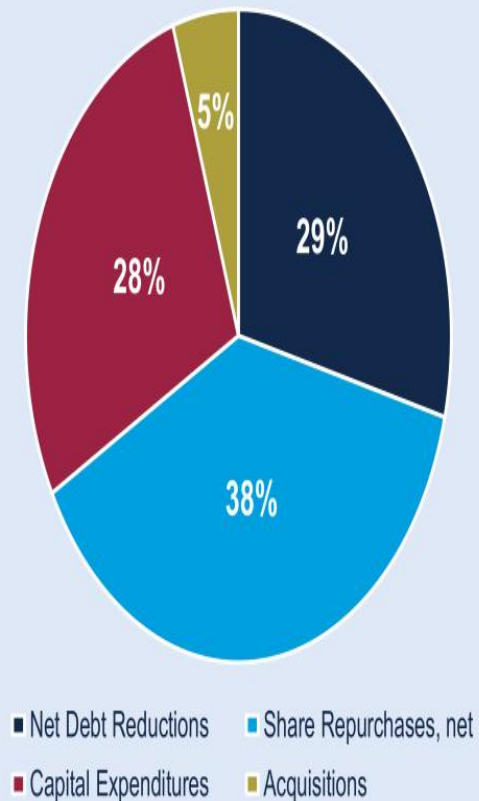
Investing in technology and returning excess capital to shareholders

Capital allocation priorities

- Strategic technology investments to further digitalize our business model
- Return excess capital to shareholders through share repurchases
- Acquisitions that create long-term shareholder value

Historical use of capital

(2017 - 2021)



Strong track record of returning capital to shareholders

\$179 million of capital returned to shareholders via share repurchases over the last five years (2017-2021)

1
Year

0.6M shares repurchased at an average price of \$26.89
2% reduction in shares outstanding

3
Years

6.0M shares repurchased at an average price of \$17.88
15% reduction in shares outstanding

5
Years

8.9M shares repurchased at an average price of \$20.08
21% reduction in shares outstanding

Appendix

NON-GAAP FINANCIAL MEASURES AND NON-GAAP RECONCILIATIONS

In addition to financial measures presented in accordance with U.S. GAAP, we monitor certain non-GAAP key financial measures. The presentation of these non-GAAP financial measures is used to enhance the understanding of certain aspects of our financial performance. It is not meant to be considered in isolation, superior to, or as a substitute for the directly comparable financial measures prepared in accordance with U.S. GAAP, and may not be comparable to similarly titled measures of other companies.

Non-GAAP measure	Definition	Purpose of adjusted measures
Adjusted net income (loss)	<p>Net income (loss), excluding:</p> <ul style="list-style-type: none"> - gain on divestiture, - amortization of intangibles of acquired businesses, - amortization of software as a service assets, - acquisitions/integration costs, - goodwill and intangible asset impairment charge, - workforce reduction costs, - COVID-19 government subsidies, net, - other adjustments, net, - tax effect of each adjustment to U.S. GAAP, and - adjustment of income taxes to normalized effective rate for periods prior to Q2 2020. 	<p>- Enhances comparability on a consistent basis and provides investors with useful insight into the underlying trends of the business.</p> <p>- Used by management to assess performance and effectiveness of our business strategies.</p>

RECONCILIATION OF U.S. GAAP NET INCOME (LOSS) TO ADJUSTED NET INCOME (Unaudited)

