UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the quarterly period ended: June 29, 2025

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
Commission File Number: 001-14543

TrueBlue, Inc.

(Exact name of registrant as specified in its charter)

Washington	**91-1287341**
(State of incorporation)	(I.R.S. 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**

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, no par value	**TBI**	**New York Stock Exchange**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☒	Non-accelerated filer	☐
Smaller reporting company	☐	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. ☐

Indicate by check mark if the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of July 27, 2025, there were 29,900,868 shares of the registrant's common stock outstanding.

TrueBlue, Inc.
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PART I. FINANCIAL INFORMATION

Item 1. CONSOLIDATED FINANCIAL STATEMENTS

TRUEBLUE, INC.
CONSOLIDATED BALANCE SHEETS
(unaudited)

(in thousands, except par value and share count data)	June 29, 2025	December 29, 2024
ASSETS		
Current assets:		
Cash and cash equivalents	$ 21,899	$ 22,536
Accounts receivable, net of allowance of $876 and $1,009, respectively	225,744	214,704
Prepaid expenses and other current assets	34,884	31,786
Income tax receivable	4,327	8,067
Total current assets	286,854	277,093
Property and equipment, net	85,143	89,602
Restricted cash, cash equivalents and investments	154,054	179,916
Deferred income taxes, net	880	886
Goodwill	42,569	24,543
Intangible assets, net	19,410	5,863
Operating lease right-of-use assets, net	44,822	47,334
Workers’ compensation claims receivable, net	28,317	38,343
Other assets, net	10,735	11,796
Total assets	$ 672,784	$ 675,376
LIABILITIES AND SHAREHOLDERS’ EQUITY		
Current liabilities:		
Accounts payable and other accrued expenses	$ 37,085	$ 45,599
Accrued wages and benefits	60,942	61,380
Income tax payable	617	315
Current portion of workers’ compensation claims reserve	28,296	34,729
Current operating lease liabilities	11,030	11,127
Other current liabilities	10,086	6,975
Total current liabilities	148,056	160,125
Workers’ compensation claims reserve, less current portion	81,156	105,063
Long-term debt	53,800	7,600
Long-term deferred compensation liabilities	38,302	38,109
Long-term operating lease liabilities	45,270	47,805
Other long-term liabilities	1,008	1,315
Total liabilities	367,592	360,017
Commitments and contingencies (Note 9)		
Shareholders’ equity:		
Preferred stock, $0.131 par value, 20,000,000 shares authorized; No shares issued and outstanding	—	—
Common stock, no par value, 100,000,000 shares authorized; 29,892,179 and 29,588,363 shares issued and outstanding	1	1
Accumulated other comprehensive loss	(21,587)	(22,193)
Retained earnings	326,778	337,551
Total shareholders’ equity	305,192	315,359
Total liabilities and shareholders’ equity	$ 672,784	$ 675,376

See accompanying notes to consolidated financial statements

TRUEBLUE, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (LOSS)
(unaudited)

(in thousands, except per share data)	Thirteen weeks ended June 29, 2025	Thirteen weeks ended June 30, 2024	Twenty-six weeks ended June 29, 2025	Twenty-six weeks ended June 30, 2024
Revenue from services	$ 396,299	$ 396,230	$ 766,553	$ 799,083
Cost of services	302,735	291,807	586,647	595,274
Gross profit	93,564	104,423	179,906	203,809
Selling, general and administrative expense	89,798	97,018	184,419	203,955
Depreciation and amortization (exclusive of depreciation included in cost of services)	6,507	7,691	12,351	15,649
Goodwill and intangible asset impairment charge	200	59,674	200	59,674
Income (loss) from operations	(2,941)	(59,960)	(17,064)	(75,469)
Interest and other income (expense), net	2,903	1,741	3,096	3,340
Income (loss) before tax expense	(38)	(58,219)	(13,968)	(72,129)
Income tax expense	122	46,491	540	34,279
Net income (loss)	$ (160)	$ (104,710)	$ (14,508)	$ (106,408)
Net income (loss) per common share:				
Basic	$ (0.01)	$ (3.45)	$ (0.49)	$ (3.46)
Diluted	$ (0.01)	$ (3.45)	$ (0.49)	$ (3.46)
Weighted average shares outstanding:				
Basic	29,856	30,349	29,777	30,725
Diluted	29,856	30,349	29,777	30,725
Other comprehensive income (loss):				
Foreign currency translation adjustment	$ 635	$ 221	$ 606	$ 163
Comprehensive income (loss)	$ 475	$ (104,489)	$ (13,902)	$ (106,245)

See accompanying notes to consolidated financial statements

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

(in thousands)	Twenty-six weeks ended June 29, 2025	Twenty-six weeks ended June 30, 2024
Cash flows from operating activities:		
Net income (loss)	$ (14,508)	$ (106,408)
Adjustments to reconcile net income (loss) to net cash used in operating activities:		
Depreciation and amortization (inclusive of depreciation included in cost of services)	14,312	15,649
Goodwill and intangible asset impairment charge	200	59,674
Provision for credit losses	435	630
Stock-based compensation	4,421	4,844
Deferred income taxes	(113)	33,997
Non-cash lease expense	5,524	6,200
Other operating activities	(1,438)	(3,118)
Changes in operating assets and liabilities:		
Accounts receivable	2,260	21,061
Income taxes receivable and payable	279	430
Other assets	8,592	8,246
Accounts payable and other accrued expenses	(10,199)	(18,849)
Accrued wages and benefits	(10,808)	(14,753)
Workers' compensation claims reserve	(30,340)	(18,537)
Operating lease liabilities	(5,688)	(6,139)
Other liabilities	3,162	1,011
Net cash used in operating activities	(33,909)	(16,062)
Cash flows from investing activities:		
Capital expenditures	(8,936)	(13,279)
Acquisition of business, net of cash acquired	(30,140)	—
Proceeds from business divestiture, net	—	2,928
Payments for company-owned life insurance	—	(4,000)
Purchases of restricted held-to-maturity investments	—	(10,180)
Maturities of restricted held-to-maturity investments	19,285	19,220
Net cash used in investing activities	(19,791)	(5,311)
Cash flows from financing activities:		
Purchases and retirement of common stock	—	(16,986)
Net proceeds from employee stock purchase plans	256	417
Common stock repurchases for taxes upon vesting of restricted stock	(942)	(2,143)
Net change in revolving credit facility	46,200	—
Other	(396)	(1,807)
Net cash provided by (used in) financing activities	45,118	(20,519)
Effect of exchange rate changes on cash, cash equivalents and restricted cash and cash equivalents	(70)	(557)
Net change in cash, cash equivalents and restricted cash and cash equivalents	(8,652)	(42,449)
Cash, cash equivalents and restricted cash and cash equivalents, beginning of period	61,100	99,306
Cash, cash equivalents and restricted cash and cash equivalents, end of period	$ 52,448	$ 56,857
Supplemental disclosure of cash flow information:		
Cash paid (received) during the period for:		
Interest	$ 1,548	$ 498
Income taxes, net of refunds	$ 571	$ (199)
Operating lease liabilities	$ 7,280	$ 7,635
Non-cash transactions:		
Property and equipment purchased but not yet paid	$ 875	$ 1,864
Divestiture non-cash consideration	$ —	$ 600
Right-of-use assets obtained in exchange for new operating lease liabilities	$ 2,856	$ 6,654

See accompanying notes to consolidated financial statements

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *(unaudited)*

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial statement preparation

The accompanying unaudited consolidated financial statements ("financial statements") of TrueBlue, Inc. (the "company," "TrueBlue," "we," "us," and "our") are prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") and rules and regulations of the Securities and Exchange Commission ("SEC") for interim financial information. Accordingly, certain information and footnote disclosures usually found in financial statements prepared in accordance with U.S. GAAP have been condensed or omitted. The financial statements reflect all adjustments which, in the opinion of management, are necessary to fairly state the financial statements for the interim periods presented. We follow the same accounting policies for preparing both quarterly and annual financial statements.

The preparation of the financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates. The results of operations for the twenty-six weeks ended June 29, 2025 are not necessarily indicative of the results expected for the full fiscal year nor for any other fiscal period.

These financial statements should be read in conjunction with the audited consolidated financial statements and related notes included in our Annual Report on Form 10-K for the fiscal year ended December 29, 2024.

Accounts receivable and allowance for credit losses

Accounts receivable are recorded at the invoiced amount. We establish an estimate for the allowance for credit losses resulting from the failure of our clients to make required payments by applying an aging schedule to pools of assets with similar risk characteristics. Based on an analysis of the risk characteristics of our clients and associated receivables, we have concluded our pools are as follows:

- PeopleReady (excluding RenewableWorks) has a large, diverse set of clients, generally with frequent, low dollar invoices due to the daily nature of the work we perform. This results in high turnover in accounts receivable.
- Centerline Drivers ("Centerline") has a mix of client sizes, many with low dollar weekly invoices, but other clients that are invoiced on a consolidated basis, resulting in a high concentration of revenue related to its top 10 clients. Payment terms are slightly longer than PeopleReady.
- Our PeopleScout and Healthcare Staffing Professionals ("HSP") brands have a smaller number of clients in a variety of industries, and are generally invoiced monthly on a consolidated basis. Invoice amounts are generally higher for these brands than our other businesses, with longer payment terms than PeopleReady and Centerline. These businesses also have significant balances due from governmental entities.
- Our Staff Management | SMX and SIMOS Insourcing Solutions brands have a smaller number of clients, and follow a contractual billing schedule. These clients generally operate in the manufacturing, warehousing and distribution industries and have longer payment terms than our other businesses.
- Our RenewableWorks brand has a small number of large clients that operate in the energy industry, generally with high dollar invoices, and follows a contractual billing schedule. Payment terms are slightly longer than most of our other businesses.

When specific clients are identified as no longer sharing the same risk profile as their current pool, they are removed from the pool and evaluated separately. The credit loss rates applied to each aging category by pool are based on current collection efforts, historical collection trends, write-off experience, client credit risk, current economic data and forecasted information. The allowance for credit loss is reviewed and represents our best estimate of the amount of expected credit losses. Past due or delinquent balances are identified based upon a review of aged receivables performed by collections and operations. Past due balances are written off when it is probable the receivable will not be collected. Changes in the allowance for credit losses are recorded in selling, general and administrative ("SG&A") expense on the Consolidated Statements of Operations and Comprehensive Income (Loss).

Goodwill and indefinite-lived intangible assets

We evaluate goodwill and indefinite-lived intangible assets for impairment on an annual basis as of the first day of our fiscal second quarter, or whenever events or circumstances make it more likely than not that an impairment may have occurred. These events or circumstances could include a significant change in general economic conditions, deterioration in industry environment, changes in cost factors, declining operating performance indicators, legal factors, competition, client engagement, changes in the carrying amount of net assets, a sale or disposition of a significant portion of a reporting unit, or a sustained decrease in stock price. We monitor the existence of potential impairment indicators throughout the fiscal year.

Goodwill

We test for goodwill impairment at the reporting unit level. We consider our reporting units to be our operating segments or one level below (the component level) based on our organizational structure. Our reporting units with remaining goodwill as of June 29, 2025 were Centerline, PeopleScout, and HSP.

When evaluating goodwill for impairment, we may first assess qualitative factors to determine whether it is more likely than not the fair value of a reporting unit is less than its carrying amount. Qualitative factors include macroeconomic conditions, industry and market conditions and overall company financial performance. If, after assessing the totality of events and circumstances, we determine that it is more likely than not the fair value of the reporting unit is greater than its carrying amount, the quantitative impairment test is unnecessary.

The quantitative impairment test, if necessary, involves comparing the fair value of each reporting unit to its carrying value, including goodwill. Fair value reflects the price a market participant would be willing to pay in a potential sale of the reporting unit. If the fair value exceeds the carrying value, we conclude that no goodwill impairment has occurred. If the carrying value of the reporting unit exceeds its fair value, we recognize an impairment loss in an amount equal to the excess, not to exceed the carrying value of the goodwill. We consider a reporting unit's fair value to be substantially in excess of its carrying value at a 20% premium or greater.

We performed our annual impairment test for goodwill as of the first day of the fiscal second quarter of 2025, which did not result in impairment of goodwill for any reporting unit. Refer to Note 6: *Goodwill and Intangible Assets* for additional details on the impairment test, valuation methodologies, and inputs used in the fair value measurements.

Indefinite-lived intangible assets

We have indefinite-lived intangible assets for trademarks related to businesses within our PeopleManagement and PeopleSolutions segments. We evaluate our indefinite-lived intangible assets for impairment on an annual basis as of the first day of our fiscal second quarter, or whenever events or circumstances make it more likely than not that an impairment may have occurred. These events or circumstances could include significant changes in general economic conditions, deterioration in industry environment, changes in cost factors, declining operating performance indicators, legal factors, competition, client engagement, or a sale or disposition of a significant portion of the business. We monitor the existence of potential impairment indicators throughout the fiscal year.

When evaluating indefinite-lived intangible assets for impairment, we may first assess qualitative factors to determine whether it is more likely than not the fair value of the indefinite-lived intangible asset is less than its carrying amount. Qualitative factors include macroeconomic conditions, industry and market conditions and overall company financial performance. If, after assessing the totality of events and circumstances, we determine that it is more likely than not the fair value of the indefinite-lived intangible asset is greater than its carrying amount, the quantitative impairment test is unnecessary.

The quantitative impairment test, if necessary, utilizes the relief from royalty method to determine the fair value of each of our trademarks. If the carrying value exceeds the fair value, we recognize an impairment loss in an amount equal to the excess, not to exceed the carrying value.

We performed our annual impairment test for indefinite-lived intangible assets as of the first day of the fiscal second quarter of 2025, which resulted in an impairment of $0.2 million to our SMX trademark. Refer to Note 6: *Goodwill and Intangible Assets* for additional details on the impairment test, impairment charges, valuation methodologies, and inputs used in the fair value measurements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *(unaudited)*

Government assistance

As there is limited U.S. GAAP accounting guidance specific to for-profit business entities that receive government assistance, we have elected to analogize to International Financial Reporting Standards ("IFRS"), specifically International Accounting Standards ("IAS") 20, *Accounting for Government Grants and Disclosures of Government Assistance.* Following IAS 20, we recognize government assistance on a systematic basis over the periods in which we recognize the related costs for which the grant is intended to compensate, but only when there is reasonable assurance we will comply with all conditions attached to the grant and there is reasonable assurance the assistance will be received. We have interpreted "reasonable assurance" to mean "probable," as defined in loss contingencies guidance in U.S. GAAP.

During the fiscal second quarter of 2025, we determined the reasonable assurance criteria was met for certain payroll tax credits for which recognition was previously deferred. As a result, $3.2 million and $6.0 million was recognized within cost of services and SG&A expense, respectively, on the Consolidated Statements of Operations and Comprehensive Income (Loss) for the twenty-six weeks ended June 29, 2025. This also resulted in a reversal of previously accrued interest related to these benefits of $2.1 million, offset by recognition of related professional fees of $0.6 million, which were recorded within interest and other income (expense), net and SG&A expense, respectively, on the Consolidated Statements of Operations and Comprehensive Income (Loss) for the twenty-six weeks ended June 29, 2025.

Based on the reasonable assurance criteria, we deferred recognition of certain benefits of $4.7 million and $15.7 million as of June 29, 2025 and December 29, 2024, respectively, until recognition becomes probable, which are included in accrued wages and benefits on our Consolidated Balance Sheets.

Recently adopted accounting standards

There were no new accounting standards adopted during the twenty-six weeks ended June 29, 2025 that had a material impact on our financial statements.

Recently issued accounting standards and disclosure rules not yet adopted

Disaggregation of income statement expenses

In November 2024, the Financial Accounting Standards Board ("FASB") issued ASU 2024-03, "Income Statement (Subtopic 220-40): Disaggregation of Income Statement Expenses," and in January 2025, the FASB issued ASU 2025-01, "Income Statement (Subtopic 220-40): Clarifying the Effective Date." ASU 2024-03 requires disclosures about specific types of expenses included in the expense captions presented in the income statement as well as disclosure about selling expenses. ASU 2024-03, as clarified by ASU 2025-01, is effective for fiscal years beginning after December 15, 2026 (2027 for TrueBlue) and interim periods beginning after December 15, 2027 (Q1 2028 for TrueBlue). We are currently evaluating the impact of this ASU on our required disclosures.

Income taxes

In December 2023, the FASB issued ASU 2023-09, "Income Taxes (Topic 740) - *Improvements to Income Tax Disclosures*," which requires enhancements and further transparency to certain income tax disclosures, primarily to the tax rate reconciliation and income taxes paid. This ASU is effective for fiscal years beginning after December 15, 2024 (fiscal 2025 for TrueBlue), on a prospective basis with retrospective application permitted. We are currently evaluating the impact of this ASU on our required disclosures.

NOTE 2: ACQUISITION

Effective January 31, 2025, we acquired all of the outstanding equity interests of HSP. HSP is a long-term staffing and permanent hiring solutions provider, primarily focused on healthcare positions in the U.S. This acquisition allows us to expand revenue in the healthcare end-market while also diversifying our business.

Under the terms of the share purchase agreement, the base purchase price of $42.0 million was adjusted for estimated unpaid pre-close liabilities of the selling shareholders, cash acquired, and estimated excess working capital. The purchase price allocated to acquired assets and liabilities was cash consideration of $35.2 million. The purchase price is subject to further adjustment based on HSP's final pre-close liabilities and working capital amounts. As part of the share purchase agreement, certain HSP employees can earn up to an additional $14.0 million based on the financial performance of the business over the next two years, which we have concluded should be treated as compensation expense. Any amounts probable of being paid out under the agreement are expensed over the required service period. We incurred acquisition-related costs of $0.8 million for the twenty-six weeks ended June 29, 2025, which are included in SG&A expense on the Consolidated Statements of Operations and Comprehensive Income (Loss).

The following table reflects our preliminary allocation of the purchase price to our best estimate of the fair value of assets acquired and liabilities assumed using information available as of the acquisition date. Immaterial measurement period adjustments made to the fair value of assets acquired and liabilities assumed during the fiscal second quarter of 2025 have been reflected in the table below. Our preliminary purchase price allocation may be adjusted further as more information becomes available about facts and circumstances that existed as of the acquisition date, primarily related to the settlement of assets and liabilities acquired.

(in thousands)		Purchase price allocation
Purchase price allocated as follows:		
Cash and cash equivalents	$	5,042
Accounts receivable		13,735
Prepaid expenses, deposits and other current assets		216
Operating lease right-of-use assets		97
Intangible assets		14,950
Total assets acquired		34,040
Accounts payable and other accrued expenses		2,233
Accrued wages and benefits		10,369
Income tax payable		3,650
Operating lease liabilities		97
Total liabilities assumed		16,349
Net identifiable assets acquired		17,691
Goodwill (1)		17,491
Total cash consideration transferred	$	35,182

(1) Goodwill represents the expected synergies with our existing businesses, the acquired assembled workforce, potential new clients and future cash flows after the acquisition of HSP, and is deductible for income tax purposes.

Intangible assets include identifiable intangible assets for customer relationships and trade names/trademarks. We estimated the preliminary fair value of the acquired identifiable intangible assets, which are subject to straight line amortization, using an income approach. These fair value measurements were based on Level 3 inputs under the fair value hierarchy.

The following table sets forth the components of identifiable intangible assets acquired, including immaterial measurement period adjustments, as of January 31, 2025:

(in thousands, except percentages and estimated useful lives, in years)		Estimated fair value	Estimated useful life in years	Valuation method	Discount rate
Customer relationships	$	14,300	6	Multi-period excess earnings	17.0%
Trade names/trademarks		650	7	Relief from royalty	17.0%
Total acquired identifiable intangible assets	$	14,950			

The acquired assets and assumed liabilities of HSP are included on our Consolidated Balance Sheets as of June 29, 2025, and the results of its operations are reported on our Consolidated Statements of Operations and Comprehensive Income (Loss) for the period from February 1, 2025 to June 29, 2025. The amount of revenue and income from operations for HSP included on our Consolidated Statements of Operations and Comprehensive Income (Loss) was $27.7 million and $0.6 million for the twenty-six weeks ended June 29, 2025, respectively. HSP results have been combined with our historical PeopleScout segment, which was renamed PeopleSolutions beginning in 2025. We concluded the acquisition of HSP was not material to our consolidated results of operations and, as such, pro forma financial information was not required.

NOTE 3: FAIR VALUE MEASUREMENT

Assets measured at fair value on a recurring basis

Our assets measured at fair value on a recurring basis consisted of the following:

(in thousands)	June 29, 2025 Total fair value	Quoted prices in active markets for identical assets (level 1)	Significant other observable inputs (level 2)	Significant unobservable inputs (level 3)
Cash and cash equivalents	$ 21,899	$ 21,899	$ —	$ —
Restricted cash and cash equivalents	30,549	30,549	—	—
Cash, cash equivalents and restricted cash and cash equivalents (1)	$ 52,448	$ 52,448	$ —	$ —
Municipal debt securities	$ 18,516	$ —	$ 18,516	$ —
Corporate debt securities	55,341	—	55,341	—
Agency mortgage-backed securities	5,385	—	5,385	—
U.S. government and agency securities	982	—	982	—
Restricted investments classified as held-to-maturity (2)	$ 80,224	$ —	$ 80,224	$ —

(in thousands)	December 29, 2024 Total fair value	Quoted prices in active markets for identical assets (level 1)	Significant other observable inputs (level 2)	Significant unobservable inputs (level 3)
Cash and cash equivalents	$ 22,536	$ 22,536	$ —	$ —
Restricted cash and cash equivalents	38,564	38,564	—	—
Cash, cash equivalents and restricted cash and cash equivalents (1)	$ 61,100	$ 61,100	$ —	$ —
Municipal debt securities	$ 22,355	$ —	$ 22,355	$ —
Corporate debt securities	63,512	—	63,512	—
Agency mortgage-backed securities	11,754	—	11,754	—
U.S. government and agency securities	971	—	971	—
Restricted investments classified as held-to-maturity (2)	$ 98,592	$ —	$ 98,592	$ —

(1) Cash, cash equivalents and restricted cash and cash equivalents include money market funds and deposits.
(2) Refer to Note 4: *Restricted Cash, Cash Equivalents and Investments* for additional details on our held-to-maturity debt securities.

Assets measured at fair value on a nonrecurring basis

In addition to assets that are recorded at fair value on a recurring basis, impairment tests may subject our reporting units with goodwill and other intangible assets to nonrecurring fair value measurement. We performed our annual impairment tests for goodwill and indefinite-lived intangible assets as of the first day of fiscal second quarter of 2025. Refer to Note 6: *Goodwill and Intangible Assets* for additional details on the impairment charges, valuation methodologies, and inputs used in the fair value measurements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *(unaudited)*

For our annual goodwill impairment test as of the first day of fiscal second quarter of 2025, the fair value of each reporting unit was estimated using an equal weighting of the income and market approaches. The various inputs to these fair value models are considered Level 3. As a result of the test, all of our reporting units with remaining goodwill had a fair value in excess of their respective carrying value.

For our annual indefinite-lived intangible asset impairment test as of the first day of fiscal second quarter of 2025, the fair value of our trademarks were estimated utilizing the relief from royalty method. The various inputs to this fair value model are considered Level 3. As a result of the test, our SMX trademark with a carrying value of $2.7 million was written down to its fair value, and an impairment charge of $0.2 million was recognized on our Consolidated Statements of Operations and Comprehensive Income (Loss) for the thirteen and twenty-six weeks ended June 29, 2025.

NOTE 4: RESTRICTED CASH, CASH EQUIVALENTS AND INVESTMENTS

The following is a summary of the carrying value of our restricted cash, cash equivalents and investments:

(in thousands)	June 29, 2025	December 29, 2024
Cash collateral held by insurance carriers	$ 7,625	$ 22,387
Cash and cash equivalents held in Trust	22,620	15,406
Investments held in Trust	80,218	99,506
Company-owned life insurance policies	43,287	41,846
Other restricted cash and cash equivalents	304	771
Total restricted cash, cash equivalents and investments	$ 154,054	$ 179,916

Held-to-maturity

Restricted cash, cash equivalents and investments include collateral that has been provided or pledged to insurance carriers for workers' compensation and state workers' compensation programs. Our insurance carriers and certain state workers' compensation programs require us to collateralize a portion of our workers' compensation obligation. The collateral typically takes the form of cash and cash equivalents and highly rated investment grade securities, primarily in debt and asset-backed securities. The majority of our collateral obligations are held in a trust at the Bank of New York Mellon ("Trust").

The amortized cost and estimated fair value of each of our held-to-maturity investments held in Trust, aggregated by investment category as of June 29, 2025 and December 29, 2024, were as follows:

	June 29, 2025			
(in thousands)	Amortized cost	Gross unrealized gains	Gross unrealized losses	Fair value
Municipal debt securities	$ 18,544	$ —	$ (28)	$ 18,516
Corporate debt securities	55,343	429	(431)	55,341
Agency mortgage-backed securities	5,333	52	—	5,385
U.S. government and agency securities	998	—	(16)	982
Total held-to-maturity investments	$ 80,218	$ 481	$ (475)	$ 80,224

	December 29, 2024			
(in thousands)	Amortized cost	Gross unrealized gains	Gross unrealized losses	Fair value
Municipal debt securities	$ 22,490	$ —	$ (135)	$ 22,355
Corporate debt securities	64,313	144	(945)	63,512
Agency mortgage-backed securities	11,703	68	(17)	11,754
U.S. government and agency securities	1,000	—	(29)	971
Total held-to-maturity investments	$ 99,506	$ 212	$ (1,126)	$ 98,592

The amortized cost and fair value by contractual maturity of our held-to-maturity investments are as follows:

	June 29, 2025	
(in thousands)	Amortized cost	Fair value
Due in one year or less	$ 35,648	$ 35,418
Due after one year through five years	44,570	44,806
Total held-to-maturity investments	$ 80,218	$ 80,224

Actual maturities may differ from contractual maturities because the issuers of certain debt securities have the right to call or prepay their obligations without penalty. We have no significant concentrations of counterparties in our held-to-maturity investment portfolio.

Company-owned life insurance policies

We hold company-owned life insurance policies to support our deferred compensation liability. Unrealized gains and losses related to investments still held at June 29, 2025 and June 30, 2024, which are included in SG&A expense on our Consolidated Statements of Operations and Comprehensive Income (Loss), were as follows:

	Thirteen weeks ended		Twenty-six weeks ended	
(in thousands)	June 29, 2025	June 30, 2024	June 29, 2025	June 30, 2024
Unrealized gains	$ 2,846	$ 303	$ 1,441	$ 2,722

NOTE 5: SUPPLEMENTAL BALANCE SHEET INFORMATION

Accounts receivable allowance for credit losses

The activity related to the accounts receivable allowance for credit losses was as follows:

	Twenty-six weeks ended	
(in thousands)	June 29, 2025	June 30, 2024
Beginning balance	$ 1,009	$ 2,005
Current period provision	435	630
Write-offs	(568)	(1,785)
Foreign currency translation	—	(1)
Ending balance	$ 876	$ 849

Prepaid expenses and other current assets

The balance of prepaid expenses and other current assets was made up of the following:

(in thousands)	June 29, 2025	December 29, 2024
Prepaid software agreements	$ 9,020	$ 8,501
Other prepaid expenses	4,728	6,329
Assets held-for-sale	11,759	11,759
Other current assets	9,377	5,197
Prepaid expenses and other current assets	$ 34,884	$ 31,786

Assets held-for-sale

As of June 29, 2025 and December 29, 2024, all criteria for classifying our Tacoma headquarters office building as held-for-sale were met. Completion of the sale of the building is expected within a year from June 29, 2025. The estimated fair value of the disposal group, less costs to sell, continues to exceed its carrying value of $11.8 million, and therefore no impairment charge was recorded during the twenty-six weeks ended June 29, 2025.

Other current liabilities

The balance of other current liabilities was made up of the following:

(in thousands)	June 29, 2025	December 29, 2024
Contingent legal liabilities	$ 7,332	$ 3,298
Other current liabilities	2,754	3,677
Other current liabilities	$ 10,086	$ 6,975

NOTE 6: GOODWILL AND INTANGIBLE ASSETS

Goodwill

The following table reflects changes in the carrying amount of goodwill during the period by reportable segment:

(in thousands)	PeopleReady	PeopleManagement	PeopleSolutions	Total company
Balance at December 29, 2024				
Goodwill before impairment	$ 105,284	$ 81,092	$ 141,694	$ 328,070
Accumulated impairment charge	(105,284)	(79,601)	(118,642)	(303,527)
Goodwill	—	1,491	23,052	24,543
Acquired goodwill (1)	—	—	17,491	17,491
Foreign currency translation	—	—	535	535
Balance at June 29, 2025				
Goodwill before impairment	105,284	81,092	159,720	346,096
Accumulated impairment charge	(105,284)	(79,601)	(118,642)	(303,527)
Goodwill	$ —	$ 1,491	$ 41,078	$ 42,569

(1) Effective January 31, 2025, the company acquired HSP. The goodwill associated with the acquisition has been assigned to the HSP reporting unit, and included within the PeopleSolutions reportable segment (previously known as PeopleScout) based on our preliminary purchase price allocation. Refer to Note 2: *Acquisition* for additional details.

Effective March 31, 2025 (the first day of our fiscal second quarter of 2025), we combined our PeopleScout RPO and PeopleScout MSP reporting units into one reporting unit, PeopleScout. This change coincided with the elimination of PeopleScout MSP as an operating segment within the PeopleSolutions reportable segment (refer to Note 13: *Segment Information* for additional details). Immediately before the combination, we tested the PeopleScout RPO reporting unit, with a remaining goodwill balance of $22.4 million, and the PeopleScout MSP reporting unit, with a remaining goodwill balance of $0.8 million, for impairment. The PeopleScout RPO reporting unit's fair value was substantially in excess of its carrying value, and the PeopleScout MSP reporting unit's fair value approximated its carrying value. After combining the reporting units, the fair value of the PeopleScout reporting unit was substantially in excess of its carrying value. As a result, no impairment charge was recognized.

We performed our annual impairment test as of the first day of our fiscal second quarter of 2025, for our reporting units with remaining goodwill: Centerline, PeopleScout and HSP. The fair value of each reporting unit was estimated using a weighting of the income and market valuation approaches. The income approach applied a fair value methodology to each reporting unit based on discounted cash flows. This analysis requires significant judgments, including estimation of future cash flows, which is dependent on internally-developed forecasts, estimation of the long-term rate of growth for our business, estimation of the useful life over which cash flows will occur, and determination of our weighted average cost of capital, which is risk-adjusted to reflect the specific risk profile of the reporting unit being tested. The weighted average cost of capital used in our most recent impairment test ranged from 14.5% to 16.5%. We also applied a market approach, which develops a value correlation based on the market capitalization of similar publicly traded companies, referred to as a multiple, to apply to the operating results of the reporting units. The primary market multiples to which we compare are revenue and earnings before interest, taxes, depreciation, and amortization. The income and market approaches were equally weighted in our most recent annual impairment test.

The combined fair values for all reporting units were then reconciled to our aggregate market value of our shares of common stock on the date of valuation, while considering a reasonable control premium. We consider a reporting unit's fair value to be substantially in excess of its carrying value at a 20% premium or greater. Based on our annual impairment test, all of our reporting units' fair values were substantially in excess of their respective carrying values, except for HSP, for which the estimated fair value was in excess of its carrying value by approximately 5%. This level of headroom is expected, due to the short amount of time that has passed between the acquisition date, when the carrying value of the reporting unit approximated its fair value, and our annual impairment test as of the first day of our fiscal second quarter of 2025. The goodwill balance for HSP as of June 29, 2025 was $17.5 million. Any significant adverse change in our near- or long-term projections or macroeconomic conditions could result in future impairment charges. We will continue to closely monitor the operational performance of this reporting unit.

Additionally, following performance of the annual impairment test we did not identify any events or conditions that make it more likely than not that an impairment may have occurred during the thirteen weeks ended June 29, 2025. Accordingly, no impairment charge was recognized during the thirteen or twenty-six weeks ended June 29, 2025.

Intangible assets

Finite-lived intangible assets

The following table presents our purchased finite-lived intangible assets:

	June 29, 2025			December 29, 2024		
(in thousands)	Gross carrying amount	Accumulated amortization	Net carrying amount	Gross carrying amount	Accumulated amortization	Net carrying amount
Finite-lived intangible assets (1):						
Customer relationships	$ 14,300	$ (993)	$ 13,307	$ 2,637	$ (2,448)	$ 189
Trade names/trademarks	2,434	(931)	1,503	1,632	(758)	874
Total finite-lived intangible assets	$ 16,734	$ (1,924)	$ 14,810	$ 4,269	$ (3,206)	$ 1,063

(1) Excludes assets that are fully amortized.

The gross carrying amounts as of June 29, 2025 include preliminary fair valuation of customer relationships and trade names/trademarks of $14.3 million and $0.7 million, respectively, related to the acquisition of HSP. Refer to Note 2: *Acquisition* for additional details.

Amortization expense of our finite-lived intangible assets was $1.3 million and $2.9 million for the twenty-six weeks ended June 29, 2025 and June 30, 2024, respectively.

We did not identify any events or conditions that make it more likely than not an impairment of our finite-lived intangible assets may have occurred during the thirteen or twenty-six weeks ended June 29, 2025.

Indefinite-lived intangible assets

We held indefinite-lived trademarks of $4.6 million and $4.8 million as of June 29, 2025 and December 29, 2024, respectively, related to brands within our PeopleManagement and PeopleSolutions segments.

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As a result of our annual impairment test as of the first day of our fiscal second quarter of 2025, we concluded that the carrying amount of a trademark related to the PeopleManagement segment exceeded its estimated fair value and we recorded a non-cash impairment charge of $0.2 million, which was included in goodwill and intangible asset impairment charge on our Consolidated Statements of Operations and Comprehensive Income (Loss) for the thirteen and twenty-six weeks ended June 29, 2025. The charge was primarily driven by an increase in the discount rate of 1.0% since our last impairment test. The remaining balance for this trademark was $2.5 million as of June 29, 2025. The fair value of the trademark related to the PeopleSolutions segment was in excess of its carrying amount of $2.1 million as of June 29, 2025, and therefore did not result in an impairment.

Additionally, following performance of the annual impairment test, we did not identify any additional events or conditions that make it more likely than not an additional impairment may have occurred. Accordingly, no further impairment charge was recognized during the thirteen or twenty-six weeks ended June 29, 2025.

NOTE 7: WORKERS' COMPENSATION INSURANCE AND RESERVES

We provide workers' compensation insurance for our associates and permanent employees. The majority of our current workers' compensation insurance policies cover claims for a particular event above our $5.0 million deductible limit, on a "per occurrence" basis. This results in our business being substantially self-insured.

Our workers' compensation reserve for claims below the deductible limit is discounted to its estimated net present value. The discount rates used to estimate net present value are based on average returns of "risk-free" U.S. Treasury instruments available during the year in which the liability was incurred and the weighted average duration of the payments against the self-insured claims. Payments made against self-insured claims are made over a weighted average period of approximately 4 years as of June 29, 2025. The weighted average discount rate was 3.0% and 2.7% at June 29, 2025 and December 29, 2024, respectively.

The following table presents a reconciliation of the undiscounted workers' compensation reserve to the discounted workers' compensation reserve for the periods presented:

(in thousands)	June 29, 2025	December 29, 2024
Undiscounted workers' compensation reserve (1)	$ 120,421	$ 152,803
Less discount on workers' compensation reserve	10,969	13,011
Workers' compensation reserve, net of discount	109,452	139,792
Less current portion	28,296	34,729
Long-term portion	$ 81,156	$ 105,063

(1) Amounts shown are net of discount related to claims above our self-insured limits ("excess claims").

Payments made against self-insured claims were $23.3 million and $21.6 million for the twenty-six weeks ended June 29, 2025 and June 30, 2024, respectively.

Our workers' compensation reserve includes estimated expenses related to claims above our self-insured limits ("excess claims"), and we record a corresponding receivable for the insurance coverage on excess claims based on the contractual policy agreements we have with insurance carriers. We discount this reserve and corresponding receivable to its estimated net present value using the discount rates based on average returns of "risk-free" U.S. Treasury instruments available during the year in which the liability was incurred and the weighted average duration of the payments against the excess claims. The discounted workers' compensation reserve for excess claims was $28.4 million and $38.6 million as of June 29, 2025 and December 29, 2024, respectively. The discounted receivables from insurance companies, net of valuation allowance, were $28.3 million and $38.3 million as of June 29, 2025 and December 29, 2024, respectively.

Workers' compensation cost consists primarily of changes in self-insurance reserves net of changes in discount, monopolistic jurisdictions' premiums, insurance premiums and other miscellaneous expenses. Workers' compensation cost of $5.3 million and $4.8 million was recorded in cost of services on our Consolidated Statements of Operations and Comprehensive Income (Loss) for the thirteen weeks ended June 29, 2025 and June 30, 2024, respectively, and $6.5 million and $10.1 million for the twenty-six weeks ended June 29, 2025 and June 30, 2024, respectively.

NOTE 8: LONG-TERM DEBT

We have a revolving credit agreement with Bank of America, N.A., PNC Bank, N.A., HSBC Bank USA, N.A., Wells Fargo Bank, N.A., and Key Bank, N.A. dated as of February 9, 2024 (the “Revolving Credit Facility”). The Revolving Credit Facility provides for a revolving line of credit of up to $255.0 million, and matures on February 9, 2029. We have an option to increase the amount to $405.0 million, subject to lender approval. Included in the Revolving Credit Facility is a $25.0 million sub-limit for “Swingline” loans and a $25.0 million sub-limit for letters of credit. On June 27, 2025, we entered into the first amendment to our credit agreement (“First Amendment”), which modified the definition of “Consolidated EBITDA” in our financial covenants to exclude certain workforce reduction and lease exit costs for a limited period, as well as certain other provisions of the Revolving Credit Facility.

As of June 29, 2025, $53.8 million was drawn on the Revolving Credit Facility, which included $40.0 million of one-month Term Secured Overnight Financing Rate (“SOFR”) Loans and $13.8 million of Swingline loans, while $2.7 million was utilized by outstanding standby letters of credit, leaving $198.5 million unused under the Revolving Credit Facility. We are constrained by our most restrictive covenant, making $79.0 million available for additional borrowing. As of December 29, 2024, $7.6 million was drawn on the Revolving Credit Facility as a Swingline loan and $2.7 million was utilized by outstanding standby letters of credit.

Under the terms of the Revolving Credit Facility, we have the option to borrow funds under the revolving line of credit as a Term SOFR Loan, for a one-, three- or six-month term, or as a Base Rate Loan, as defined in the Revolving Credit Facility. Under a Term SOFR Loan, we are required to pay a variable rate of interest on funds borrowed based on the Term SOFR Screen Rate two days prior for the equivalent term, plus an adjustment of 0.10%, plus an applicable spread between 1.75% and 3.50%. Under a Base Rate Loan we are required to pay a variable rate of interest on funds borrowed based on a base rate plus an applicable spread between 0.75% and 2.50%. The base rate is the greater of the one-month Term SOFR Screen Rate two days prior plus 1.00%, the prime rate (as announced by Bank of America), or the federal funds rate plus 0.50%. The applicable spread is determined by the consolidated leverage ratio, as defined in the Revolving Credit Facility. As of June 29, 2025, the outstanding balance under Term SOFR loans carried an applicable spread on the base rate of 3.50% and a base rate of 4.42%, resulting in an interest rate of 7.92%. The Term SOFR loans were primarily used to fund the acquisition of HSP.

Under a Swingline loan, we are required to pay a variable rate of interest on funds borrowed based on the base rate plus applicable spread between 0.75% and 2.50%, as described above. As of June 29, 2025, the applicable spread on the base rate was 2.50% and the base rate was 7.50%, resulting in an interest rate of 10.00%.

A commitment fee between 0.35% and 0.50% is applied against the Revolving Credit Facility’s unused borrowing capacity, with the specific rate determined by the consolidated leverage ratio, as defined in the Revolving Credit Facility. Letters of credit are priced at a margin between 1.50% and 3.25%, with the specific rate determined by the consolidated leverage ratio, plus a fronting fee of 0.25%.

Obligations under the Revolving Credit Facility are guaranteed by TrueBlue and material U.S. domestic subsidiaries, and are secured by substantially all of the assets of TrueBlue and material U.S. domestic subsidiaries. The Revolving Credit Facility contains customary representations and warranties, events of default, and affirmative and negative covenants, including, among others, financial covenants.

The following financial covenants, as defined in the First Amendment of our Revolving Credit Facility, were in effect as of June 29, 2025:

- Consolidated fixed charge coverage ratio greater than 1.25, defined as the ratio of (a) trailing twelve months Consolidated EBITDA, adjusted for certain cash inflows and outflows to (b) cash interest expense. As of June 29, 2025, our consolidated fixed charge coverage ratio was 4.17.
- Asset coverage ratio of greater than 1.00, defined as the ratio of (a) 60% of accounts receivable to (b) total debt outstanding less unrestricted cash in excess of $50.0 million, subject to certain minimums. Under this covenant we are limited to $25.0 million in aggregate share repurchases in any twelve-month period. As of June 29, 2025, our asset coverage ratio was 2.40.

The following financial covenant, as defined in the Revolving Credit Facility, will replace the asset coverage ratio beginning the fiscal first quarter of 2026, or earlier at our discretion, subject to the terms of the agreement:

- Consolidated leverage ratio less than 3.00, defined as our funded indebtedness divided by trailing twelve months Consolidated EBITDA, as defined in the Revolving Credit Facility.

As of June 29, 2025, we were in compliance with all effective covenants related to the Revolving Credit Facility.

NOTE 9: COMMITMENTS AND CONTINGENCIES

Workers' compensation commitments

We have provided our insurance carriers and certain states with commitments in the form and amounts listed below:

(in thousands)	June 29, 2025	December 29, 2024
Cash collateral held by workers' compensation insurance carriers	$ 3,321	$ 18,082
Cash and cash equivalents held in Trust	22,620	15,406
Investments held in Trust	80,218	99,506
Letters of credit (1)	2,605	2,605
Surety bonds (2)	21,116	19,831
Total collateral commitments	$ 129,880	$ 155,430

(1) We have agreements with certain financial institutions to issue letters of credit as collateral.
(2) Our surety bonds are issued by independent insurance companies on our behalf and bear annual fees based on a percentage of the bond, which are determined by each independent surety carrier. These fees do not exceed 2.0% of the bond amount, subject to a minimum charge. The terms of these bonds are subject to review and renewal every one to four years and most bonds can be canceled by the sureties with as little as 60 days' notice.

Legal contingencies and developments

We are involved in various proceedings arising in the normal course of conducting business. We believe the liabilities included in our financial statements reflect the probable loss that can be reasonably estimated and are immaterial. We also believe that the aggregate range of reasonably possible losses for the Company's exposure in excess of the amount accrued is expected to be immaterial to the Company. It remains possible that despite our current belief, material differences in actual outcomes or changes in management's evaluation or predictions could arise that could have a material effect on the Company's financial condition, results of operations or cash flows.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *(unaudited)*

NOTE 10: SHAREHOLDERS' EQUITY

Changes in the balance of each component of shareholders' equity during the reporting periods were as follows:

	Thirteen weeks ended		Twenty-six weeks ended	
(in thousands)	June 29, 2025	June 30, 2024	June 29, 2025	June 30, 2024
Common stock shares				
Beginning balance	29,833	30,554	29,588	31,246
Purchases and retirement of common stock	—	(632)	—	(1,489)
Net issuance under equity plans, including tax benefits	59	37	304	202
Ending balance	29,892	29,959	29,892	29,959
Common stock amount				
Beginning balance	$ 1	$ 1	$ 1	$ 1
Current period activity	—	—	—	—
Ending balance	1	1	1	1
Retained earnings				
Beginning balance	324,438	467,133	337,551	478,584
Net income (loss)	(160)	(104,710)	(14,508)	(106,408)
Purchases and retirement of common stock (1)	—	(6,919)	—	(16,986)
Net issuance under equity plans, including tax benefits	139	66	(686)	(1,722)
Stock-based compensation	2,361	2,742	4,421	4,844
Ending balance	326,778	358,312	326,778	358,312
Accumulated other comprehensive income (loss)				
Beginning balance, net of tax	(22,222)	(20,770)	(22,193)	(20,712)
Foreign currency translation adjustment before reclassification	635	221	606	1,136
Reclassified from accumulated other comprehensive income (loss) (2)	—	—	—	(973)
Foreign currency translation adjustment	635	221	606	163
Ending balance, net of tax	(21,587)	(20,549)	(21,587)	(20,549)
Total shareholders' equity ending balance	$ 305,192	$ 337,764	$ 305,192	$ 337,764

(1) Under applicable Washington State law, shares purchased are not displayed separately as treasury stock on our Consolidated Balance Sheets and are treated as authorized but unissued shares. It is our accounting policy to first record these purchases and the related excise tax as a reduction to our common stock account. Once the common stock account has been reduced to a nominal balance, remaining purchases are recorded as a reduction to our retained earnings. Furthermore, activity in our common stock account related to stock-based compensation is also recorded to retained earnings until such time as the reduction to retained earnings due to stock repurchases has been recovered.