	2021	2020	2019	2018	2017
	52 weeks ended	52 weeks ended	52 weeks ended	52 weeks ended	52 weeks ended
(in thousands)	Dec 26, 2021	Dec 27, 2020	Dec 29, 2019	Dec 30, 2018	Dec 31, 2017
Net income (loss)	\$ 61,634	\$ (141,841)	\$ 63,073	\$ 65,754	\$ 55,456
Gain on divestiture (1)				(718)	—
Amortization of intangible assets of acquired businesses	6,704	10,144	17,899	20,750	22,290
Amortization of software as a service assets (2)	2,709	2,307	1,624	—	—
Acquisition/integration costs (3)	—	—	1,562	2,672	—
Goodwill and intangible asset impairment charge	—	175,189	—	—	—
Workforce reduction costs (4)	1,993	12,570	3,301	—	2,499
COVID-19 government subsidies, net (5)	(4,222)	(6,211)	—	—	—
Other adjustments, net (6)	3,711	(4,496)	(1,010)	10,317	(2,337)
Tax effect of adjustments to net income (loss) (7)	(1,802)	(28,729)	(3,273)	(5,074)	(6,287)
Adjustment of income taxes to normalized effective rate (8)	—	(3,719)	(2,835)	(1,843)	380
Adjusted net income	\$ 70,727	\$ 15,214	\$ 80,341	\$ 91,858	\$ 72,001

Footnotes:

1. Gain on the divestiture of our PlaneTechs business, sold mid-March 2018.
 2. Amortization of software as a service assets is reported in selling, general and administrative expense.
 3. Acquisition and integration costs related to the acquisition of TMP Holdings LTD completed on June 12, 2018.
 4. Workforce reduction costs for fiscal year 2021 primarily include costs to streamline our delivery teams within our PeopleReady and PeopleScout segments. Workforce reduction costs for fiscal year 2020 were primarily due to employee reductions as part of our cost management actions in response to COVID-19. Workforce reduction costs for fiscal years 2019 and 2017 were primarily associated with employee reductions in the PeopleReady business.
 5. Net impact of COVID-19 related government subsidies. For fiscal 2020, we received government subsidies of \$9.9 million. We elected to distribute a portion of the total benefit to our employees in the form of a \$3.7 million bonus, resulting in a net benefit of \$6.2 million for the fiscal year. These subsidies extended into 2021, providing a benefit of \$4.2 million for fiscal year 2021.
 6. Other adjustments for fiscal year 2021 primarily include implementation costs for cloud-based systems of \$1.7 million and costs incurred while transitioning into our new Chicago office of \$1.8 million. Other adjustments for fiscal year 2020 primarily include a \$6.3 million benefit from reduction in expected costs to comply with the Affordable Care Act, partially offset by implementation costs for cloud-based systems of \$0.9 million and costs incurred while transitioning into our new Chicago office of \$0.7 million. Other adjustments for fiscal year 2019 primarily include a \$3.9 million workers' compensation benefit related to additional insurance coverage associated with former workers' compensation carriers in liquidation, partially offset by implementation costs for cloud-based systems of \$3.2 million. Other adjustments for fiscal year 2018 primarily include implementation costs for cloud-based systems of 6.7 million and accelerated vesting of stock associated with our CEO transition of \$3.6 million. Other adjustments for fiscal year 2017 primarily include a \$2.3 million workers' compensation benefit associated with favorable settlement of insurance coverage associated with a former insurance company.
 7. Total tax effect of each of the adjustments to U.S. GAAP net income (loss) using the effective income tax rate for fiscal years 2021 and 2020, and the expected long-term ongoing tax rate for fiscal years prior to 2020. For fiscal years 2019 and 2018 the long-term ongoing tax rate was expected to be 14 percent due to the enacted U.S. Tax Cuts and Jobs Act. compared to 28 percent for fiscal year 2017.
 8. Beginning in Q2 2020, we decided not to adjust our GAAP tax rate to an expected long-term ongoing rate in our adjusted net income calculation. Thus the adjustment for fiscal year 2020 relates to the Q1 2020 adjustment of the effective income tax rate to the long-term ongoing rate of 12 percent expected at that time. The adjustment to fiscal years prior to 2020 reflect the adjustment of the effective income tax rate to the long-term ongoing rate expected at that time (14 percent for fiscal years 2019 and 2018, 28 percent for fiscal year 2017).
-