(2) Foreign currency translation adjustments related to Labour Ready Temporary Services, Ltd. ("PeopleReady Canada") that were recognized through net income (loss) upon the divestiture of the business during the twenty-six weeks ended June 30, 2024.

Shareholder Rights Agreement

On May 14, 2025, our Board of Directors ("Board") adopted a limited duration shareholder rights agreement (the "Rights Agreement"). Pursuant to the Rights Agreement, TrueBlue issued, by means of a dividend, one preferred share purchase right (a "Right") for each outstanding share of TrueBlue common stock to shareholders of record on May 28, 2025. Initially, these Rights are not exercisable and will trade with, and be represented by, the shares of TrueBlue common stock. If exercisable, each Right will entitle the registered holder to purchase from the Company one one-hundredth of a share of Series A Junior Participating Preferred Stock (the "Series A Preferred") of the Company at a price of $30 per one one-hundredth of a share of Series A Preferred, subject to certain anti-dilution adjustments.

The Rights are not exercisable until the earlier of (a) ten days after a public announcement that a person or group has acquired, or obtained the right to acquire, beneficial ownership of 15% (or 20% in the case of a passive institutional investor) or more of TrueBlue common stock (including certain synthetic equity positions created by derivative securities, which are treated as beneficial ownership of the number of shares of TrueBlue common stock equivalent to the economic exposure created by the synthetic equity position, subject to certain specified conditions) (an "Acquiring Person") or (b) ten business days (or a later date determined by our Board) after a person or group begins a tender or an exchange offer that, if completed, would result in that person or group becoming an Acquiring Person.

The Rights Agreement will expire on May 13, 2026, unless prior to such date shareholder approval has been obtained to extend the term of the Rights Agreement, or the Rights are earlier redeemed, exchanged or terminated by the Company, as provided in the Rights Agreement.

The Rights Agreement is intended to reduce the likelihood that any entity, person or group is able to gain control of TrueBlue through open market accumulation without paying all shareholders an appropriate control premium or providing the Board with sufficient opportunity to make informed judgments and take actions that are in the best interests of all shareholders. The Rights Agreement is not intended to interfere with any merger or other business combinations approved by the Board.

NOTE 11: INCOME TAXES

Our income tax provision for interim periods is determined using an estimate of our annual effective tax rate, adjusted for any discrete items that are taken into account in the relevant period. Each quarter we update our estimate of the annual effective tax rate and, if our estimated tax rate changes, we make a cumulative adjustment. Our quarterly tax provision and quarterly estimate of our annual effective tax rate are subject to variation due to several factors, including variability in accurately predicting our full year pre-tax income or loss by jurisdiction, tax credits, government audit developments, changes in laws, regulations and administrative practices, valuation allowances recorded on deferred tax assets, and relative changes in expenses or losses for which tax benefits are not recognized. Additionally, our effective tax rate can be more or less volatile based on the amount of pre-tax income or loss. For example, the impact of discrete items, tax credits, and non-deductible expenses on our effective tax rate is greater when our pre-tax income or loss is lower.

We recognize deferred tax assets to the extent we believe it is more likely than not the asset will be realized. Quarterly, management assesses the available positive and negative evidence to estimate whether sufficient future taxable income will be generated to permit the use of existing deferred tax assets, including future reversals of existing taxable temporary differences, projected taxable income, tax-planning strategies, carryback potential if permitted, and the results of recent operations. A significant piece of objective negative evidence is the existence of a three-year cumulative loss. Such objective negative evidence limits the ability of management to consider other subjective evidence, such as projected taxable income. When appropriate, we record a valuation allowance to reduce deferred tax assets to the amount that is more likely than not to be realized.

During the twenty-six weeks ended June 29, 2025, we performed our deferred tax asset realizability assessments and, as a result, we maintained a valuation allowance against our U.S. federal, state and certain foreign deferred tax assets. Our conclusion was driven by U.S. and foreign pre-tax losses beginning in 2023 and continuing into 2025, combined with the non-cash goodwill impairment charge of $59.1 million recorded during fiscal 2024.

Our effective income tax rate for the twenty-six weeks ended June 29, 2025 was (3.9)%. The difference between the statutory federal income tax rate of 21.0% and our effective tax rate was primarily due to the valuation allowance against our U.S. federal, state and certain foreign deferred tax assets.

On July 4, 2025, the One Big Beautiful Bill Act ("OBBBA") was enacted in the U.S. We are in the process of evaluating the impact of the OBBBA on our financial statements, but we do not anticipate it to be material.

NOTE 12: NET INCOME (LOSS) PER SHARE

Diluted common shares were calculated as follows:

(in thousands, except per share data)	Thirteen weeks ended June 29, 2025	Thirteen weeks ended June 30, 2024	Twenty-six weeks ended June 29, 2025	Twenty-six weeks ended June 30, 2024
Net income (loss)	$ (160)	$ (104,710)	$ (14,508)	$ (106,408)
Weighted average number of common shares used in basic net income (loss) per common share	29,856	30,349	29,777	30,725
Dilutive effect of non-vested stock-based awards	—	—	—	—
Weighted average number of common shares used in diluted net income (loss) per common share	29,856	30,349	29,777	30,725
Net income (loss) per common share:				
Basic	$ (0.01)	$ (3.45)	$ (0.49)	$ (3.46)
Diluted	$ (0.01)	$ (3.45)	$ (0.49)	$ (3.46)
Anti-dilutive shares	1,863	1,530	1,689	1,399

NOTE 13: SEGMENT INFORMATION

Our operating segments and reportable segments are described below:

Our **PeopleReady** reportable segment provides blue-collar, contingent staffing through the PeopleReady operating segment. PeopleReady provides on-demand and skilled labor in a broad range of industries that include construction, transportation, manufacturing, retail, hospitality and energy.

Our **PeopleManagement** reportable segment provides contingent labor and outsourced industrial workforce solutions, primarily on-site at the client's facility, through the following operating segments, which we have aggregated into one reportable segment in accordance with U.S. GAAP:

- *OnSite*: On-site management and recruitment for the contingent industrial workforce of manufacturing, warehousing and distribution facilities; and
- *Centerline*: Recruitment and management of contingent and dedicated commercial drivers to the transportation and distribution industries.

Our **PeopleSolutions** reportable segment provides professional and specialized talent acquisition solutions, as well as workforce management and compliance services.

During the fiscal first quarter of 2025, as a result of the HSP acquisition, we renamed our historical 'PeopleScout' reportable segment to 'PeopleSolutions'. During the fiscal second quarter of 2025, we eliminated PeopleScout MSP as an operating segment for segment reporting purposes, as our chief operating decision-maker ("CODM") no longer regularly reviews the operating results of PeopleScout MSP, consistent with our strategy to simplify our operational structure.

We evaluate performance based on segment revenue and segment profit (loss). Segment revenue is net of intercompany eliminations. Segment profit (loss) includes revenue, related cost of services, and ongoing operating expenses directly attributable to the reportable segment. Segment profit (loss) excludes goodwill and intangible asset impairment charges, depreciation and amortization expense, unallocated corporate general and administrative expense, interest and other income (expense), income taxes, and other costs and benefits not considered to be ongoing.

The following tables present our revenue from services by segment, with a reconciliation to total company revenue. Also, the tables present significant segment expense categories regularly provided to the CODM and included in the calculation of segment profit (loss). Cost of services and SG&A expense for the individual segments, as presented in the tables below, exclude certain costs and benefits that are also excluded from the calculation of segment profit (loss). Lastly, the tables include a reconciliation of segment profit (loss) to income (loss) before tax expense.

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	Thirteen weeks ended June 29, 2025			
(in thousands)	PeopleReady	PeopleManagement	PeopleSolutions	Total company
Revenue from services	$ 213,226	$ 133,895	$ 49,178	$ 396,299
Cost of services	158,267	113,065	33,469	
Selling, general and administrative expense	53,429	16,729	13,175	
Segment profit	$ 1,530	$ 4,101	$ 2,534	$ 8,165
Corporate unallocated				(5,520)
Third-party processing fees for hiring tax credits				60
Amortization of software as a service assets				(1,036)
Acquisition/integration costs				(153)
Goodwill and intangible asset impairment charge				(200)
COVID-19 government subsidies, net of fees				8,573
Workforce reduction costs				(3,445)
Other costs, net				(1,883)
Depreciation and amortization (inclusive of depreciation included in cost of services)				(7,502)
Income (loss) from operations				(2,941)
Interest and other income (expense), net				2,903
Income (loss) before tax expense				$ (38)

	Thirteen weeks ended June 30, 2024			
(in thousands)	PeopleReady	PeopleManagement	PeopleSolutions	Total company
Revenue from services	$ 223,409	$ 131,751	$ 41,070	$ 396,230
Cost of services	160,229	110,645	23,655	
Selling, general and administrative expense	62,786	17,711	13,985	
Segment profit	$ 394	$ 3,395	$ 3,430	$ 7,219
Corporate unallocated				(6,150)
Third-party processing fees for hiring tax credits				(90)
Amortization of software as a service assets				(1,452)
Goodwill and intangible asset impairment charge				(59,674)
PeopleReady technology upgrade costs				(39)
COVID-19 government subsidies, net of fees				9,696
Workforce reduction costs				(1,500)
Other costs, net				(279)
Depreciation and amortization				(7,691)
Income (loss) from operations				(59,960)
Interest and other income (expense), net				1,741
Income (loss) before tax expense				$ (58,219)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *(unaudited)*

	Twenty-six weeks ended June 29, 2025			
(in thousands)	PeopleReady	PeopleManagement	PeopleSolutions	Total company
Revenue from services	$ 402,531	$ 269,427	$ 94,595	$ 766,553
Cost of services	294,790	228,368	64,486	
Selling, general and administrative expense	109,185	34,064	25,623	
Segment profit (loss)	$ (1,444)	$ 6,995	$ 4,486	$ 10,037
Corporate unallocated				(11,314)
Third-party processing fees for hiring tax credits				(30)
Amortization of software as a service assets				(2,129)
Acquisition/integration costs				(863)
Goodwill and intangible asset impairment charge				(200)
COVID-19 government subsidies, net of fees				8,573
Workforce reduction costs				(4,845)
Other costs, net				(1,981)
Depreciation and amortization (inclusive of depreciation included in cost of services)				(14,312)
Income (loss) from operations				(17,064)
Interest and other income (expense), net				3,096
Income (loss) before tax expense				$ (13,968)

	Twenty-six weeks ended June 30, 2024			
(in thousands)	PeopleReady	PeopleManagement	PeopleSolutions	Total company
Revenue from services	$ 446,070	$ 265,611	$ 87,402	$ 799,083
Cost of services	323,001	223,680	51,219	
Selling, general and administrative expense	127,733	35,785	27,874	
Segment profit (loss)	$ (4,664)	$ 6,146	$ 8,309	$ 9,791
Corporate unallocated				(12,202)
Third-party processing fees for hiring tax credits				(180)
Amortization of software as a service assets				(2,795)
Goodwill and intangible asset impairment charge				(59,674)
PeopleReady technology upgrade costs				(424)
COVID-19 government subsidies, net of fees				9,652
Workforce reduction costs				(3,560)
Other costs, net				(428)
Depreciation and amortization				(15,649)
Income (loss) from operations				(75,469)
Interest and other income (expense), net				3,340
Income (loss) before tax expense				$ (72,129)

Asset information by reportable segment is not presented as we do not manage our segments on a balance sheet basis.

Item 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

COMMENT ON FORWARD-LOOKING STATEMENTS

Certain statements in this Form 10-Q, other than purely historical information, including estimates, projections, statements relating to our business plans, objectives and expected operating results, and the assumptions upon which those statements are based, are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements involve risks and uncertainties, and future events and circumstances could differ significantly from those anticipated in the forward-looking statements. These forward-looking statements generally are identified by the words “believe,” “project,” “expect,” “anticipate,” “estimate,” “intend,” “strategy,” “future,” “opportunity,” “goal,” “plan,” “may,” “should,” “will,” “would,” “will be,” “will continue,” “will likely result,” and similar expressions. Forward-looking statements are based on current expectations and assumptions that are subject to risks and uncertainties that may cause actual results to differ materially from those expressed or implied in our forward-looking statements, including the risks and uncertainties described in “Management’s Discussion and Analysis of Financial Condition and Results of Operations” (Part I, Item 2 of this Form 10-Q),“Quantitative and Qualitative Disclosures about Market Risk” (Part I, Item 3 of this Form 10-Q), and “Risk Factors” (Part II, Item 1A of this Form 10-Q). Except as required by law, we undertake no duty to update or revise publicly any of the forward-looking statements after the date of this report or to conform such statements to actual results or to changes in our expectations, whether because of new information, future events, or otherwise.

BUSINESS OVERVIEW

TrueBlue, Inc. (the “company,” “TrueBlue,” “we,” “us” and “our”) is a leading provider of digitally-enabled, specialized workforce solutions that connect employers and talent with precision and scale. Backed by decades of experience, a national footprint, an expansive talent network, deep local market insight, and global RPO reach, TrueBlue delivers total workforce solutions across the world's largest staffing markets. Client demand for contingent workforce solutions and outsourced recruiting services is cyclical and dependent on the overall strength of the economy and labor market, as well as trends in workforce flexibility. During periods of rising economic uncertainty, clients reduce their contingent labor in response to lower volumes and reduced appetite for expanding production or inventory, which reduces the demand for our services. That environment also reduces demand for permanent placement recruiting, whether outsourced or in-house. However, as the economy emerges from periods of uncertainty, contingent labor providers are uniquely positioned to respond quickly to increasing demand for labor and rapidly fill new or temporary positions, replace absent employees, and convert fixed labor costs to variable costs. Similarly, companies turn to hybrid or fully outsourced recruiting models during periods of rapid re-hiring and high employee turnover. Our business strategy is focused on accelerating growth to capture market share, while enhancing our long-term profitability. Key elements of this strategy include accelerating our digital transformation across the enterprise; strategically expanding our presence in high-growth, under-penetrated end markets as well as high-skill, high-value talent segments; optimizing our sales function to accelerate growth and capture market demand; and maintaining operational excellence to deliver efficiencies and enhance long-term profitability.

PeopleReady

PeopleReady provides clients with dependable access to qualified associates for their on-demand, contingent general and skilled labor needs to supplement their permanent workforce, across a broad range of industries including construction, transportation, manufacturing, retail, hospitality and energy. Our services range from providing one associate to hundreds, and are generally short-term in nature as they are filling the contingent staffing needs of our clients. PeopleReady connects our clients with individuals looking for work through our network of branches across all 50 states in the United States (“U.S.”) and Puerto Rico. Augmenting our branch network, our mobile app, JobStack®, connects people with on-demand work 24 hours a day, seven days a week. JobStack creates a digital exchange between our associates and clients, and allows our field resources to focus on sales, recruiting, and service delivery efforts. PeopleReady also connects skilled tradespeople with temporary work across a wide range of trades, including carpentry, electrical, plumbing, welding and energy installation positions through our PeopleReady Skilled Trades and RenewableWorks brands. Our primary focus at PeopleReady is the continued development of JobStack app features to enhance the user experience and create operational efficiencies, expansion in attractive end markets, and optimization of our business model to enable a renewed focus on sales growth.

PeopleManagement

PeopleManagement provides and manages contingent associates at clients’ facilities throughout the U.S., Canada and Puerto Rico, through our OnSite businesses. Our client engagements are generally multi-location and multi-year, and include scalable recruiting, screening, hiring and management of the contingent workforce. We deploy dedicated management and service teams that work side-by-side with a client’s full-time workforce. Our teams are an integral part of the production and logistics process, and specialize in labor-intensive manufacturing, warehousing and distribution. Our proprietary hiring and workforce management software (Stafftrack®) enables us to recruit and connect the best candidates with on-site assignments. PeopleManagement also provides dedicated and contingent commercial drivers to the transportation and distribution industries through our Centerline Drivers (“Centerline”) brand. Centerline matches drivers to each client’s specific needs, allowing them to improve productivity, control costs, ensure compliance and deliver improved service. Our primary focus at PeopleManagement is growing our client base across the transportation, manufacturing, and retail sectors, while creating efficiencies in our operating model.

PeopleSolutions

PeopleSolutions provides clients with services focusing on professional and specialized talent acquisition, as well as workforce management and compliance, across a wide variety of industries and primarily in the U.S., Canada, the United Kingdom and Australia. PeopleSolutions provides recruitment process outsourcing (“RPO”), healthcare talent acquisition services, managed service provider (“MSP”) solutions, and talent advisory services through our PeopleScout and Healthcare Staffing Professionals (“HSP”) brands. Our RPO solutions are generally multi-year in duration, highly scalable, and provide clients the support they need as their hiring volumes fluctuate. Our proprietary technology platform (Affinix®) uses artificial intelligence to rapidly source a qualified talent pool within minutes, and further engages candidates through a seamless digital experience. Our healthcare talent acquisition services include long-term staffing and permanent hiring solutions, primarily focused on serving governmental agencies and educational institutions. Our MSP business manages our clients’ contingent labor programs, including vendor selection, performance management, payrolling, compliance monitoring and risk management. Our primary focus at PeopleSolutions is leveraging our strong brand reputations, deep expertise, tailored solutions, expansive footprint and proprietary technology to continue gaining market share in high-growth and under-penetrated end-markets, and expanding in higher-skilled placements.

Fiscal second quarter of 2025 summary

Total company revenue was $396.3 million for the thirteen weeks ended June 29, 2025, relatively unchanged compared to the same period in the prior year. Demand for temporary labor and permanent hiring continues to be soft, as clients focus on reducing operating costs and remain uncertain about future workforce needs.

Total company gross profit as a percentage of revenue declined to 23.6% for the thirteen weeks ended June 29, 2025, compared to 26.4% for the same period in the prior year. The decline was primarily due to changes in revenue mix toward our lower margin staffing businesses.

Total company selling, general and administrative (“SG&A”) expense improved 7.4% to $89.8 million for the thirteen weeks ended June 29, 2025, compared to the same period in the prior year. SG&A expense improved as a result of operational cost management actions taken in response to the decline in demand for our services.

We recorded an intangible asset impairment charge of $0.2 million for the thirteen weeks ended June 29, 2025 related to a trademark within our PeopleManagement segment. For the same period in the prior year, we recorded goodwill and intangible asset impairment charges of $59.7 million, primarily related to our PeopleReady reporting unit.

Income tax expense was $0.1 million for the thirteen weeks ended June 29, 2025, compared to $46.5 million for the same period in the prior year. We continue to maintain a valuation allowance against our U.S. federal, state and certain foreign deferred tax assets initially established in the fiscal second quarter of 2024, resulting in no current period income tax benefit for these jurisdictions.

The items above resulted in a net loss of $0.2 million for the thirteen weeks ended June 29, 2025, compared to a net loss of $104.7 million for the same period in the prior year.

As of June 29, 2025, we had cash and cash equivalents of $21.9 million and outstanding debt of $53.8 million. As of June 29, 2025, $79.0 million was available under the most restrictive covenant of our revolving credit agreement (“Revolving Credit Facility”), for total liquidity of $100.9 million.

RESULTS OF OPERATIONS

Total company results

The following table presents selected financial data:

	Thirteen weeks ended				Twenty-six weeks ended			
(in thousands, except percentages and per share data)	Jun 29, 2025	% of revenue	Jun 30, 2024	% of revenue	Jun 29, 2025	% of revenue	Jun 30, 2024	% of revenue
Revenue from services	$ 396,299		$ 396,230		$ 766,553		$ 799,083	
Gross profit	$ 93,564	23.6 %	$ 104,423	26.4 %	$ 179,906	23.5 %	$ 203,809	25.5 %
Selling, general and administrative expense	89,798	22.7	97,018	24.5	184,419	24.1	203,955	25.5
Depreciation and amortization (exclusive of depreciation included in cost of services)	6,507	1.5	7,691	1.9	12,351	1.6	15,649	2.0
Goodwill and intangible asset impairment charge	200	0.1	59,674	15.1	200	0.0	59,674	7.4
Income (loss) from operations	(2,941)	(0.7)%	(59,960)	(15.1)%	(17,064)	(2.2)%	(75,469)	(9.4)%
Interest and other income (expense), net	2,903		1,741		3,096		3,340	
Income (loss) before tax expense	(38)		(58,219)		(13,968)		(72,129)	
Income tax expense	122		46,491		540		34,279	
Net income (loss)	$ (160)	0.0 %	$ (104,710)	(26.4)%	$ (14,508)	(1.9)%	$ (106,408)	(13.3)%
Net income (loss) per diluted share	$ (0.01)		$ (3.45)		$ (0.49)		$ (3.46)	

Revenue from services

	Thirteen weeks ended					Twenty-six weeks ended				
(in thousands, except percentages)	Jun 29, 2025	Growth (decline) %	Segment % of total	Jun 30, 2024	Segment % of total	Jun 29, 2025	Growth (decline) %	Segment % of total	Jun 30, 2024	Segment % of total
Revenue from services:										
PeopleReady	$ 213,226	(4.6)%	53.8 %	$ 223,409	56.4 %	$ 402,531	(9.8)%	52.5 %	$ 446,070	55.8 %
PeopleManagement	133,895	1.6 %	33.8	131,751	33.2	269,427	1.4 %	35.2	265,611	33.3
PeopleSolutions	49,178	19.7 %	12.4	41,070	10.4	94,595	8.2 %	12.3	87,402	10.9
Total company	$ 396,299	0.0 %	100.0 %	$ 396,230	100.0 %	$ 766,553	(4.1)%	100.0 %	$ 799,083	100.0 %

Total company revenue was relatively unchanged at $396.3 million for the thirteen weeks ended June 29, 2025, and declined 4.1% to $766.6 million for the twenty-six weeks ended June 29, 2025, compared to the same periods in the prior year. The acquisition of HSP in early 2025 contributed 4.1% and 3.5% of growth for the thirteen and twenty-six weeks ended June 29, 2025, respectively, partially offsetting organic revenue declines. Demand for temporary labor and permanent hiring continues to be soft, as clients are hesitant to make staffing decisions due to uncertainty around future workforce needs and are utilizing their existing workforce to reduce operating costs.

PeopleReady

PeopleReady revenue declined 4.6% to $213.2 million for the thirteen weeks ended June 29, 2025, and declined 9.8% to $402.5 million for the twenty-six weeks ended June 29, 2025, compared to the same periods in the prior year. PeopleReady revenue declined as a result of continued labor market uncertainty, leading our clients to reduce their dependence on contingent labor to supplement their core workforce. Declines in demand were seen across most industries and geographies within our on-demand business, partially offset by growth within our skilled business during the thirteen weeks ended June 29, 2025.

PeopleManagement

PeopleManagement revenue grew 1.6% to $133.9 million for the thirteen weeks ended June 29, 2025, and grew 1.4% to $269.4 million for the twenty-six weeks ended June 29, 2025, compared to the same periods in the prior year. PeopleManagement revenue grew as a result of strong demand within our commercial driving business. Growth from commercial driving was partially offset by declines within our OnSite business, as clients continue to be cautious to make significant changes to their workforce strategies after taking steps to reduce their dependence on variable labor.

PeopleSolutions

PeopleSolutions revenue grew 19.7% to $49.2 million for the thirteen weeks ended June 29, 2025, and grew 8.2% to $94.6 million for the twenty-six weeks ended June 29, 2025, compared to the same periods in the prior year. The acquisition of HSP in early 2025 contributed 39.9% and 31.7% of growth for the thirteen and twenty-six weeks ended June 29, 2025, respectively, compared to the same periods in the prior year. Organic revenue declined as labor market conditions have led to uncertainty around our clients future workforce needs, and clients continue to experience less employee turnover while also facing cost pressure. This has resulted in clients reducing hiring volumes, sourcing candidates with internal resources, and initiating hiring freezes to control costs. The decline in organic revenue was impacted by the loss of a large hospitality client in the prior year due to their decision to insource hiring for high-volume roles. Despite these challenges, we are executing our overall strategy of expanding into high-value professional roles and high-growth and under-penetrated end-markets with new business wins.

Gross profit

	Thirteen weeks ended		Twenty-six weeks ended	
(in thousands, except percentages)	Jun 29, 2025	Jun 30, 2024	Jun 29, 2025	Jun 30, 2024
Gross profit	$ 93,564	$ 104,423	$ 179,906	$ 203,809
Percentage of revenue	23.6 %	26.4 %	23.5 %	25.5 %

Gross profit as a percentage of revenue declined 280 basis points to 23.6% for the thirteen weeks ended June 29, 2025, compared to the same period in the prior year. Changes in revenue mix resulted in a contraction of 250 basis points, driven by revenue shifts toward our lower margin staffing businesses. Additional depreciation of certain software within PeopleSolutions, reported in cost of services, contributed 30 basis points of contraction.

Gross profit as a percentage of revenue declined 200 basis points to 23.5% for the twenty-six weeks ended June 29, 2025, compared to the same period in the prior year. Changes in revenue mix resulted in a contraction of 210 basis points, driven by revenue shifts toward our lower margin staffing businesses. Our staffing businesses contributed an additional 10 basis points of contraction as a result of pricing pressure typical of a low demand environment. Additional depreciation of certain software within PeopleSolutions, reported in cost of services, contributed 30 basis points of contraction. These contractions were partially offset by 50 basis points of expansion from lower workers’ compensation costs driven by favorable development of prior year reserves.

SG&A expense

	Thirteen weeks ended		Twenty-six weeks ended	
(in thousands, except percentages)	Jun 29, 2025	Jun 30, 2024	Jun 29, 2025	Jun 30, 2024
Selling, general and administrative expense	$ 89,798	$ 97,018	$ 184,419	$ 203,955
Percentage of revenue	22.7 %	24.5 %	24.1 %	25.5 %

Total company SG&A expense improved by $7.2 million, or 7.4% for the thirteen weeks ended June 29, 2025, and improved by $19.5 million, or 9.6% for the twenty-six weeks ended June 29, 2025, compared to the same periods in the prior year. Operational cost management actions executed in response to the decline in demand for our services have resulted in a leaner cost structure, which strategically positions us to drive stronger profitability as industry demand rebounds. The thirteen and twenty-six weeks ended June 29, 2025 included a benefit, net of related fees, of $5.4 million for recognition of certain COVID-19 government subsidies, compared to $6.8 million for the same periods in the prior year.

Depreciation and amortization

(in thousands, except percentages)	Thirteen weeks ended Jun 29, 2025	Thirteen weeks ended Jun 30, 2024	Twenty-six weeks ended Jun 29, 2025	Twenty-six weeks ended Jun 30, 2024
Depreciation and amortization (exclusive of depreciation included in cost of services)	$ 6,507	$ 7,691	$ 12,351	$ 15,649
Percentage of revenue	1.5 %	1.9 %	1.6 %	2.0 %

Depreciation and amortization decreased for the thirteen and twenty-six weeks ended June 29, 2025, compared to the same periods in the prior year, as certain intangible assets were fully amortized during 2024, primarily related to customer relationships. In the current year, depreciation of certain software within PeopleSolutions has been included in cost of services on our Consolidated Statements of Operations and Comprehensive Income (Loss).

Goodwill and intangible asset impairment charge

(in thousands)	Thirteen weeks ended Jun 29, 2025	Thirteen weeks ended Jun 30, 2024	Twenty-six weeks ended Jun 29, 2025	Twenty-six weeks ended Jun 30, 2024
Goodwill and intangible asset impairment charge	$ 200	$ 59,674	$ 200	$ 59,674

We performed our annual impairment test as of the first day of our fiscal second quarter of 2025. As a result of this impairment test, we concluded that a trademark related to our PeopleManagement segment exceeded its estimated fair value and we recorded a non-cash impairment charge of $0.2 million, which was included in goodwill and intangible asset impairment charge on our Consolidated Statements of Operations and Comprehensive Income (Loss) for the thirteen and twenty-six weeks ended June 29, 2025. The charge was primarily driven by an increase in the discount rate. The remaining balance for this trademark was $2.5 million as of June 29, 2025. See Note 6: *Goodwill and Intangible Assets*, to our consolidated financial statements found in Item 1 of this Quarterly Report on Form 10-Q, for additional details.

Income tax expense

(in thousands, except percentages)	Thirteen weeks ended Jun 29, 2025	Thirteen weeks ended Jun 30, 2024	Twenty-six weeks ended Jun 29, 2025	Twenty-six weeks ended Jun 30, 2024
Income (loss) before tax expense	$ (38)	$ (58,219)	$ (13,968)	$ (72,129)
Income tax expense	$ 122	$ 46,491	$ 540	$ 34,279
Effective income tax rate	(321.1)%	(79.9)%	(3.9)%	(47.5)%

Our tax provision and our effective tax rate are subject to variation due to several factors, including variability in accurately predicting our full year pre-tax income or loss by jurisdiction, tax credits, government audit developments, changes in laws, regulations and administrative practices, valuation allowances recorded on deferred tax assets, and relative changes in expenses or losses for which tax benefits are not recognized. Additionally, our effective tax rate can be more or less volatile based on the amount of pre-tax income or loss. For example, the impact of discrete items, tax credits, and non-deductible expenses on our effective tax rate is greater when our pre-tax income or loss is lower.

For the twenty-six weeks ended June 29, 2025, our income tax expense is related primarily to our foreign operations. We continue to maintain a valuation allowance against our U.S. federal, state and certain foreign deferred tax assets, initially established in the fiscal second quarter of 2024, resulting in no income tax benefit for these jurisdictions. Our conclusions to maintain a valuation allowance were driven by U.S. and foreign pre-tax losses beginning in 2023 and continuing into 2025, combined with the significant non-cash goodwill impairment charge of $59.1 million recorded during the twenty-six weeks ended June 30, 2024.

Segment performance

We evaluate performance based on segment revenue and segment profit (loss). Segment profit (loss) includes revenue, related cost of services, and ongoing operating expenses directly attributable to the reportable segment. Segment profit (loss) excludes goodwill and intangible asset impairment charges, depreciation and amortization expense, unallocated corporate general and administrative expense, interest and other income (expense), income taxes, and other costs and benefits not considered to be ongoing. See Note 13: *Segment Information*, to our consolidated financial statements found in Item 1 of this Quarterly Report on Form 10-Q, for additional details on our reportable segments, as well as a reconciliation of segment profit (loss) to income (loss) before tax expense.

Segment profit (loss) should not be considered a measure of financial performance in isolation or as an alternative to net income (loss) on the Consolidated Statements of Operations and Comprehensive Income (Loss) calculated in accordance with accounting principles generally accepted in the United States of America, and may not be comparable to similarly titled measures of other companies.

PeopleReady segment performance was as follows:

	Thirteen weeks ended				Twenty-six weeks ended			
(in thousands, except percentages)	Jun 29, 2025	% of revenue	Jun 30, 2024	% of revenue	Jun 29, 2025	% of revenue	Jun 30, 2024	% of revenue
Revenue from services	$ 213,226		$ 223,409		$ 402,531		$ 446,070	
Cost of services	158,267	74.2 %	160,229	71.7 %	294,790	73.2 %	323,001	72.4 %
Selling, general and administrative expense	53,429	25.1 %	62,786	28.1 %	109,185	27.1 %	127,733	28.6 %
Segment profit (loss)	$ 1,530	0.7 %	$ 394	0.2 %	$ (1,444)	(0.3)%	$ (4,664)	(1.0)%

PeopleReady segment profit (loss) improved $1.1 million and $3.2 million for the thirteen and twenty-six weeks ended June 29, 2025, and also improved as a percentage of revenue, compared to the same periods in the prior year, respectively. Improvement was primarily due to operational cost management actions executed in response to the decline in demand for our services, which have resulted in a more efficient cost structure.

PeopleManagement segment performance was as follows:

	Thirteen weeks ended				Twenty-six weeks ended			
(in thousands, except percentages)	Jun 29, 2025	% of revenue	Jun 30, 2024	% of revenue	Jun 29, 2025	% of revenue	Jun 30, 2024	% of revenue
Revenue from services	$ 133,895		$ 131,751		$ 269,427		$ 265,611	
Cost of services	113,065	84.4 %	110,645	84.0 %	228,368	84.8 %	223,680	84.2 %
Selling, general and administrative expense	16,729	12.5 %	17,711	13.4 %	34,064	12.6 %	35,785	13.5 %
Segment profit	$ 4,101	3.1 %	$ 3,395	2.6 %	$ 6,995	2.6 %	$ 6,146	2.3 %

PeopleManagement segment profit grew $0.7 million and $0.8 million for the thirteen and twenty-six weeks ended June 29, 2025, and also improved as a percentage of revenue, compared to the same periods in the prior year, respectively. Growth was primarily driven by higher revenue from the commercial driving business, coupled with a reduction in SG&A expense, which was the result of disciplined cost management actions to streamline our organizational structure and improve efficiency.

PeopleSolutions segment performance was as follows:

	Thirteen weeks ended				Twenty-six weeks ended			
(in thousands, except percentages)	Jun 29, 2025	% of revenue	Jun 30, 2024	% of revenue	Jun 29, 2025	% of revenue	Jun 30, 2024	% of revenue
Revenue from services	$ 49,178		$ 41,070		$ 94,595		$ 87,402	
Cost of services	33,469	68.0 %	23,655	57.6 %	64,486	68.2 %	51,219	58.6 %
Selling, general and administrative expense	13,175	26.8 %	13,985	34.0 %	25,623	27.1 %	27,874	31.9 %
Segment profit	$ 2,534	5.2 %	$ 3,430	8.4 %	$ 4,486	4.7 %	$ 8,309	9.5 %

PeopleSolutions segment profit declined $0.9 million and $3.8 million for the thirteen and twenty-six weeks ended June 29, 2025, and also declined as a percentage of revenue, compared to the same periods in the prior year, respectively. These declines were a result of the decline in revenue, including the loss of a large hospitality client in the prior year due to their decision to insource hiring for high-volume roles, the effects of which were softened by our cost management actions and inorganic growth from the acquisition of HSP.

FUTURE OUTLOOK

The following highlights represent our operating outlook. These expectations are subject to revision as our business changes with the overall economy. As part of our strategic plan to optimize our business model, create efficiencies and bring our teams closer to our clients and associates, we continue to leverage existing systems, and refocus our team on sales efforts to deliver future growth.

Operating outlook

- We expect revenue growth for the fiscal third quarter of 2025 to be between 5% and 11% as compared to the same period in the prior year. This range assumes current market conditions continue, and includes approximately 4% inorganic growth from the acquisition of HSP.
- We anticipate gross profit as a percentage of revenue to decline between 280 and 240 basis points for the fiscal third quarter of 2025, compared to the same period in the prior year, due to prior year workers’ compensation reserve adjustment benefits not expected to repeat at the same level in the current year, as well as changes in business mix.
- For the fiscal third quarter of 2025, we anticipate SG&A expense to be between $93 million and $97 million, representing a decline compared to the same period in the prior year due to our cost management efforts.
- We expect basic weighted average shares outstanding to be approximately 30 million for the fiscal third quarter of 2025. This expectation does not include the impact of potential share repurchases.
- Due to the valuation allowance against our U.S. federal, state and certain foreign deferred tax assets, we expect minimal income tax expense for the fiscal third quarter of 2025.

Liquidity outlook

- We expect capital expenditures and spending for software as a service assets to be between $17 million and $21 million for fiscal 2025. Approximately $3 million relates to spending for software as a service assets.

LIQUIDITY AND CAPITAL RESOURCES

We believe we have a strong financial position and sufficient sources of funding to meet our short- and long-term obligations. As of June 29, 2025, we had $21.9 million in cash and cash equivalents and $53.8 million debt outstanding. Under the Revolving Credit Facility, $2.7 million was utilized by outstanding standby letters of credit, leaving $198.5 million unused, of which $79.0 million is available for additional borrowing after considering our most restrictive covenant. We have an option to increase the total line of credit amount under the Revolving Credit Facility from $255.0 million to $405.0 million, subject to lender approval.

Cash generated through our core operations is generally our primary source of liquidity. Our principal ongoing cash needs are to finance working capital, fund capital expenditures, repay outstanding Revolving Credit Facility balances, and execute share repurchases. We manage working capital through timely collection of accounts receivable, which we achieve through focused collection efforts and tightly monitoring trends in days sales outstanding. While client payment terms are generally 90 days or less, we pay our associates daily and weekly, so additional financing through the use of our Revolving Credit Facility is sometimes necessary to support working capital needs in times of revenue growth. We also manage working capital through efficient cost management and strategically timing payments of accounts payable.

We continue to make investments in our technology platforms to increase the competitive differentiation of our services long-term and improve the efficiency of our service delivery model. In addition, we continue to transition our technology from on-premise software platforms to cloud-based software solutions to increase automation and the efficiency of running our business.

Outside of ongoing cash needed to support core operations, our insurance carriers and certain state workers’ compensation programs require us to collateralize a portion of our workers’ compensation obligation, for which they become responsible should we become insolvent. On a regular basis, these entities assess the amount of collateral they will require from us relative to our workers’ compensation obligation. Such amounts can increase or decrease independent of our assessments and reserves. We continue to have risk that these collateral requirements may be increased by our insurers due to our loss history and market dynamics. We pay our premiums and deposit our collateral, if required, in installments. The collateral typically takes the form of cash and cash-backed instruments, highly rated investment grade securities, letters of credit, and surety bonds. Restricted cash, cash equivalents and investments supporting our self-insured workers’ compensation obligation are held in a trust at the Bank of New York Mellon (“Trust”) and are used to pay workers’ compensation claims as they are filed. See Note 7: *Workers' Compensation Insurance and Reserves*, and Note 4: *Restricted Cash, Cash Equivalents and Investments*, to our consolidated financial statements found in Item 1 of this Quarterly Report on Form 10-Q, for details on our workers’ compensation program as well as the restricted cash, cash equivalents and investments held in Trust.

We have established investment policy directives for the Trust with the first priority to preserve capital, second to ensure sufficient liquidity to pay workers’ compensation claims, third to diversify the investment portfolio and fourth to maximize after-tax returns. Trust investments must meet minimum acceptable quality standards. The primary investments include U.S. Treasury securities, U.S. agency debentures, U.S. agency mortgages, corporate securities and municipal securities. For those investments rated by nationally recognized statistical rating organizations the minimum ratings at time of purchase are:

	S&P	Moody’s	Fitch
Short-term rating	A-1/SP-1	P-1/MIG-1	F-1
Long-term rating	A	A2	A

Total collateral commitments decreased $25.6 million during the twenty-six-week period ended June 29, 2025, primarily due to a decrease in collateral levels required by our insurance carriers, as well as the use of collateral to satisfy workers’ compensation claims. See Note 9: *Commitments and Contingencies*, to our consolidated financial statements found in Item 1 of this Quarterly Report on Form 10-Q, for additional details on our workers’ compensation commitments. We continue to actively manage workers’ compensation cost by focusing on improving our associate safety programs, and actively control costs with our network of service providers. These actions have had a positive impact creating favorable adjustments to workers’ compensation liabilities recorded in the prior periods. Continued favorable adjustments to our prior year workers’ compensation liabilities are dependent on our ability to continue to aggressively lower accident rates and costs of our claims. Due to our progress in worker safety improvements and the resulting reduction in the frequency and severity of accident rates, we expect diminishing favorable adjustments to our workers' compensation liabilities going forward.

Restricted cash, cash equivalents and investments also includes collateral to support our non-qualified deferred compensation plan in the form of company-owned life insurance policies. Our non-qualified deferred compensation plan is managed by a third-party service provider, and the investments backing the company-owned life insurance policies align with the amount and timing of payments based on employee elections.

A summary of our cash flows for each period are as follows:

	Twenty-six weeks ended	
(in thousands)	Jun 29, 2025	Jun 30, 2024
Net cash used in operating activities	$ (33,909)	$ (16,062)
Net cash used in investing activities	(19,791)	(5,311)
Net cash provided by (used in) financing activities	45,118	(20,519)
Effect of exchange rate changes on cash, cash equivalents and restricted cash and cash equivalents	(70)	(557)
Net change in cash, cash equivalents and restricted cash and cash equivalents	$ (8,652)	$ (42,449)

Cash flows from operating activities

Operating cash flows consist of net income (loss) adjusted for non-cash benefits and expenses, and changes in operating assets and liabilities.

As client demand declines, the result is a deleveraging of accounts receivable and accounts payable. Accrued wages and benefits can fluctuate based on whether the period end requires the accrual of one or two weeks of payroll, the amount and timing of bonus payments, and timing of payroll tax payments.

Net cash provided by accounts receivable collections through deleveraging during the twenty-six weeks ended June 29, 2025 was partially offset by an increase in days sales outstanding of approximately one day compared to the fiscal fourth quarter of 2024, primarily due to a higher percentage of receivables with longer payment terms. Net cash used for payments on accounts payable and accrued expenses was primarily related to timing of payments to vendors as well as a decrease in certain accrued expenses that fluctuate with revenue. In addition, our workers' compensation claims reserve for estimated claims decreases as demand for contingent labor services decreases, and as a result of favorable adjustments to prior year reserves, both of which were the case in the current period.

Cash flows from investing activities

Investing cash flows consist of capital expenditures, business acquisitions, net proceeds from divestiture, and purchases, sales, and maturities of restricted investments, which are managed in line with our workers' compensation collateral funding requirements and timing of claim payments.

The primary use of cash for investing activities during the twenty-six weeks ended June 29, 2025 was the acquisition of HSP. Capital expenditures also included continued investments to upgrade our PeopleReady on-demand technology platform. Cash used was partially offset by cash provided by maturities of restricted investments to pay workers' compensation claims.

Cash flows from financing activities

Financing cash flows consist primarily of repurchases of common stock as part of our publicly announced share repurchase program, amounts to satisfy employee tax withholding obligations upon the vesting of restricted stock, the net change in our Revolving Credit Facility, and proceeds from the sale of common stock through our employee stock purchase plan.

Net cash provided by financing activities during the twenty-six weeks ended June 29, 2025 was due to draws on our Revolving Credit Facility, primarily to fund the acquisition of HSP and finance working capital needs. While we have not executed share repurchases during the twenty-six weeks ended June 29, 2025, $33.5 million remains available for repurchase under existing authorizations as of June 29, 2025. We are limited to $25.0 million in aggregate share repurchases in any twelve-month period by our financial covenants.

SUMMARY OF CRITICAL ACCOUNTING ESTIMATES

Our critical accounting estimates are discussed in Part II, Item 7, “Management’s Discussion and Analysis of Financial Condition and Results of Operations; Summary of Critical Accounting Estimates” in our Annual Report on Form 10-K for the fiscal year ended December 29, 2024. The following has been updated to reflect changes made during the twenty-six weeks ended June 29, 2025.

Accounts receivable allowance for credit losses

Accounts receivable are recorded at the invoiced amount. We establish an estimate for the allowance for credit losses resulting from the failure of our clients to make required payments by applying an aging schedule to pools of assets with similar risk characteristics. Based on an analysis of the risk characteristics of our clients and associated receivables, we have concluded our pools are as follows:

- PeopleReady (excluding RenewableWorks) has a large, diverse set of clients, generally with frequent, low dollar invoices due to the daily nature of the work we perform. This results in high turnover in accounts receivable.
- Centerline Drivers (“Centerline”) has a mix of client sizes, many with low dollar weekly invoices, but other clients that are invoiced on a consolidated basis, resulting in a high concentration of revenue related to its top 10 clients. Payment terms are slightly longer than PeopleReady.
- Our PeopleScout and Healthcare Staffing Professionals (“HSP”) brands have a smaller number of clients in a variety of industries, and are generally invoiced monthly on a consolidated basis. Invoice amounts are generally higher for these brands than our other businesses, with longer payment terms than PeopleReady and Centerline. These businesses also have significant balances due from governmental entities.
- Our Staff Management | SMX and SIMOS Insourcing Solutions brands have a smaller number of clients, and follow a contractual billing schedule. These clients generally operate in the manufacturing, warehousing and distribution industries and have longer payment terms than our other businesses.
- Our RenewableWorks brand has a small number of large clients that operate in the energy industry, generally with high dollar invoices, and follows a contractual billing schedule. Payment terms are slightly longer than most of our other businesses.

When specific clients are identified as no longer sharing the same risk profile as their current pool, they are removed from the pool and evaluated separately. The credit loss rates applied to each aging category by pool are based on current collection efforts, historical collection trends, write-off experience, client credit risk, current economic data and forecasted information. The allowance for credit loss is reviewed and represents our best estimate of the amount of expected credit losses. Past due or delinquent balances are identified based upon a review of aged receivables performed by collections and operations. Past due balances are written off when it is probable the receivable will not be collected. Changes in the allowance for credit losses are recorded in SG&A expense on the Consolidated Statements of Operations and Comprehensive Income (Loss).

Goodwill and indefinite-lived intangible assets

We evaluate goodwill and indefinite-lived intangible assets for impairment on an annual basis as of the first day of our fiscal second quarter, or whenever events or circumstances make it more likely than not that an impairment may have occurred. These events or circumstances could include a significant change in general economic conditions, deterioration in industry environment, changes in cost factors, declining operating performance indicators, legal factors, competition, client engagement, changes in the carrying amount of net assets, a sale or disposition of a significant portion of a reporting unit, or a sustained decrease in stock price. We monitor the existence of potential impairment indicators throughout the fiscal year.

Goodwill

We test for goodwill impairment at the reporting unit level. We consider our reporting units to be our operating segments or one level below that (the component level) based on our organizational structure. Effective March 31, 2025 (the first day of our fiscal second quarter of 2025), we combined our PeopleScout RPO and PeopleScout MSP reporting units into one reporting unit, PeopleScout. This change coincided with the elimination of PeopleScout MSP as an operating segment within the PeopleSolutions reportable segment. Immediately before the combination, we tested the PeopleScout RPO reporting unit, with a remaining goodwill balance of $22.4 million, and the PeopleScout MSP reporting unit, with a remaining goodwill balance of $0.8 million, for impairment. The PeopleScout RPO reporting unit's fair value was substantially in excess of its carrying value, and the PeopleScout MSP reporting unit's fair value approximated its carrying value. After combining the reporting units, the fair value of the PeopleScout reporting unit was substantially in excess of its carrying value. As a result, no impairment charge was recognized. Our reporting units with remaining goodwill as of June 29, 2025 were Centerline, PeopleScout, and HSP.

When evaluating goodwill for impairment, we may first assess qualitative factors to determine whether it is more likely than not the fair value of a reporting unit is less than its carrying amount. Qualitative factors include macroeconomic conditions, industry and market conditions and overall company financial performance. If, after assessing the totality of events and circumstances, we determine that it is more likely than not the fair value of the reporting unit is greater than its carrying amount, the quantitative impairment test is unnecessary.

The quantitative impairment test, if necessary, involves comparing the fair value of each reporting unit to its carrying value, including goodwill. Fair value reflects the price a market participant would be willing to pay in a potential sale of the reporting unit. If the fair value exceeds the carrying value, we conclude that no goodwill impairment has occurred. If the carrying value exceeds the fair value, we recognize an impairment charge in an amount equal to the excess, not to exceed the carrying value of the goodwill. We consider a reporting unit's fair value to be substantially in excess of its carrying value at a 20% premium or greater.

Determining the fair value of a reporting unit when performing a quantitative impairment test involves the use of significant estimates and assumptions to evaluate the impact of operational and economic changes on each reporting unit. We estimate the fair value using a weighting of the income and market valuation approaches. The income approach applies a fair value methodology to each reporting unit based on discounted cash flows. This analysis requires significant estimates and judgments, including estimation of future cash flows, which is dependent on internal forecasts, estimation of the long-term rate of growth for our business, estimation of the useful life over which cash flows will occur, and determination of our weighted average cost of capital, which is risk-adjusted to reflect the specific risk profile of the reporting unit being tested. We also apply a market approach, which develops a value correlation based on the market capitalization of similar publicly traded companies, referred to as a multiple, to apply to the operating results of the reporting units. The primary market multiples to which we compare are revenue and earnings before interest, taxes, depreciation, and amortization.

We base fair value estimates on assumptions we believe to be reasonable but that are unpredictable and inherently uncertain. Actual future results may differ from those estimates. We confirm the reasonableness of the valuation conclusions by comparing the indicated values of all the reporting units to the overall company value indicated by the stock price and outstanding shares as of the valuation date, or market capitalization.

We performed our annual goodwill impairment test as of the first day of our fiscal second quarter of 2025. The weighted average cost of capital used in our most recent impairment test was risk-adjusted to reflect the specific risk profile of the reporting unit, and ranged from 14.5% to 16.5%. The combined fair values for all reporting units were then reconciled to our aggregate market value of our shares of common stock on the date of valuation.

Based on the results of our annual impairment test, all of our reporting units' fair values were substantially in excess of their respective carrying values, except for HSP, for which the estimated fair value was in excess of its carrying value by approximately 5%. This level of headroom is expected, due to the short amount of time that has passed between the acquisition date, when the carrying value of the reporting unit approximated its fair value, and our annual impairment test as of the first day of our fiscal second quarter of 2025. A discount rate of 15.5% was used in calculating the fair value of the HSP reporting unit. In the event either the discount rate increases, forecasted revenue growth declines, or gross profit as a percentage of revenue declines by less than 1 percentage point, the carrying value of the reporting unit would exceed its fair value. Any significant adverse change in our near- or long-term projections or macroeconomic conditions could result in future impairment charges. The goodwill balance for HSP as of June 29, 2025 was $17.5 million. We will continue to closely monitor the operational performance of this reporting unit.

Indefinite-lived intangible assets

We have indefinite-lived intangible assets for trademarks related to businesses within our PeopleManagement and PeopleSolutions segments. We evaluate our indefinite-lived intangible assets for impairment on an annual basis as of the first day of our fiscal second quarter, or whenever events or circumstances make it more likely than not that an impairment may have occurred. These events or circumstances could include significant changes in general economic conditions, deterioration in industry environment, changes in cost factors, declining operating performance indicators, legal factors, competition, client engagement, or a sale or disposition of a significant portion of the business. We monitor the existence of potential impairment indicators throughout the fiscal year.

When evaluating indefinite-lived intangible assets for impairment, we may first assess qualitative factors to determine whether it is more likely than not the fair value of the indefinite-lived intangible asset is less than its carrying amount. Qualitative factors include macroeconomic conditions, industry and market conditions and overall company financial performance. If, after assessing the totality of events and circumstances, we determine that it is more likely than not the fair value of the indefinite-lived intangible asset is greater than its carrying amount, the quantitative impairment test is unnecessary.

The quantitative impairment test, if necessary, utilizes the relief from royalty method to determine the fair value of each of our trademarks. If the carrying value exceeds the fair value, we recognize an impairment loss in an amount equal to the excess, not to exceed the carrying value. Management uses considerable judgment to determine key assumptions, including forecasted future revenue, royalty rates and appropriate discount rates.

As a result of our annual impairment test as of the first day of our fiscal second quarter of 2025, we concluded that a trademark related to the PeopleManagement segment exceeded its estimated fair value and we recorded a non-cash impairment charge of $0.2 million, which was included in goodwill and intangible asset impairment charge on our Consolidated Statements of Operations and Comprehensive Income (Loss) for the twenty-six weeks ended June 29, 2025. The charge was primarily driven by an increase in the discount rate of 1.0% since our last impairment test. The remaining balance for this trademark was $2.5 million as of June 29, 2025. As of our impairment testing date, the fair value of the trademark related to the PeopleSolutions segment was in excess of its carrying amount of $2.1 million, and therefore did not result in an impairment.

NEW ACCOUNTING STANDARDS

See Note 1: *Summary of Significant Accounting Policies,* to our consolidated financial statements found in Item 1 of this Quarterly Report on Form 10-Q.

Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Our quantitative and qualitative disclosures about market risk are discussed in Part II, Item 7A, “Quantitative and Qualitative Disclosures About Market Risk” in our Annual Report on Form 10-K for the fiscal year ended December 29, 2024, and have not changed materially.

Item 4. CONTROLS AND PROCEDURES

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in our periodic reports filed or submitted under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms. Our disclosure controls and procedures are also designed to ensure that information required to be disclosed in the reports we file or submit under the Exchange Act is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure.

During the fiscal second quarter of 2025, we carried out an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer and our Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures at a reasonable assurance level, as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective at a reasonable assurance level, as of June 29, 2025.

There were no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act) during our most recently completed fiscal quarter that materially affected or are reasonably likely to materially affect our internal control over financial reporting.

The certifications required by Rule 13a-14 of the Exchange Act are filed as exhibits 31.1 and 31.2, respectively, to this Quarterly Report on Form 10-Q.

PART II. OTHER INFORMATION

Item 1. LEGAL PROCEEDINGS

See Note 9: *Commitments and Contingencies,* to our consolidated financial statements found in Part I, Item 1 of this Quarterly Report on Form 10-Q.

Item 1A. RISK FACTORS

This Form 10-Q should be read in conjunction with the risk factors set forth in Part I, Item 1A of our Annual Report filed on Form 10-K for the year ended December 29, 2024. With the exception of the risk factors noted below, which update the risk factors in our Annual Report filed on Form 10-K for the year ended December 29, 2024, there have been no material changes from the risk factors previously disclosed therein.

Investing in our securities involves risk. The following risk factors and all other information set forth in this Quarterly Report on Form 10-Q should be considered in evaluating our future prospects. If any of the events described below occur, our business, financial condition, results of operations, liquidity, or access to the capital markets could be materially and adversely affected.

RISKS RELATED TO OUR COMPANY'S OPERATIONS

Demand for our workforce solutions is significantly affected by fluctuations in general economic conditions.

The demand for our workforce solutions is highly dependent upon the state of the economy and the workforce needs of our clients, which creates uncertainty and volatility in our operations. Our profitability is sensitive to decreases in demand. National and global economic activity is slowed by many factors, including rising interest rates, recessionary periods, inflation, changes in international trade policies, declining consumer confidence, political and legislative policy changes, reductions in government funding, international conflict or instability, epidemics, other significant health concerns, and global trade uncertainties. As economic activity slows, companies tend to reduce their use of associates and recruitment of new employees. We work in a broad range of industries that primarily include construction, manufacturing and logistics, warehousing and distribution, waste and recycling, energy, transportation, retail and hospitality. Significant declines in demand from any region or industry in which we have a major presence, domestic or global supply chain disruptions, or decline in the financial health of our clients, significantly decreases our revenues and profits. For example, we experienced significantly reduced demand from our clients due to the coronavirus pandemic ("COVID-19") and the resulting supply chain disruptions in the manufacturing and renewable energy sectors we serve. Global pandemics or other disruptions to the supply chain may impact our financial condition or results of operations and could have a material impact on the businesses or productivity of our clients, employees, associates and other partners.

A deterioration in economic conditions, global supply chain issues, political instability, tariffs, rising energy prices, a recession or fear of a recession, and the related governmental responses to these concerns, or otherwise, could lead to a prolonged decline in demand for our services and negatively impact our business. During challenging economic times or in the event of a reduction or elimination of government funding, our clients, including but not limited to those that rely on government support, may face reduced demand for their services, reduced revenue, and issues gaining access to sufficient credit, which has resulted in and could in the future result in a reduction in the need for our services, or an impairment of their ability to make payments to us, timely or otherwise, for services rendered. If that were to occur, it may adversely affect our results of operations.

It is difficult for us to forecast future demand for our services due to the inherent uncertainty in forecasting the direction and strength of economic cycles and the project-based nature of our staffing assignments. The uncertainty can be exacerbated by volatile economic conditions, which have caused and may continue to cause clients to reduce or defer projects for which they utilize our services. The negative impact to our business can occur before, during or after a decline in economic activity is seen in the broader economy. When it is difficult for us to accurately forecast future demand, we may not be able to determine the optimal level of personnel and investment necessary to profitably manage our business in light of opportunities and risks we face.

Acquisitions may have an adverse effect on our business.

We may make additional acquisitions as part of our business strategy. However, this strategy may be impeded and we may not achieve our long-term growth goals if we cannot identify suitable acquisition candidates or if acquisition candidates are not available under acceptable terms. We may have difficulty integrating acquired companies into our operating, financial planning, and financial reporting systems and may not effectively manage acquired companies to achieve expected growth. Despite diligence and integration planning, acquisitions may also present challenges in bringing together different work cultures and personnel. Acquisitions into new markets could be more difficult for us to forecast or predict business trends, or may come with dependencies with which we have less experience. Difficulties in integrating our acquisitions, including attracting and retaining talent to grow and manage these acquired businesses, may adversely affect our results of operations.

Future acquisitions could result in incurring additional debt and contingent liabilities, an increase in interest expense, amortization expense, and charges related to integration costs. Additional indebtedness could also impact financial covenants or other restrictions that would impede our ability to manage our operations. We may also issue equity securities to pay for an acquisition, which could result in dilution to our shareholders. Any acquisitions we announce could be viewed negatively by investors, which may adversely affect the price of our common stock.

RISKS RELATED TO OUR INDUSTRY

Our business is subject to evolving regulations and stakeholders' expectations that could expose us to numerous risks.

Institutional, individual and other investors, proxy advisor services, regulatory authorities, clients, employees and other stakeholders are increasingly focused on the practices of companies, including sustainability, human capital management, data privacy and security, supply chains (including human rights issues) and climate change, among other topics. These requirements, expectations, and/or frameworks, which can include assessments and ratings published by third-party firms, are not synchronized and vary by stakeholder, industry, and geography. Our reputation could be affected by our position, or silence, regarding one or more of these initiatives.

These evolving stakeholder expectations and our efforts and ability to respond to and manage these issues, provide updates on them, and establish and meet appropriate goals, commitments and targets related to these initiatives present numerous operational, regulatory, reputational, financial, legal, and other risks and impacts. Our efforts in this area may result in a significant increase in costs and may nevertheless not meet, or conflict with, investor, client or other stakeholder expectations and evolving standards or regulatory requirements. Such costs or conflicts may negatively impact our financial results, our reputation, our ability to attract and retain employees, our attractiveness as a service provider, investment or business partner, or may expose us to government enforcement actions, litigation, and actions by shareholders or stakeholders.

GENERAL RISK FACTORS

Our shareholder rights plan and some provisions of Washington law include terms and conditions that could discourage a takeover or other transaction that shareholders may consider favorable.

On May 14, 2025, the Board of Directors ("Board") approved the adoption of a limited-duration shareholder rights plan (the "Rights Plan") pursuant to a Rights Agreement, dated as of May 14, 2025, which may be amended from time to time (the "Rights Agreement"), between the Company and Computershare Trust Company, N.A., as Rights Agent. The Rights Agreement was adopted in response to the unsolicited proposal from HireQuest, Inc. ("HQI") to acquire all common stock of the Company at $7.50 per share. Pursuant to the Rights Plan, the Board declared a dividend of one preferred stock purchase right (a "Right") for each outstanding share of TrueBlue common stock. Each Right entitles the registered holder to purchase from the Company one one-hundredth of a share of Series A Junior Participating Preferred Stock (the "Series A Preferred") of the Company at a price of $30 per one one-hundredth of a share of Series A Preferred, subject to certain anti-dilution adjustments.

The Rights are not exercisable until the earlier of (a) ten days after a public announcement that a person or group has acquired, or obtained the right to acquire, beneficial ownership of 15% (or 20% in the case of a passive institutional investor) or more of TrueBlue common stock (including certain synthetic equity positions created by derivative securities, which are treated as beneficial ownership of the number of shares of TrueBlue common stock equivalent to the economic exposure created by the synthetic equity position, subject to certain specified conditions) (an "Acquiring Person") or (b) ten business days (or a later date determined by our Board) after a person or group begins a tender or an exchange offer that, if completed, would result in that person or group becoming an Acquiring Person.

The Agreement Rights will expire on May 13, 2026, subject to the Company's right to extend such date unless (x) prior to such date Stockholder Approval (as defined in the Rights Agreement) has been obtained to extend the Rights or (y) the Rights are earlier redeemed or exchanged by the Company or terminated.

The Rights have certain anti-takeover effects, including potentially discouraging a takeover that shareholders may consider favorable. The Rights will cause substantial dilution to a person or group that attempts to acquire us on terms not approved by the Board.

In addition, because we are incorporated in the State of Washington, we are governed by the provisions of Chapter 23B.19 of the Washington Business Corporation Act, which prohibits certain business combinations between us and certain significant shareholders unless specified conditions are met. These provisions may also have the effect of delaying or preventing a change of control of the company, even if this change of control would benefit our shareholders.

Unsolicited acquisition proposals and attempts to acquire control of the Company could cause us to incur significant expense, disrupt our business, result in a proxy contest or litigation and impact our stock price.

We have been, and may continue to be, subject to unsolicited acquisition proposals, tender offers, or proxy contests to gain control of the Company, which could result in substantial costs to the Company and divert management's and our Board's attention and resources from our business. Such events could give rise to perceived uncertainties as to our future, adversely affect our relationships with our employees, customers or suppliers, and make it more difficult to attract and retain qualified personnel. We have been, and may continue to be, required to incur significant fees and other expenses in responding to these events, including for required regulatory responses and third-party advisors. We also may be subjected to shareholder litigation in connection with these events. Our stock price could be subject to significant fluctuations or otherwise be adversely affected by speculative market perceptions about these events, risks, and uncertainties.

For example, on May 13, 2025, HQI publicly announced by press release an unsolicited proposal to acquire all of the Company's outstanding stock for $7.50 per share (the "HQI Proposal"). After consultation with the Company's independent financial and legal advisors regarding the Company's business strategy, historic, current and future valuation, potential alternative opportunities and a careful review of the HQI Proposal , our Board unanimously rejected the HQI Proposal, as the proposal failed to maximize value for all shareholders and is not in the best interest of the Company's shareholders.

Item 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

The table below includes repurchases of our common stock pursuant to publicly announced plans or programs and those not made pursuant to publicly announced plans or programs during the thirteen weeks ended June 29, 2025.

Period	Total number of shares purchased (1)	Weighted average price paid per share (2)	Total number of shares purchased as part of publicly announced plans or programs	Approximate dollar value that may yet be purchased under plans or programs at period end (3)
3/31/2025 through 4/27/2025	—	$—	—	$33.5 million
4/28/2025 through 5/25/2025	—	$—	—	$33.5 million
5/26/2025 through 6/29/2025	147	$6.00	—	$33.5 million
Total	147	$6.00	—	

(1) During the thirteen weeks ended June 29, 2025, we purchased 147 shares in order to satisfy employee tax withholding obligations upon the vesting of restricted stock. These shares were not acquired pursuant to our publicly announced share repurchase program.
(2) Weighted average price paid per share does not include any adjustments for commissions or excise tax on share repurchases.
(3) On January 31, 2022, our Board of Directors authorized a $100.0 million addition to our share repurchase program of our outstanding common stock. The share repurchase program does not obligate us to acquire any particular amount of common stock and does not have an expiration date. As of June 29, 2025, $33.5 million remains available for repurchase under the existing authorization.

Item 3. DEFAULTS UPON SENIOR SECURITIES

Not applicable.

Item 4. MINE SAFETY DISCLOSURES

Not applicable.

Item 5. OTHER INFORMATION

Trading plans

During the fiscal second quarter of 2025, none of our directors or executive officers adopted or terminated a "Rule 10b5-1 trading arrangement" or a "non-Rule 10b5-1 trading arrangement," as such terms are defined in paragraphs (a) and (c), respectively, of Item 408 of Regulation S-K promulgated under the Securities Act of 1933, as amended.

Item 6. INDEX TO EXHIBITS

			Incorporated by reference		
Exhibit number	**Exhibit description**	**Filed herewith**	**Form**	**File no.**	**Date of first filing**
3.1	Amended and Restated Articles of Incorporation.		8-K	001-14543	05/12/2016
3.2	Amended and Restated Bylaws.		10-Q	001-14543	10/30/2017
3.3	Articles of Amendment for the Series A Junior Participating Preferred Stock, as filed with the Secretary of State of Washington on May 14, 2025 (incorporated by reference to Exhibit 3.1 to the Company's Registration Statement on Form 8-A, filed with the Securities and Exchange Commission on May 14, 2025, File No. 001-14543)		8-K	001-14543	05/14/2025
4.1	Rights Agreement, dated as of May 14, 2025, by and between the Company and Computershare Trust Company, N.A., as rights agent (which incorporates the Form of Rights Certificate as Exhibit A thereto) (incorporated by reference to Exhibit 4.1 to the Company's Registration Statement on Form 8-A, filed with the Securities and Exchange Commission on May 14, 2025, File No. 001-14543)		8-K	001-14543	05/14/2025
10.1	First Amendment to Credit Agreement, effective June 27, 2025.	X			
10.2*	TrueBlue, Inc. Nonqualified Deferred Compensation Plan as amended and restated, effective April 1, 2018.	X			
10.3*	First Amendment to TrueBlue, Inc. Nonqualified Deferred Compensation Plan, effective January 1, 2019.	X			
10.4*	Second Amendment to TrueBlue, Inc. Nonqualified Deferred Compensation Plan, effective August 21, 2020.	X			
10.5*	Third Amendment to TrueBlue, Inc. Nonqualified Deferred Compensation Plan, effective January 1, 2024.	X			
31.1	Certification of Taryn R. Owen, Chief Executive Officer of TrueBlue, Inc., Pursuant to Rule 13a-14(a), as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.	X			
31.2	Certification of Carl R. Schweihs, Chief Financial Officer of TrueBlue, Inc., Pursuant to Rule 13a-14(a), as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.	X			
32.1	Certification of Taryn R. Owen, Chief Executive Officer of TrueBlue, Inc. and Carl R. Schweihs, Chief Financial Officer of TrueBlue, Inc., Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.	X			
101	The following financial statements from the Company's 10-Q, formatted as Inline XBRL: (i) Consolidated Balance Sheets, (ii) Consolidated Statements of Operations and Comprehensive Income (Loss), (iii) Consolidated Statements of Cash Flows, and (iv) Notes to consolidated financial statements.	X			
104	Cover page interactive data file - The cover page from this Quarterly Report on Form 10-Q is formatted as Inline XBRL	X			

* *Indicates a management contract or compensatory plan or arrangement*

Copies of Exhibits may be obtained upon request directed to Mr. Garrett Ferencz, TrueBlue, Inc., PO Box 2910, Tacoma, Washington, 98401 and many are available at the SEC's website found at www.sec.gov.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

TrueBlue, Inc.

/s/ Taryn R. Owen	**8/4/2025**
Signature	Date

By: Taryn R. Owen, Chief Executive Officer and President

/s/ Carl R. Schweihs	**8/4/2025**
Signature	Date

By: Carl R. Schweihs, Chief Financial Officer and Executive Vice President

/s/ Jason M. Embick	**8/4/2025**
Signature	Date

By: Jason M. Embick, Chief Accounting Officer, Senior Vice President

EXHIBIT 10.1

FIRST AMENDMENT TO CREDIT AGREEMENT

This FIRST AMENDMENT TO CREDIT AGREEMENT (this "Agreement") is entered into as of June 27, 2025 (the "First Amendment Effective Date") among TRUEBLUE, INC., a Washington corporation (the "Borrower"), the Guarantors party hereto, the Lenders party hereto and BANK OF AMERICA, N.A., as Administrative Agent. Capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Credit Agreement (as defined below).

RECITALS

WHEREAS, the Borrower, the Guarantors, the Lenders and the Administrative Agent are parties to that certain Amended and Restated Credit Agreement dated as of February 9, 2024 (as amended or modified from time to time, the "Credit Agreement");

WHEREAS, the Borrower has requested that the Lenders agree to modify certain provisions of the Credit Agreement; and

WHEREAS, the Lenders are willing to amend certain terms of the Credit Agreement, subject to the terms and conditions set forth below.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

AGREEMENT

1. Amendments to Credit Agreement.

(a) Section 1.01.

(i) The definition of "Consolidated EBITDA" in Section 1.01 of the Credit Agreement is hereby amended to read as follows:

"Consolidated EBITDA" means, for any period, for the Borrower and its Subsidiaries on a consolidated basis, an amount equal to Consolidated Net Income for such period plus (a) the following to the extent deducted in calculating such Consolidated Net Income: (i) Consolidated Interest Charges for such period (including fees for Letters of Credit payable pursuant to Section 2.03, but net of capitalized interest expense), (ii) the provision for federal, state, local and foreign income taxes payable for such period, (iii) depreciation and amortization expense for such period, (iv) non-cash expenses resulting from the grant of stock options to employees of any Loan Party or its Subsidiaries or the issuance of restricted stock to employees of any Loan Party or its Subsidiaries, (v) non-recurring, customary transaction fees, closing bonuses, brokerage fees and reasonable out of pocket expenses incurred during such period in connection with a Permitted Acquisition in an aggregate amount not to exceed $10,000,000 in any four fiscal quarter period, (vi) any extraordinary or non-recurring non-cash expenses or losses, (vii) non-recurring cloud-based software implementation costs in an aggregate amount not to exceed $7,000,000, and (viii) non-recurring restructuring expenses in connection with workforce reductions and real estate lease exit costs in an aggregate amount not to exceed (x) for any four quarter period ending on or before June 30, 2026, $12,000,000, (y) for any four quarter period after June 30, 2026 and on or before June 30, 2027, $6,000,000 and (z) thereafter, $0, minus (b) to the extent included in calculating such Consolidated Net Income: (i) the sum of (x) any extraordinary, unusual or non-recurring non-cash income or gains and (y) any cash payments made during such period in respect of items described in clause (a)(vi) above subsequent to the fiscal quarter in which the relevant non-cash expenses or losses were reflected as a charge in the statement of Consolidated Net Income.

(ii) The definition of "Excluded Property" in Section 1.01 of the Credit Agreement is hereby amended to (i) delete the "and" at the end of clause (l), (ii) to replace the "." at the end of clause (m) with ", and" and (iii) to add a new clause (n) that reads as follows: "(n) margin stock (within the meaning of Regulation U)."

(iii) The following definition is hereby added to Section 1.01 of the Credit Agreement in the appropriate alphabetical order to read as follows:

"Outbound Investment Rules" means the regulations administered and enforced, together with any related public guidance issued, by the United States Treasury Department under U.S. Executive Order 14105 of August 9, 2023, or any similar law or regulation; as of the Closing Date, and as codified at 31 C.F.R. § 850.101 et seq.

(b) Section 5.25. A new Section 5.25 is hereby added to the Credit Agreement to read as follows:

5.25 Outbound Investment Rules.

Neither any Loan Party nor any of its Subsidiaries is a "covered foreign person" as that term is used in the Outbound Investment Rules. Neither any Loan Party nor any of its Subsidiaries currently engages, or has any present intention to engage in the future, directly or indirectly, in (a) a "covered activity" or a "covered transaction", as each such term is defined in the Outbound Investment Rules, (b) any activity or transaction that would constitute a "covered activity" or a "covered transaction", as each such term is defined in the Outbound Investment Rules, or (c) any other activity that would cause the Lender to be in violation of the Outbound Investment Rules or cause the Lender to be legally prohibited by the Outbound Investment Rules from performing under this Agreement or any other Loan Document.

(c) Section 7.19. A new Section 7.19 is hereby added to the Credit Agreement to read as follows:

7.19 Outbound Investment Rules.

Directly or indirectly, (a) be or become a "covered foreign person", as that term is defined in the Outbound Investment Rules, or (b) engage in (i) a "covered activity" or a "covered transaction", as each such term is defined in the Outbound Investment Rules, (ii) any activity or transaction that would constitute a "covered activity" or a "covered transaction", as each such term is defined in the Outbound Investment Rules, or (iii) any other activity that would cause the Lender to be in violation of the Outbound Investment Rules or cause the Lender to be legally prohibited by the Outbound Investment Rules from performing under this Agreement or any other Loan Document.

(d) The following sentence is hereby added at the end of the first paragraph in Section 11.07 of the Credit Agreement:

For the avoidance of doubt, nothing herein prohibits any individual from communicating or disclosing information regarding suspected violations of laws, rules, or regulations to a governmental, regulatory, or self-regulatory authority without notification to any person.

2. Effectiveness; Condition Precedent. This Agreement shall be effective upon satisfaction of the following conditions precedent:

(a) Receipt by the Administrative Agent of counterparts of this Agreement duly executed by the Borrower, the Guarantors, and the Required Lenders;

(b) The Administrative Agent shall have received, for the account of each Lender consenting to this Agreement, an amendment fee in an amount equal to 10 basis points (0.10%) of the aggregate amount of such Lender's Revolving Commitments; and

(c) The Administrative Agent and BofA Securities shall have received from the Borrower all fees required to be paid on or before the First Amendment Effective Date; and

(d) The Borrower shall have paid all reasonable out-of-pocket costs and expenses due and payable to the Administrative Agent on the date hereof, including without limitation, the reasonable, documented fees and out-of-pocket costs and expenses of Moore & Van Allen PLLC as counsel to the Administrative Agent to the extent invoiced at least two (2) Business Days prior to the First Amendment Effective Date.

3. Reaffirmation. The Loan Parties acknowledge and confirm (a) that the Administrative Agent, for the benefit of the holder of the Obligations, has a valid and enforceable perfected security interest in the Collateral, which security interest is prior to all Liens other than Permitted Liens, (b) that the Borrower's obligation to repay the outstanding principal amount of the Loans and reimburse the L/C Issuer for any drawing on a Letter of Credit and the Guarantors' Obligations under the Loan Documents are unconditional and not subject to any offsets, defenses or counterclaims, and (c) by entering into this Agreement, the Administrative Agent and the Lenders do not waive or release any term or condition of the Credit Agreement or any of the other Loan Documents or any of their rights or remedies under such Loan Documents or applicable law or any of the obligations of any Loan Party thereunder.

4. Ratification of Credit Agreement. The term "Credit Agreement" as used in each of the Loan Documents shall hereafter mean the Credit Agreement as amended and modified by this Agreement. Except as herein specifically agreed, the Credit Agreement, as amended by this Agreement, is hereby ratified and confirmed and shall remain in full force and effect according to its terms. The Loan Parties acknowledge and consent to the modifications set forth herein and agree that this Agreement does not impair, reduce or limit any of their obligations under the Loan Documents (including, without limitation, the indemnity obligations set forth therein) and that, after the date hereof, this Agreement shall constitute a Loan Document. Notwithstanding anything herein to the contrary and without limiting the foregoing, each Guarantor reaffirms its guaranty obligations set forth in the Credit Agreement.

5. Authority/Enforceability. Each of the Loan Parties represents and warrants as follows:

(a) It has taken all necessary action to authorize the execution, delivery and performance of this Agreement.

(b) This Agreement has been duly executed and delivered by such Person and constitutes such Person's legal, valid and binding obligation, enforceable in accordance with its terms, except as such enforceability may be subject to (i) Debtor Relief Laws and (ii) general principles of equity (regardless of whether such enforceability is considered in a proceeding at law or in equity).

(c) No consent, approval, authorization or order of, or filing, registration or qualification with, any court or Governmental Authority or third party is required in connection with the execution, delivery or performance by such Person of this Agreement.

(d) The execution and delivery of this Agreement does not (i) contravene any provision of its Organization Documents or (ii) violate any Laws applicable to it except as could not reasonably be expected to have a Material Adverse Effect.

6. Representations. The Loan Parties represent and warrant to the Administrative Agent and the Lenders that (a) the representations and warranties of the Loan Parties set forth in Article V of the Credit Agreement and any other Loan Document are true and correct in all material respects (or, if qualified by materiality or Material Adverse Effect, in all respects) on and as of the date hereof, except to the extent that such representations and warranties specifically refer to a certain date, in which case they are true and correct in all material respects (or, if qualified by materiality or Material Adverse Effect, in all respects) as of such date and (b) no Default exists.

7. Counterparts; Delivery. This Agreement may be in the form of an electronic record (in ".pdf" form or otherwise) and may be executed using electronic signatures, which shall be considered as originals and shall have the same legal effect, validity and enforceability as a paper record. This Agreement may be executed in as many counterparts as necessary or convenient, including both paper and electronic counterparts, but all such counterparts shall be one and the same Agreement. For the avoidance of doubt, the authorization under this paragraph may include, without limitation, use or acceptance by the Administrative Agent of a manually signed Agreement which has been converted into electronic form (such as scanned into ".pdf" format), or an electronically signed Agreement converted into another format, for transmission, delivery and/or retention.

8. GOVERNING LAW. **THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.**

[remainder of page intentionally left blank]

IN WITNESS WHEREOF, each of the parties hereto has caused a counterpart of this Agreement to be duly executed and delivered and this Agreement shall be effective as of the date first above written.

BORROWER: TRUEBLUE, INC.,
a Washington corporation

By:__________
Name: Carl Schweihs
Title: Chief Financial Officer

GUARANTORS: CENTERLINE DRIVERS, LLC,
a Nevada limited liability company

By:__________
Name: Jason Embick
Title: Vice President, Chief Financial Officer, and Treasurer

LABOR READY HOLDINGS, INC.,
a Nevada corporation

By:__________
Name: Jason Embick
Title: Vice President, Chief Financial Officer, and Treasurer

PEOPLEREADY FLORIDA, INC.,
a Washington corporation

By:__________
Name: Jason Embick
Title: Vice President, Chief Financial Officer, and Treasurer

PEOPLEREADY, INC.,
a Washington corporation

By:__________
Name: Jason Embick
Title: Vice President, Chief Financial Officer, and Treasurer

PEOPLESCOUT, INC.,
a Delaware corporation

By:__________
Name: Jason Embick
Title: Vice President, Chief Financial Officer, and Treasurer

PEOPLESCOUT MSP, LLC,
a Nevada limited liability company

By:__________
Name: Jason Embick
Title: Vice President, Chief Financial Officer, and Treasurer

RenewableWorks, LLC,
a Washington limited liability company

By:__________
Name: Jason Embick
Title: Vice President, Chief Financial Officer, and Treasurer

SIMOS INSOURCING SOLUTIONS, LLC,
a Delaware limited liability company

By:__________
Name: Jason Embick
Title: Vice President, Chief Financial Officer, and Treasurer

SMX CARGO, LLC,
an Illinois limited liability company

By:__________
Name: Jason Embick
Title: Vice President, Chief Financial Officer, and Treasurer

SMX, LLC,
an Illinois limited liability company

By:__________
Name: Jason Embick
Title: Vice President, Chief Financial Officer, and Treasurer

STAFF MANAGEMENT SOLUTIONS, LLC,
an Illinois limited liability company

By:__________
Name: Jason Embick
Title: Vice President, Chief Financial Officer, and Treasurer

STAFFING SOLUTIONS HOLDINGS, INC.,
a Delaware corporation

By:__________
Name: Jason Embick
Title: Vice President, Chief Financial Officer, and Treasurer

TBI OUTSOURCING PUERTO RICO, INC.,
a Delaware corporation

By:__________
Name: Jason Embick
Title: Vice President, Chief Financial Officer, and Treasurer

TRUEBLUE ENTERPRISES, INC.,
a Nevada corporation

By:__________
Name: Jason Embick
Title: Vice President, Chief Financial Officer, and Treasurer

TRUEBLUE SERVICES, INC.,
a Delaware corporation

By:__________
Name: Jason Embick
Title: Vice President, Chief Financial Officer, and Treasurer

VENUE READY, LLC,
a Nevada limited liability company

By:__________
Name: Jason Embick
Title: Vice President, Chief Financial Officer, and Treasurer

HEALTHCARE STAFFING PROFESSIONALS, INC.

By:__________

Name: Jason Embick
Title: Treasurer

ADMINISTRATIVE AGENT: BANK OF AMERICA, N.A.,
as Administrative Agent

By:__________
Name:
Title:

LENDERS: BANK OF AMERICA, N.A.,
as a Lender, L/C Issuer and Swingline Lender

By:__________
Name:
Title:

PNC BANK, NATIONAL ASSOCIATION,
as a Lender

By:__________
Name:
Title:

HSBC BANK USA, NATIONAL ASSOCIATION,
as a Lender

By:__________
Name:
Title:

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as a Lender

By:__________
Name:
Title:

KEYBANK NATIONAL ASSOCIATION,
as a Lender

By:__________
Name:
Title:

EXHIBIT 10.2

TRUEBLUE, INC.
NONQUALIFIED DEFERRED COMPENSATION PLAN

(Amended and Restated Effective as of April 1, 2018)

SECTION 1

INTRODUCTION AND DEFINITIONS

1.1 **Nature of the Plan**. Effective June 1, 2006, TrueBlue, Inc. (formerly known as Labor Ready, Inc.) established a nonqualified, unfunded, deferred compensation plan for the purpose of allowing a select group of management or highly compensated employees of the Company and certain of its affiliates to defer Compensation that would otherwise be paid to those employees and to receive discretionary employer matching and other discretionary contributions that may be awarded from time to time. The Plan is intended to be "unfunded" within the meaning of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). Accordingly, it is intended that the Plan be a "top hat plan" that is exempt from the requirements of Parts II, III and IV of Title I of ERISA pursuant to §§ 201(2), 301(a)(3) and 401(a)(l) of ERISA. The Plan was amended and restated effective December 1, 2010, to explain the rules for Deferral Elections and Employer contributions for Plan Years starting on or after January 1, 2011; was amended and restated again effective December 1, 2012 to revise the definition of Eligible Employee, clarify matching contribution eligibility, and, for contributions made to the Plan in Plan Years starting on or after January 1, 2013, to revise the definition of Seniority Date. The Plan is hereby amended and restated to incorporate prior amendments and to amend the definition of disability, change the maximum deferral percentage, among other changes.

1.2 **Definitions.** The following words and phrases shall have the following meanings, unless a different meaning is plainly required by the context. Any masculine terminology used in the Plan shall also include the feminine gender and the definition of any terms in the singular shall also include the plural.

<u>Account</u> shall mean a Company internal bookkeeping account in the name of a Participant to which Eligible Compensation deferred by or otherwise allocated to the Participant under this Plan shall be credited, plus deemed investment earnings, losses, and expenses. A Participant's Account shall include his or her Elective Deferral Account, Matching Contribution Account, Discretionary Employer Contribution Account, and any Specified Date Accounts.

<u>Active Participant</u> shall mean an Eligible Employee who is eligible to participate in the Plan for a Plan Year, as described in Section 3.1, and who is actively deferring Eligible Compensation.

<u>Annual Bonus</u> shall mean the bonus that an Active Participant earns during one calendar year and is paid in the following calendar year, provided such bonus is considered "performance based compensation" under Code Section 409A and the Treasury Regulations thereunder and is remuneration the amount of, or entitlement to, is contingent on the satisfaction of pre-established organizational or individual performance criteria relating to a performance period of at least 12 consecutive months.

<u>Beneficiary</u> shall mean the persons or entities designated as such by the Participant to receive all or a part of the Participant's vested Account balance in the event of the Participant's death prior to the full payment thereof. Each such designation shall be filed with the Company in a form acceptable to the Company and shall become effective only when received by the Company. Designated persons or entities shall not be considered Beneficiaries until the death of the Participant. Beneficiary shall also mean the person or persons to whom a Participant's Account balance is distributed pursuant to Section 6.3, if applicable.

<u>Board</u> shall mean the Board of Directors of the Company.

<u>Change of Control</u> shall mean a change in the ownership or effective control of the Company or the Participant's Employer, or in the ownership of a substantial portion of the assets of the Company or the Participant's Employer. The definition of "Change of Control" shall be construed in a manner consistent with Code Section 409A(a)(2)(A)(v) and the Treasury Regulations thereunder and applicable guidance.

<u>Code</u> shall mean the Internal Revenue Code of 1986, as amended from time to time.

Committee shall mean the Benefit Plans Administration Committee.

Company shall mean TrueBlue, Inc.

Compensation shall mean an employee's compensation as described in Treasury Regulation Section l.415(c)-2(d)(2), and differential wage payments as defined by Code Section 340l(h)(2), subject to the following:

(a) Compensation paid after severance from employment as described in Treasury Regulation Section 1.415(c)-2(e)(3)(ii) and (iii) is included provided:

(i) the requirements of Treasury Regulation Section l.415(c)-2(e)(3)(i) are satisfied; and

(ii) such post-severance compensation is paid by the end of the Plan Year that includes the date of severance from employment.

(b) Post-severance payments as described in Treasury Regulation Section l.415(c)- 2(e)(3)(iv) are excluded.

(c) Salary continuation payments for military service and disabled Participants as described in Treasury Regulation Section 1.415(c)-2(e)(4) are included.

(d) Foreign compensation as described in Treasury Regulation Section l.415(c)- 2(q)(s) is included, but any foreign compensation paid to a nonresident alien who is not a Participant is excluded to the extent such compensation is excludable from gross income and is not paid in connection with the conduct of a trade or business within the United States.

(e) Compensation for any Plan Year will not exceed the amount permitted under Code Section 401(a)(l 7), as adjusted for increases in the cost of living in accordance with Code Section 401(a)(l 7)(B).

Compensation Threshold shall mean the dollar limit for the definition of a highly compensated employee under Code Section 414(q)(l)(B) (as adjusted by the Secretary of the Treasury).

Deferral Election shall mean the agreement executed by an Eligible Employee whereby the Eligible Employee elects to defer a portion of the applicable calendar year's Eligible Compensation and contains such other information as is required by the Committee including an election as to the form of payment and date, if the employee desires to credit amounts to a Specified Date Account. The applicable calendar year shall be the Plan Year that begins after the Plan Year in which the Deferral Election is made.

Disability shall mean a Participant's disability as determined by the Social Security Administration.

Discretionary Employer Contribution Account shall mean the account that holds the amount an Employer decides in its sole discretion to credit a Participant's Account pursuant to Section 3.3.2 plus deemed investment earnings and minus deemed investment losses and expenses, except to the extent that a Participant has made a timely election to have some or all of his or her discretionary employer contributions for a Plan Year (plus deemed investment earnings and minus deemed investment losses and expenses) credited to a Specified Date Account.

Elective Deferral Account shall mean the account that holds the amount of Eligible Compensation a Participant elects to defer to this Plan pursuant to Section 3.2 plus deemed investment earnings and minus deemed investment losses and expenses, except to the extent that a Participant has made a timely election to have some or all of his or her Eligible Compensation deferred for a Plan Year (plus deemed investment earnings and minus deemed investment losses and expenses) credited to a Specified Date Account.

Eligible Compensation shall mean an Active Participant's base salary, comm1ss10ns, Incentive Bonus, Annual Bonus, and other bonuses that may be paid to Eligible Employees by Employer.

Eligible Employee shall mean any of the following:

(a) an employee of the Employer who is a Highly Compensated Employee and, if applicable, satisfies one of the descriptions in subsection (d) below;

(b) a newly hired employee of the Employer whose base salary is reasonably expected, upon commencement of employment, to exceed the Compensation Threshold during the Plan Year, regardless of whether or not the employee received Compensation in excess of the Compensation Threshold in the prior Plan Year;

(c) an employee promoted during the prior Plan Year whose base salary is reasonably expected, upon the effective date of the promotion, to exceed the Compensation Threshold during the Plan Year, regardless of whether or not the employee received Compensation in excess of the Compensation Threshold in the prior Plan Year; or

(d) an employee who was previously an Active Participant in the Plan, who ceased to be an Active Participant, and who either:

1. took a distribution of the full amount of his or her Account balance after ceasing to be an Active Participant, and who is later rehired as an employee of the Employer whose base salary is reasonably expected to exceed the Compensation Threshold during the Plan Year, regardless of whether or not the employee received Compensation in excess of the Compensation Threshold in the prior Plan Year; or

2. at least 24 months after ceasing to be an Active Participant, either (1) is rehired as an employee of the Employer whose base salary is reasonably expected to exceed the Compensation Threshold during the Plan Year, regardless of whether or not the employee received Compensation in excess of the Compensation Threshold in the prior Plan Year; or (2) was not a Highly Compensated Employee in the prior Plan Year but whose base salary is reasonably expected to exceed the Compensation Threshold during the Plan Year.

Notwithstanding the foregoing, employees who provide temporary labor or services to the Employer's clients (i.e., are paid from a payroll system for temporary workers) are not eligible to participate in the Plan even if they are Highly Compensated Employees.

Employer shall mean the Company and affiliates of the Company for whom an Eligible Employee performs services. An affiliate is a corporation or other entity that has been designated by the Committee as a participating employer in this Plan and thus the affiliate's employees who otherwise satisfy the definition of Eligible Employee would be eligible to participate in the Plan.

Highly Compensated Employee shall mean an employee who

(a) was a five percent owner (as defined in Code Section 416(i)) during the current Plan Year or prior Plan Year; or

(b) received Compensation during the prior Plan Year in excess of the dollar limit for the definition of a highly compensated employee under Code Section 414(q)(l)(B) (as adjusted by the Secretary of the Treasury).

For purposes of this definition of Highly Compensated Employee, the term "Compensation" means the sum of all amounts treated as compensation under Code Section 415(c)(3).

Hour of Service shall mean an hour of service as defined in the ERISA regulations under Section 2530.200b-2.

Incentive Bonus shall mean amounts paid to an Active Participant that are in addition to the Active Participant's base salary and are not an Annual Bonus including, but not limited to brand bonuses, Net Operating Income Bonuses, and other incentive pay that is paid in periodic installments throughout the calendar year.

Matching Contribution Account shall mean the account that holds the amount of employer match credited to a Participant's Account pursuant to Section 3.3.1 plus deemed investment earnings and minus deemed investment losses and expenses, except to the extent that a Participant has made a timely election to have some or all of his or her employer matching contributions for a Plan Year (plus deemed investment earnings and minus deemed investment losses and expenses) credited to a Specified Date Account.

Participant shall mean an Eligible Employee who becomes a Participant in this Plan in accordance with the provisions of Section 3. An Eligible Employee who has become a Participant shall be considered to continue as a Participant in this Plan until the date of the Participant's death (or other event set forth in section 5.2) or, if earlier, the date when the Participant incurs a Separation from Service and upon which the Participant no longer has any Account under this Plan (that is, the Participant has received a payment of all of the Participant's Account). However, a Participant may be an Active Participant only for Plan Years in which the Participant is an Eligible Employee.

Plan shall mean this nonqualified and unfunded program established and maintained by the Company for the benefit of Participants eligible to participate therein, as set forth in this Plan document. The Plan shall be referred to as the TrueBlue, Inc. Nonqualified Deferred Compensation Plan.

Plan Year shall mean the calendar year (i.e., the twelve month period beginning on each January 1 and ending on the following December 31).

Seniority Date shall, for contributions made to the Plan on and after January 1, 2013, mean the date on which the Participant has attained age 65 or attained age 40 and completed five years of service with the Employer.

Separation from Service shall mean a termination of employment with the employee's Employer or the employee's death. The term Separation from Service shall be construed in a manner consistent with Code Section 409A(a)(2)(A)(i) and the Treasury Regulations thereunder and applicable guidance from the Internal Revenue Service ("IRS").

Specified Date Account shall mean the account that holds the amount a Participant elects to defer to a specified date, plus deemed investment earnings and minus deemed investment losses and expenses.

SECTION 2

ADMINISTRATION

2.1 Administration. This Plan shall be administered by the Committee. The Committee shall have full discretionary power and authority to administer and interpret the Plan, determine all factual and legal questions under the Plan (including, without limitation, interpreting the Plan and determining an employee's eligibility to participate in the Plan and the amount of benefits, if any, owed to the Participant or his or her Beneficiary), maintain records, determine deemed investment sources and generally be responsible for seeing that the purposes of the Plan are accomplished. Determinations by the Committee shall be final and binding on all parties with respect to all matters relating to the Plan. The Committee may from time to time adopt such rules and procedures as it deems appropriate to assist in the administration of the Plan. The Committee may delegate all or part of its administrative duties to one or more persons, whether or not such persons are members of the Committee or employees of the Company.

2.2 Books and Records. The Committee shall maintain records of each Participant's Account balance.

2.3 Liability. No current or former member of the Committee and no director, officer or member of the Board of the Company or its affiliates shall be liable to any persons for any actions taken under the Plan, or for any failure to effect any of the objectives or purposes of the Plan, by reason of insolvency or otherwise. Neither the officers nor any current or former member of the Committee or the Board of Directors of the Company or any of its affiliates in any way secures or guarantees the payment of any benefit or amount which may become due and payable hereunder to or with respect to any Participant. Each Participant and other person entitled at any time to payments hereunder shall look solely to the assets of the Employer for such payments as an unsecured, general creditor. Nothing herein shall be construed to give a Participant, Beneficiary or any other person or persons any right, title, interest or claim in or to any specific asset, fund, reserve, account or property of any kind whatsoever owned by the Employer or in which it may have any right, title or interest now or in the future. After benefits shall have been paid to or with respect to a Participant or Beneficiary (as applicable) and such payment purports to cover in full the benefit hereunder, such former Participant or Beneficiary or other person or persons, as the case may be, shall have no further right or interest in the other assets of the Employer and its affiliates in connection with this Plan.

SECTION 3

ELIGIBILITY; DEFERRAL ELECTION; EMPLOYER CONTRIBUTIONS

3.1 Eligibility. An employee who is an Eligible Employee for a Plan Year shall be eligible to participate in the Plan for the Plan Year. A Participant who is a Highly Compensated Employee for one Plan Year will cease to be an Active Participant for a subsequent Plan Year if he or she is no longer a Highly Compensated Employee.

3.2 Deferral Elections. An Eligible Employee may elect to participate for each Plan Year by completing a Deferral Election in the form and manner prescribed by the Committee, within the time periods prescribed below. The Deferral Election shall authorize the Employer to withhold from the Active Participant's Eligible Compensation a designated percentage amount to be deferred up to the maximum amount described below.

3.2.1 Base Salary, Commissions, 'Incentive Bonuses, and other bonuses. To be effective for a Plan Year, a Deferral Election to defer a portion of an Active Participant's base salary, commission, Incentive Bonus or other bonus must be returned no later than the December 31 immediately preceding the Plan Year. All such Deferral Elections are irrevocable for the Plan Year for which the Deferral Election is made and cannot be changed or revoked after December 31 prior to the Plan Year. An Active Participant who completed a Deferral Election shall be permitted to increase, decrease or eliminate such election on or before December 31 immediately preceding the Plan Year. For example, employees of the Employer who in 2018 have Compensation of at least $120,000 will be eligible to enroll in the Plan and complete a Deferral Election no later than December 31, 2018 to defer Eligible Compensation that would otherwise be earned and paid in 2019. For administrative purposes, the Committee may set deadlines for submitting Deferral Election prior to December 31 of the preceding year.

3.2.2 Annual Bonuses. An irrevocable Deferral Election of an Annual Bonus may be made on or before the date that is six months before the end of the performance period, provided that the employee performs services continuously from the later of the beginning of the performance period or the date the performance criteria are established through the date an election is made under this Section 3.2.2, and provided further that in no event may an election to defer an Annual Bonus be made after such compensation has become readily ascertainable. For example, if the performance period is January 1, 2019 through December 31, 2019, a Deferral Election relating to the Annual Bonus for that performance period shall be made no later than June 30, 2019.

3.2.3 First Year Eligibility. An Eligible Employee who first becomes eligible to participate in the Plan during a Plan Year may make a Deferral Election within 30 days after the date the employee becomes an Eligible Employee with respect to Eligible Compensation paid for services to be performed after the election. For an Annual Bonus, where a deferral election is made in the first year of eligibility but after the beginning of the performance period, the election must apply only to the portion of the Annual Bonus paid for services performed after the election.

3.2.4 Invalid Elections. A Deferral Election completed by an employee who is not an Eligible Employee as of December 31 shall be automatically null and void as of such date. For example, if an employee completed a Deferral Election in December 2018 in anticipation of being a Highly Compensated Employee by the end of 2018 and the employee, in fact, did not earn more than the Compensation Threshold by December 31, 2018 and did not earn more than the Compensation Threshold in two of the last three Plan Years, the Deferral Election completed in December 2018 for the 2019 Plan Year would be null and void on December 31, 2018.

3.2.5 Maximum Deferral. The Deferral Election shall authorize the Employer to withhold from the Active Participant's Eligible Compensation a designated percentage amount to be deferred to a maximum of seventy-five percent (75%) of the Active Participant's annual base salary and one-hundred percent (100%) (seventy-five percent (75%), effective on and after January 1, 2019) of the Active Participant's Annual Bonus, Incentive Bonus, other bonuses, or commissions.

3.2.6 Specified Date Elections. An Active Participant may elect, at the time of a Deferral Election, a specific taxable year upon which she or he will receive the Eligible Compensation deferred in the Plan Year that the election applies to, as adjusted for deemed investment returns, which shall be at least two years from the date the amount is credited to the Participant's Specified Date Account. If a Participant elects a specified date, he or she must also elect whether the Specified Date Account will be distributed upon such taxable year in a single lump sum or in installments over a term of up to five years beginning on such taxable year. Notwithstanding the foregoing if, prior to the specified date, a Participant dies, become Disabled, Separates from Service prior to the Participant's Seniority Date, or there is a Change of Control, the Participant's Account will be paid at the time and in the form specified for such event in Section 5 and Section 6 below.

3.2.7 Form of Payment. An Active Participant shall, at the time of the Deferral Election, elect whether to receive his or her Account following a Separation from Service on or after his or her Seniority Date in a single lump sum or in installments over a term not to exceed ten years. For all other payment events, the Participant's Account shall be paid in a single lump sum pursuant to Sections 5 and 6.

3.2.8 Hardship Suspension. Effective as of January 1, 2019, this Section 3.2.8 is deleted and has no effect. Notwithstanding any other provisions of the Plan to the contrary, if a Participant takes a hardship withdrawal from the True Blue 401(k) Plan, the Participant's Deferral Election under this Plan shall be cancelled for the remainder of the calendar year in which the withdrawal is made. In the case of a hardship withdrawal made by a Participant in the second half of the calendar year, the Participant may make a Deferral Election as described in Sections 3.2.1 and 3.2.2, but such election must expressly apply only to compensation and bonuses that are earned after the date that is six months from the date the hardship withdrawal was taken.

3.3 Employer Contributions.

3.3.1 Matching Contributions.

An Active Participant shall be eligible to earn matching contributions under this Plan. Matching contributions will only be made on elective deferrals of Eligible Compensation made to this Plan. Notwithstanding the foregoing, if a Participant contributes to both this Plan and a 401(k) plan sponsored by an Employer in the same Plan Year and receives a matching contribution under the 401(k) plan, the Participant is not eligible to receive a matching contribution under this Plan for that Plan Year.

The Company will determine in its sole discretion each year whether a match will be made for a Plan Year, which classes of Participants will be eligible to earn a match and the amount of any such match. A Participant must be employed with the Employer on the last day of the Plan Year to receive a matching contribution for that Plan Year. Matching contribution formulas can be different for different classes of employees, and different for employees of the Company versus employees of certain affiliates of the Company. Matching contributions shall be 100% vested when made.

3.3.2 Discretionary Employer Contributions

Each Employer may, in its sole discretion, from time to time award one or more Active Participants additional credits to their Accounts. Which Active Participants shall receive such an award, the amount of such an award, and the vesting schedule, if any, that is applicable to the award, are determined by the Employer making the award in its sole discretion. An Employer that chooses to make an employer contribution award need not (i) give an award to each Active Participant it employs, or (ii) award the same dollar amount or percentage of Eligible Compensation to each Active Participant receiving an award.

3.3.3 Form and Time of Payment of Employer Contributions.

A Participant's elections for a distribution on a specified date and for a distribution following a Separation from Service after attaining his or her Seniority Date shall also apply to employer contributions made for the same Plan Year. For example, if a Participant elected to defer 25% of his or her Eligible Compensation earned in 2018 and to receive such amount (plus deemed investment earnings and minus deemed losses and expenses on such amount) on January 1, 2022, employer contributions made for 2018 would also be distributed on January 1, 2022.

3.4 FICA Taxes. Amounts due for FICA taxes and other similar taxes and fees on the elected deferrals or employer contributions will be withheld from the Participant's remaining salary and bonuses.

3.5 Cancellation Due to Unforeseeable Emergency. If a Participant takes a distribution from his or her vested Account balance due an unforeseeable emergency, the Participant's Deferral Election will be cancelled, not merely postponed or otherwise delayed. Any subsequent Deferral Election must be made in accordance with Section 3.2 of the Plan. In no event may a Participant's deferrals following a withdrawal due to an unforeseeable emergency commence earlier than January 1 of the year following the withdrawal. For purposes of this Section, an "unforeseeable emergency" has the same meaning as in Section 7.1.1.

SECTION 4

DEFERRED COMPENSATION ACCOUNT

4.1 Account. Each Participant shall have an Account in this Plan. Amounts withheld by the Employer pursuant to Section 3.2 or otherwise credited pursuant to Section 3.3 shall be credited to the Participant's Account as of a date determined by the Committee. A Participant's "Account balance" shall be all amounts credited to the Participant's Account under this Section 4.1 plus any adjustments made under Section 4.2. Subject to Section 3.3, a Participant's Account shall be 100% vested and nonforfeitable at all times.

4.2 Deemed Investment Return; Expenses. From time to time, the Committee in its sole and exclusive discretion shall designate the investment funds that will be available to Participants as deemed investment options under the Plan ("investment funds").

Participants' Accounts will be credited with investment earnings and debited with investment losses and expenses based upon the performance of the investment funds into which they elect to have their Accounts deemed invested and any deemed expenses which are charged to the Accounts. The Committee may change the funds that are investment funds at any time in its sole discretion by designating new funds as investment funds and removing existing funds from the list of investment funds. The Company is not required to actually invest any money in the investment funds, but instead the investment funds are merely used to calculate the deemed investment returns to be credited and debited to a Participant's Account from time to time by multiplying the rate of investment return in the Participant's investment funds against the Participant's Account balance. If the Company does invest its assets in one or more of the investment funds, such investments shall be owned solely by the Company and neither the Participant nor his or her beneficiary shall have any interest in or claim against such investments. The Committee shall decide in its sole discretion how often Participants' Accounts will be adjusted to reflect the investment results of the investment funds and any deemed expenses charged to the Accounts, and the method of applying the investment performance of the investment funds and the deemed expenses against Account balances.

SECTION 5

TIME AND MANNER OF PAYMENT

5.1 Specified Date Accounts. If a Participant has elected a specified date, pursuant to Section 3.2.1, the Participant's Specified Date Account shall be distributed or begin to be distributed on the specified date in the form elected by the Participant.

5.2 Payment Events. A Participant's Account shall mature and be payable on the earliest to occur of the following events:

(a) the Participant's death;

(b) the Participant's Disability;

(c) the Participant's Separation from Service; provided that in the case of any Specified Employee, the distribution may not be made before the date which is 6 months after the date of the Participant's Separation from Service (or, if earlier, the date of death or Disability of the Participant). A "Specified Employee" is a key employee (as defined in Code section 4l 6(i) without regard to paragraph (5) thereof) of the Company or any affiliate thereof, if the stock of the Company is publicly traded on an established securities market or otherwise. "Specified Employee" shall be construed in a manner consistent with Code Section 409A(a)(2)(B)(i) and the Treasury Regulations thereunder and applicable IRS guidance; or

(d) a Change of Control (if elected by the Participant in his or her Deferral Election).

5.3 Time and Form of Payment. Distribution of the Participant's Account shall be made at a time and in a manner consistent with Code Section 409A and the Treasury Regulations thereunder and applicable IRS guidance, and in accordance with the following:

5.3.1 Upon Separation from Service before Seniority Date. Except as provided in Section 5.2 for a Specified Employee, if a Participant's Separation from Service occurs before the Participant attains his or her Seniority Date, the Participant's Account shall be paid in a single lump sum within 30 days of his Separation from Service.

5.3.2 Upon Separation from Service after Seniority Date. Except as provided in Section 5.2 for a Specified Employee, if a Participant's Separation from Service occurs after the Participant has attained his or her Seniority Date, the Participant's Account shall be paid in one of the following ways:

1. If the Participant's Account exceeds $5,000, the Participant's Account shall be paid in a single lump sum or commence in installments within 30 days of Separation from Service, in accordance with the Participant's specified date election made at the time of the Deferral Election; or

2. If the Participant's Account is $5,000 or less, his or her vested Account Balance shall be distributed in a single lump sum within 30 days after the Separation from Service.

5.3.2 Upon the Participant's Death. The Account of a Participant following his or her death shall be paid to his or her designated Beneficiary at any time during the period beginning on the date of death and ending on December 31 of the first calendar year following the calendar year in which the death occurs.

5.3.3 Upon the Participant's Disability. In the event of a Participant's Disability, his or her Account shall be paid in a single lump sum by the later of (1) the end of the calendar year in which the Disability occurs, or (2) within 90 days of the date the Disability occurs.

5.3.4 Upon Change in Control. In the event of a Change in Control and if properly elected by the Participant, a Participant's Account shall be paid in a single lump sum within 60 days of the Change in Control, in accordance with the Participant's election.

5.4 Withholding. The Company may withhold from any payments under Sections 5, 6 or 7 of this Plan any deductions required by law.

5.5 Payment by Employing Entity. A Participant's Payment Amount shall be payable by the Employer for whom the Participant was most recently employed when the Account matured.

SECTION 6

DEATH OR DISABILITY

6.1 Payment. A Participant's Account balance payable on the Participant's death or Disability is subject to the following provisions:

6.2 Death. On death, the Participant's Account balance shall be paid by single cash lump sum to the Beneficiary within 30 days after the Participant's death.

6.3 Beneficiaries. An amount payable on death of a Participant shall be paid to the Participant's surviving Beneficiary or Beneficiaries or, if there are none, then the amount will be distributed in the following order:

(a) first to the Participant's spouse, or, if none, then

(b) to the Participant's surviving children, per stirpes, or, if none, then

(c) to the Participant's parents, or, if none, then

(d) to the Participant's parents' children (i.e., siblings or half-siblings), or if none, then

(e) to the Participant's grandparents, or, if none, then

(f) to the Participant's grandparents' children (i.e., aunts and uncles), or, if none, then

(g) to the Participant's estate.

6.4 Beneficiary Designation. Upon first becoming a Participant and at such other times as the Participant desires, a Participant may designate the Beneficiary or Beneficiaries to whom payment of the Participant's vested Account under the Plan shall be made in the event of the Participant's death. Beneficiary designations shall become effective only when made in the time, form, and manner prescribed by the Company, and if received by the Committee while the Participant is still alive. Beneficiary designations first received by the Company after the Participant's death, and any designations in effect at the time a valid subsequent designation is received by the Company, shall be invalid and have no effect.

6.5 Disability. The Participant's Account balance shall be paid by a single cash lump sum to the Participant within 30 days after the date the Committee receives notice that the Participant has incurred a Disability.

SECTION 7

WITHDRAWALS

7.1 Distributions for Unforeseeable Emergencies. A Participant may request a distribution of amounts from the vested Account balance before his or her Account has matured in the event the Participant has an unforeseeable emergency, subject to the limitations set forth herein:

7.1.1 "Unforeseeable emergency" means a severe financial hardship to the Participant resulting from an illness or accident of the Participant, the Participant's spouse, or a dependent (as defined in section 152(a) of the Code) of the Participant, loss of the Participant's property due to casualty, or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant.

7.1.2 A Participant who receives a distribution due to an unforeseeable emergency pursuant to this Section shall have any Deferral Election that is in effect under this Plan for the Plan Year in which the distribution is received cancelled for the remainder of the Plan Year.

7.1.3 The amounts distributed with respect to an emergency shall not exceed the amounts necessary to satisfy such emergency plus amounts necessary to pay taxes reasonably anticipated as a result of the distribution, after taking into account the extent to which such hardship is or may be relieved through reimbursement or compensation by insurance or otherwise or by liquidation of the Participant's assets (to the extent the liquidation of such assets would not itself cause severe financial hardship), and the fact that any Deferral Election in effect for the Participant for the Plan Year in which the distribution for the unforeseeable emergency will be made will be cancelled for the remainder of such Plan Year.

7.1.4 The Committee shall establish guidelines and procedures for implementing withdrawals consistent with Code Section 409A(a)(2)(B)(ii) and the Treasury Regulations thereunder and any applicable IRS guidance. An application shall be written, be signed by the Participant and include a statement of facts causing the unforeseeable emergency and any other facts required by the Committee.

7.1.5 The withdrawal amount and date shall be fixed by the Committee. The Committee may require a minimum advance notice and may limit the amount, time and frequency of withdrawals.

The foregoing shall be construed in a manner consistent with Code Section 409A(a)(2)(B)(ii) and the Treasury Regulations thereunder and applicable IRS guidance.

SECTION 8

AMENDMENT; TERMINATION

8.1 Amendment and Termination. The Plan may be amended or terminated at any time through action by the Board or by the Committee; provided, however, that no amendment, discontinuance or termination of the Plan will, without the consent of any persons affected thereby, alter or impair the rights of any Participant or Beneficiary accrued prior to such amendment, discontinuance, or termination. No amendment, discontinuance or termination of the Plan shall affect or otherwise accelerate the timing, form and manner of benefits payments of Account balances in existence as of the date such amendment, discontinuance or termination is adopted by the Board or Committee, but instead such payments shall occur in accordance with the terms of the Plan in effect at the time such resolution is adopted. Freezing or terminating this Plan shall not cause the vesting of Account balances under this Plan to be accelerated unless the amendment expressly states that vesting shall be accelerated.

8.2 Payment. If the IRS issues a final ruling that any amounts deferred or otherwise credited under this Plan will be subject to current income tax due to a failure to comply with Code Section 409A, all amounts to which the ruling is applicable shall be paid to the Participants within 30 days after such final ruling.

SECTION 9

CLAIMS PROCEDURE

9.1 Initial Claim. Any person ("Claimant") claiming a benefit or requesting an interpretation, ruling or information under the Plan shall present the request in writing to the Committee. The Committee may, in its discretion and at any stage of the claims process, hold one or more hearings. The Claimant may, at the Claimant's own expense, have an attorney or other representative act on the Claimant's behalf; provided that a written authorization is presented to the Committee.

9.2 Timing of Initial Decision. Within 90 days after the Claimant delivers the claim, the Claimant will receive either: (a) a decision; or (b) a notice for extension describing special circumstances requiring additional time to process the claim (up to 180 days from the day the Claimant delivered the claim). Any notice for extension will describe the special circumstances (such as the need to hold a hearing) requiring more time and the date by which the Committee expects to render a decision.

9.3 Content of Initial Decision. If the Claimant's claim is denied in whole or in part, the Claimant will receive a written notice specifying: (a) the reasons for the denial; (b) the Plan provisions on which the denial is based; (c) any additional information needed from the Claimant in connection with the claim and the reason such information is needed; and (d) an explanation of the claims review procedure and the applicable time limits, including a statement of the claimant's right to bring a civil action under ERISA Section 502(a) following an adverse benefit determination on appeal. The time limits for making a decision on the Claimant's claim will be frozen until any necessary additional information is received by the Committee.

9.4 Appeal. To appeal a benefit claim decision, the Claimant must deliver the Claimant's written request for review to the Committee within 60 days of the date the Claimant received the initial claim denial. The Claimant's written request for review may (but is not required to) include issues, comments, documents, and other records the Claimant wants considered in the review. All the information the Claimant submits will be taken into account on appeal, even if it was not reviewed as part of the initial decision. The Claimant may ask to examine or receive free copies of all pertinent Plan documents, records, and other information relevant to the Claimant's claim by asking the Committee. If the Claimant fails to deliver the written request for review to the Committee within 60 days of the date the Claimant received the initial claim denial, the Claimant shall forever forfeit his or her right to appeal the claim either to the Committee or to a court.

9.5 Timing of Decision Upon Appeal. Within 60 days after the Claimant delivers the request for review, the Claimant will receive either: (a) a decision; or (b) a notice for extension describing special circumstances requiring additional time to process the Claimant's claim (up to 120 days from the day the Claimant delivered the request for review). Any notice for extension will describe the special circumstances (such as the need to hold a hearing) requiring more time and the date by which the Committee expects to render a decision on appeal.

9.6 Content of Decision Upon Appeal. The decision on the Claimant's appeal will be in writing and will specify: (a) the reasons for the decision; (b) the Plan provisions on which the decision is based; and (c) any documents, records or other information relevant to the Claimant's claim.

9.7 Final Decision. All decisions on appeal are final and binding on all parties.

9.8 Statute of Limitations; Venue: No action shall be commenced by a Claimant seeking judicial review of an adverse decision more than one year after the earlier of the date (1) the decision became final; (2) the Claimant exhausted his or her administrative remedies under this Section; or (3) final proof of claim was due. All disputes under the Plan are subject to exclusive jurisdiction of courts located in Pierce County in Washington State.

SECTION 10

GENERAL PROVISIONS

10.1 Attorneys' Fees. If a suit or action is instituted to enforce any rights under this Plan, the prevailing party may recover from the other party reasonable attorneys' fees at trial and on any court appeal.

10.2 Notices. Any notice under this Plan shall be provided by email or in writing and shall be effective when actually delivered or, if mailed, when deposited as first class mail postage prepaid. Mail shall be directed to the Company at the address stated in this Plan, to the Participant's last known home address shown in the Company's records, or to such other address as a party may specify by notice to the other parties. Notices to an Employer or the Committee shall be sent to the Company's address.

10.3 Nontransferability. The rights of a Participant under this Plan are personal. Except for the limited provisions of Section 6, no interest of a Participant or one claiming through a Participant may be directly or indirectly assigned, alienated, pledged, transferred or encumbered and no such interest shall be subject to seizure by legal process, attachment, garnishment, execution following judgment or in any other way subjected to the claims of any creditor. The foregoing limitation precludes, among other things, a Participant who is getting (or has gotten) a divorce from transferring any portion of his or her interest under this Plan to his or her spouse or ex-spouse (except by naming the spouse or ex-spouse as a Beneficiary pursuant to Section 6).

10.4 Not an Employment Contract. This Plan is not and shall not be deemed to constitute a contract of employment between the Company and any employee or other person, nor shall anything herein contained be deemed to give any employee or other person any right to be retained in the Company's employ or in any way limit or restrict the Company's right or power to discharge any employee or other person at any time and to treat him without regard to the effect which such treatment might have upon the employee as a Participant in the Plan.

10.5 Successors. Amounts payable under this Plan shall be an obligation of the Employer and successors of the Employer and shall constitute mere unfunded, unsecured promises by the Employer to pay cash compensation to the Participants. The Company and its affiliates that constitute the Employer shall be jointly and severally liable for benefit payments to Participants under this Plan. In the event a Participant's employer becomes insolvent, a Participant may bring a claim for benefits under this Plan against the Company or any affiliate of the Company that is an Employer under this Plan.

10.6 Incompetence. The Committee may decide that because of the mental or physical condition of a person entitled to payments, or because of other relevant factors, it is in the person's best interest to make payments to others for the benefit of the person entitled to payment. In that event, the Committee may in its discretion direct those payments to be made as follows:

(a) To a parent or spouse or a child of legal age;

(b) To a legal guardian; or

(c) To one furnishing maintenance, support, or hospitalization.

10.7 Governing Law. Except to the extent that federal law is controlling the Plan shall be construed and entered in accordance with and governed by the laws of the State of Washington. Invalidation of any one of the provisions of the Plan for any reason shall in no way affect the other provisions hereof, and all such other provisions shall remain in full force and effect.

10.8 Unsecured General Creditor. Any amount allocated to a Participant's Account balance under this Plan shall be an unfunded, unsecured promise of the Employer to make payments in the future. Participants and their beneficiaries, heirs, successors and assigns shall have no legal or equitable rights, interest or claims in any property or assets of the Employer or any affiliate thereof. Any and all of the Employer's assets shall be, and remain, the general, unpledged, unrestricted assets of the Employer. One or more of the entities constituting the Employer may choose (but are not required) to contribute assets to a rabbi trust, the assets of which will be subject to the claims of such entity's creditors in the event of insolvency. The Employer may, but shall not be required to, establish a reserve of assets to provide funds for payments under this Plan. Establishing a reserve or rabbi trust shall have no effect on the operation of this Plan or upon the status of Participants as unsecured general creditors of the Employer. Rights to payments will not be limited to assets held in any reserve or rabbi trust.

10.9 Effective Date. This amended and restated Plan shall be effective April 1, 2018.

TRUEBLUE, INC.

Date Signed: December __, 2018 By:__________

Its:__________

EXHIBIT 10.3

TRUEBLUE, INC.
NONQUALIFIED DEFERRED COMPENSATION PLAN

(As Amended and Restated Effective April 1, 2018)

First Amendment

WHEREAS, TrueBlue, Inc. (the "Company") sponsors and maintains the TrueBlue, Inc. Nonqualified Deferred Compensation Plan, as amended and restated effective April 1, 2018 (the "Plan"); and

WHEREAS, the Company has established a new committee, the Global Retirement Plans Governance Committee (the "Committee"), to replace the Benefit Plans Administration Committee in its role as the administrator of the Plan, including by delegating to the Committee the authority to amend the Plan for changes that will not significantly increase the cost of the Plan; and

WHEREAS, pursuant to the Company's delegation of authority described above, the Global Retirement Plans Governance Committee (the "Committee") has the authority to amend the Plan; and

WHEREAS, the Committee desires to amend the Plan to (1) replace references to the Benefit Plans Administration Committee with the Global Retirement Plans Governance Committee, (2) clarify the timing for benefit payments to Beneficiaries in the event of a Participant's death prior to the full payment of benefits, and (3) clarify timing of payments to Participants on account of Disability.

NOW, THEREFORE, effective January 1, 2019, the Plan is hereby amended as follows:

1. The definition of Beneficiary in Section 1.2 of the Plan, **Definitions**, is hereby amended in its entirety, to read as follows:

"Beneficiary shall mean either of the following:

(a) Designated Beneficiary. The persons or entities designated as such by the Participant to receive all or a part of the Participant's vested Account balance in the event of the Participant's death prior to the full payment thereof. Each such designation shall be filed with the Company in a form acceptable to the Company and shall become effective only when received by the Company. Designated persons or entities shall not be considered Beneficiaries until the death of the Participant.

(b) Default Beneficiary. The person or persons to whom all or a part of a Participant's vested Account balance is distributed in the event of the Participant's death prior to the full payment thereof, in the absence of any Beneficiaries designated pursuant to subsection (a). In the event payment is made pursuant to this subsection (b), the amount will be distributed in the following order:

(a) first to the Participant's spouse, or, if none, then
(b) to the Participant's surviving children, per stirpes, or, if none, then
(c) to the Participant's parents, or, if none, then
(d) to the Participant's parents' children (i.e., siblings or half-siblings), or if none, then
(e) to the Participant's grandparents, or, if none, then
(f) to the Participant's grandparents' children (i.e., aunts and uncles), or, if none, then
(g) to the Participant's estate."

2. The definition of Committee in Section 1.2 of the Plan, **Definitions,** is hereby amended in its entirety, to read as follows:

"Committee shall mean the Global Retirement Plans Governance Committee."

3. The last sentence in the definition of Highly Compensated Employee in Section 1.2 of the Plan, **Definitions,** is hereby deleted.

4. Section 6 of the Plan, **DEATH OR DISABILITY,** is hereby deleted and reserved as follows, and all references to Section 6 in the Plan are hereby removed:

"SECTION 6

[Reserved)"

5. Section 10.3 of the Plan, Nontransferability, is hereby amended in its entirety, to read as follows:

   "10.3 Nontransferability. The rights of a Participant under this Plan are personal. Except for the limited provisions of Section 5, no interest of a Participant or one claiming through a Participant may be directly or indirectly assigned, alienated, pledged, transferred or encumbered and no such interest shall be subject to seizure by legal process, attachment, garnishment, execution following judgment or in any other way subjected to the claims of any creditor. The foregoing limitation precludes, among other things, a Participant who is getting (or has gotten) a divorce from transferring any portion of his or her interest under this Plan to his or her spouse or ex-spouse (except by naming the spouse or ex-spouse as a Beneficiary)."

IN WITNESS WHEREOF, the Committee has caused this First Amendment to be adopted and executed on this ____ day of ____, 2020.

TRUEBLUE, INC.

By:__________
Global Retirement Plans Governance Committee, Chair

EXHIBIT 10.4

TRUEBLUE, INC.
NONQUALIFIED DEFERRED COMPENSATION PLAN

(As Amended and Restated Effective April 1, 2018)

Second Amendment

WHEREAS, TrueBlue, Inc. (the "Company") sponsors and maintains the TrueBlue, Inc. Nonqualified Deferred Compensation Plan, as amended and restated effective April 1, 2018 and as thereafter amended (the "Plan"); and

WHEREAS, pursuant to the Company's delegation of authority, the Global Retirement Plans Governance Committee (the "Committee") may amend the Plan for changes that will not significantly increase the cost of the Plan; and

WHEREAS, the Committee desires to amend the Plan prospectively to (1) limit the number of specified date accounts to six, (2) change payment timing for payment on severance from employment or specified date accounts, (3) remove age and service requirements with respect to receiving installment payments upon severance from employment; (4) increase the account balance threshold for automatic payouts to the Code Section 402(g) limit; (5) add a default form and time of payment for undesignated amounts; (6) remove disability as a payment event, (7) remove change of control as a payment event, (8) permit participants to make subsequent deferral elections, and (9) add general Code Section 409A compliance language.

NOW, THEREFORE, effective for deferral elections applicable to Compensation earned in 2021 and later calendar years, the Plan is hereby amended as follows:

1. The definition of Account in Section 1.2 of the Plan, **Definitions**, is hereby amended in its entirety, to read as follows:

   "Account shall mean a Company internal bookkeeping account representing the total of all amounts credited for the benefit of a Participant under the Plan, including Eligible Compensation deferred by the Participant and any Employer contributions, plus deemed investment earnings, losses, and expenses. A Participant's Account shall also include any Specified Date Accounts."

2. Subsection (b) of the definition of Compensation in Section 1.2 of the Plan, **Definitions**, is hereby amended in its entirety, to read as follows:

   "(b) Post-severance payments as described in Treasury Regulation Section 1.415(c)- 2(e)(3)(iv) (which includes severance payments) are excluded."

3. The definitions of Discretionary Employer Contribution Account, Elective Deferral Account, and Matching Contribution Account in Section 1.2 of the Plan, **Definitions**, are hereby deleted.

4. Section 3.2.6 of the Plan, Specified Date Elections, is hereby amended in its entirety, to read as follows:

   "3.2.6 Specified Date Elections. An Active Participant may elect, at the time of a Deferral Election and subject to the requirements set forth below, a specific calendar quarter during which she or he will receive, or begin receiving, the Eligible Compensation earned in the Plan Year that the election applies to, as adjusted for deemed investment returns. The designated calendar quarter may not occur earlier than the second calendar year following the calendar year in which the Eligible Compensation was earned. A Participant making an election under this Section must also elect whether the Eligible Compensation will be received in the form of a single lump sum or in annual installments over a term of up to five years.

   The Participant may establish one or more Specified Date Accounts (up to the maximum number set forth in Section 5.1, when combined with any previously established Specified Date Accounts). Each Deferral Election may allocate the Participant's deferrals, in whole percentages, among any of these Specified Date Accounts, consistent with the minimum deferral period set forth in this Section.

   With respect to Deferral Elections applicable to amounts earned in 2021 and later calendar years, if, prior to the first day of the designated calendar quarter, a Participant dies or Separates from Service, the Participant's Specified Date Account will be paid at the time and in the form specified for the applicable event in Section 5 below.

With respect to Deferral Elections applicable to amounts earned prior to the 2021 calendar year: (1) a separate Specified Date Account will be established for each Deferral Election in which a specified future payment commencement date and form of payment was designated; and (2) if, prior to the specified date, a Participant dies, become Disabled, Separates from Service prior to the Participant's Seniority Date, or there is a Change of Control, the Participant's Account will be paid at the time and in the form specified for such event in Section 5 below."

5. Section 3.2.7 of the Plan, Form of Payment, is hereby amended in its entirety, to read as follows:

"3.2.7 Form of Payment. An Active Participant shall, at the time of the Deferral Election, designate the form in which payment will be made following a Separation from Service (or in the case of a Specified Date Account, a Separation from Service occurring prior to the commencement date for that Specified Date Account) on or after his or her Seniority Date in a single lump sum or in installments over a term not to exceed ten years. Notwithstanding the foregoing, with respect to Deferral Elections applicable to amounts earned in 2021 and later calendar years, a Participant's designated form of payment following a Separation from Service will apply, regardless whether the Participant has reached his or her Seniority Date. For all other payment events, the Participant's Account shall be paid in a single lump sum pursuant to Section 5."

6. Section 3.2.8 of the Plan, Hardship Suspension, is hereby deleted in its entirety.

7. Section 3.3.3 of the Plan, Form and Time of Payment of Employer Contributions, is hereby amended in its entirety, to read as follows:

"The form and time of payment for employer contributions applicable to a given Plan Year shall be the same as those applicable to the Participant's deferrals for that Plan Year. For example, if a Participant elected to allocate 25% of his or her deferrals to a Specified Date Account commencing in the third calendar quarter of 2025 and 75% to a Specified Date Account commencing in the first quarter of 2030, then the Employer contribution for that year (plus deemed investment earnings and minus deemed losses and expenses on that amount) also will be allocated to each Specified Date Account in the same proportion."

8. Section 5.1 of the Plan, Specified Date Accounts, is hereby amended in its entirety, to read as follows:

"5.1 Specified Date Accounts. For Deferral Elections applicable to amounts earned prior to the 2021 calendar year, the Participant's Specified Date Account shall be distributed or begin to be distributed on the specified date in the form elected by the Participant.

With respect to Deferral Elections applicable to amounts earned in 2021 and later calendar years, each Specified Date Account shall be distributed or shall begin to be distributed not later than the last day of the calendar quarter elected for that Specified Date Account; provided, however, that for purposes of determining whether an earlier payment event applies under Sections 5.3, and for purposes of Section 5.4, the payment commencement date is deemed to be the first day of the applicable calendar quarter. Notwithstanding the foregoing sentence, if a Participant dies during the calendar quarter elected for payment, the timing of the Participant's payment shall be governed in accordance with Section 5.3.4. A Participant may not have more than six Specified Date Accounts at any one time."

9. Section 5.2 of the Plan, Payment Events, is hereby amended in its entirety, to read as follows:

"5.2 Payment Events. A Participant's Account shall mature and be payable on the earliest to occur of the following events:

(a) the Participant's death;

(b) the Participant's Separation from Service;

(c) the specified date, if any, elected by the Participant;

(d) for Deferral Elections applicable to amounts earned prior to the 2021 calendar year, the Participant's Disability; or

(e) for Deferral Elections applicable to amounts earned prior to the 2021 calendar year, a Change of Control (if elected by the Participant in his or her Deferral Election)."

10. Section 5.3 of the Plan, Time and Form of Payment, is hereby amended in its entirety, to read as follows:

“5.3 Time and Form of Payment. Distribution of the Participant’s Account shall be made at a time and in a manner consistent with Code Section 409A and the Treasury Regulations thereunder and applicable IRS guidance, and in accordance with the following:

5.3.1 Upon Separation from Service before Seniority Date for Deferral Elections Applicable to Amounts Earned before 2021. With respect to Deferral Elections applicable to amounts earned prior to the 2021 calendar year, and except as provided in Section 5.2 for a Specified Employee, if a Participant’s Separation from Service occurs before the Participant attains his or her Seniority Date, the Participant’s Account shall be paid in a single lump sum within 30 days of his Separation from Service.

5.3.2 Upon Separation from Service after Seniority Date for Deferral Elections Applicable to Amounts Earned before 2021. With respect to Deferral Elections applicable to amounts earned prior to the 2021 calendar year, if a Participant’s Separation from Service occurs after the Participant has attained his or her Seniority Date, the Participant’s Account shall be paid in one of the following ways:

1. If the Participant’s Account exceeds $5,000, the Participant’s Account shall be paid in a single lump sum or commence in installments within 30 days of Separation from Service; or

2. If the Participant’s Account is $5,000 or less, his or her vested Account Balance shall be distributed in a single lump sum within 30 days after the Separation from Service.

5.3.3 Upon Separation from Service for Deferrals Elections Applicable to Amounts Earned in 2021 and Later. With respect to Deferral Elections applicable to amounts earned in 2021 and later calendar years, the Participant’s Account shall be paid in one of the following ways following his or her Separation from Service:

1. If the Participant’s Account exceeds the Code Section 402(g) limit for the year of the payment ($19,500 for 2020), the Participant’s Account shall be paid in a single lump sum or commence in installments, according to the Deferral Election establishing the Account, within 90 days of the date on which the Separation from Service occurs; or

2. If the Participant’s Account is less than or equal to the Code Section 402(g) limit, his or her vested Account Balance shall be distributed in a single lump sum within 90 days of the date on which the Separation from Service occurs.

5.3.4 Upon the Participant’s Disability. In the event of a Participant’s Disability, for Deferral Elections applicable to amounts earned prior to the 2021 calendar year, his or her Account shall be paid in a single lump sum by the later of (1) the end of the calendar year in which the Disability occurs, or (2) within 90 days of the date the Disability occurs.

5.3.5 Upon the Participant’s Death. The Account of a Participant following his or her death shall be paid to his or her designated Beneficiary at any time during the period beginning on the date of death and ending on December 31 of the first calendar year following the calendar year in which the death occurs.

5.3.6 Upon Change in Control. In the event of a Change in Control and if properly elected by the Participant for Deferral Elections applicable to amounts earned prior to the 2021 calendar year, a Participant’s Account shall be paid in a single lump sum within 60 days of the Change in Control, in accordance with the Participant’s election.

5.3.7 Default Time and Form of Payment. In the event the Participant fails to designate a time and form of payment at the time of his or her Deferral Election, or if the designation fails to comply with the terms of the Plan, all deferrals will be will be paid in the form of a single lump sum on the earlier of the Participant’s death or Separation from Service.”

11. A new Section 5.4 of the Plan, Subsequent Deferral Elections, is added to the Plan, to read as follows and renumbering the remaining sections of Section 5 accordingly:

“5.4 Subsequent Deferral Elections. The Participant may make a subsequent deferral election regarding the form or timing of payment of his or her Account, provided the election meets the following requirements:

(a) The election does not take effect until at least 12 months after the date on which the election is made;

(b) The first or sole payment pursuant to the subsequent deferral election is made not less than five years from the date the payment would otherwise have been made, except that this requirement does not apply to payments due to death or unforeseeable emergency; and

(c) The election is made a minimum of 12 months prior to the date on which the first scheduled payment is to be made.

For purposes of this Section 5.4, a series of installments payments is treated as a single payment to be made when the first installment would have otherwise been paid.

In the event the Participant submits an election under this Section 5.4 that does not meet all of the requirements set forth above, the election will be void. Accordingly, payment will be made pursuant to the terms of the Participant's immediately preceding valid Deferral Election, if applicable. If the Participant has not previously made a valid Deferral Election, payment will be made in accordance with Section 5.3.6.

An election under this Section 5.4 is irrevocable when submitted to the Plan Administrator."

12. A new Section 10.9 of the Plan, <u>Compliance with Code Section 409A</u>, is hereby added to the Plan, to read as follows and renumbering the remaining section accordingly:

"10.9 <u>Section 409A Compliance</u>. The Plan and any payments provided hereunder are intended to comply with, or be exempt from. Code Section 409A. The Plan shall in all respects be interpreted, operated, and administered in accordance with this intent. Payments provided under the Plan may be made only upon an event and in a manner that complies with Code Section 409A. The Company makes no representations or warranties that the payments provided under the Plan comply with, or are exempt from, Code Section 409A, and in no event shall the Company be liable for any portion of any taxes, penalties, interest, or other expenses that may be incurred by a Participant on account of non- compliance with Code Section 409A.

Notwithstanding any other provision of the Plan, if at the time of the Participant's termination of employment, he is a "specified employee", determined in accordance with Section 409A, any payments and benefits provided under the Plan that constitute "nonqualified deferred compensation" subject to Section 409A that are provided to the Participant on account of his separation from service shall not be paid until the first payroll date to occur following the six-month anniversary of the Participant's termination date ("**Specified Employee Payment Date**"). The aggregate amount of any payments that would otherwise have been made during that six-month period shall be paid in a lump sum on the Specified Employee Payment Date without interest and thereafter, any remaining payments shall be paid without delay in accordance with their original schedule. If the Participant dies during the six-month period, any delayed payments shall be paid to the Participant's Beneficiary in a lump sum upon the Participant's death."

IN WITNESS WHEREOF, the Committee has caused this Second Amendment to be adopted and executed on this 21st day of August, 2020.

TRUEBLUE, INC.

By:__________
On behalf of the Global Retirement Plans Governance Committee

EXHIBIT 10.5

TRUEBLUE, INC.
NONQUALIFIED DEFERRED COMPENSATION PLAN
(As Amended and Restated Effective April 1, 2018)

Third Amendment

WHEREAS, TrueBlue, Inc. (the "Company") sponsors and maintains the TrueBlue, Inc. Nonqualified Deferred Compensation Plan, as amended and restated effective April 1, 2018 and as thereafter amended (the "Plan"); and

WHEREAS, pursuant to the Company's delegation of authority, the Global Retirement Plans Governance Committee (the "Committee") may amend the Plan for changes that will not significantly increase the cost of the Plan; and

WHEREAS, the Committee desires to amend the Plan to add exclusions from the definition of Compensation.

NOW, THEREFORE, effective as of January 1, 2024, the definition of Compensation in Section 1.2 of the Plan, Definitions, is hereby amended to add a new subsection (c), to read as follows, and to renumber the remaining subsections accordingly:

"(c) Reimbursements or other expense allowances, fringe benefits (cash and noncash), moving expenses (qualified or nonqualified), and welfare benefits are excluded."

IN WITNESS WHEREOF, the Committee has caused this Third Amendment to be adopted and executed on this 12th day of July, 2024.

TRUEBLUE, INC.

By:__________
On behalf of the Global Retirement Plans Governance Committee

EXHIBIT 31.1

CERTIFICATION

I, Taryn R. Owen, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of TrueBlue, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 4, 2025

/s/ Taryn R. Owen

Taryn R. Owen
Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 31.2

CERTIFICATION

I, Carl R. Schweihs, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of TrueBlue, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 4, 2025

/s/ Carl R. Schweihs
Carl R. Schweihs
Chief Financial Officer
(Principal Financial Officer)

EXHIBIT 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

We, Taryn R. Owen, the chief executive officer of TrueBlue, Inc. (the "company"), and Carl R. Schweihs, the chief financial officer of the company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Quarterly Report of the company on Form 10-Q, for the fiscal period ended June 29, 2025 (the "Report"), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the company.

/s/ Taryn R. Owen	*/s/ Carl R. Schweihs*
Taryn R. Owen Chief Executive Officer (Principal Executive Officer)	Carl R. Schweihs Chief Financial Officer (Principal Financial Officer)

August 4, 2025

A signed original of this written statement required by Section 906 has been provided to TrueBlue, Inc. and will be retained by TrueBlue, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.