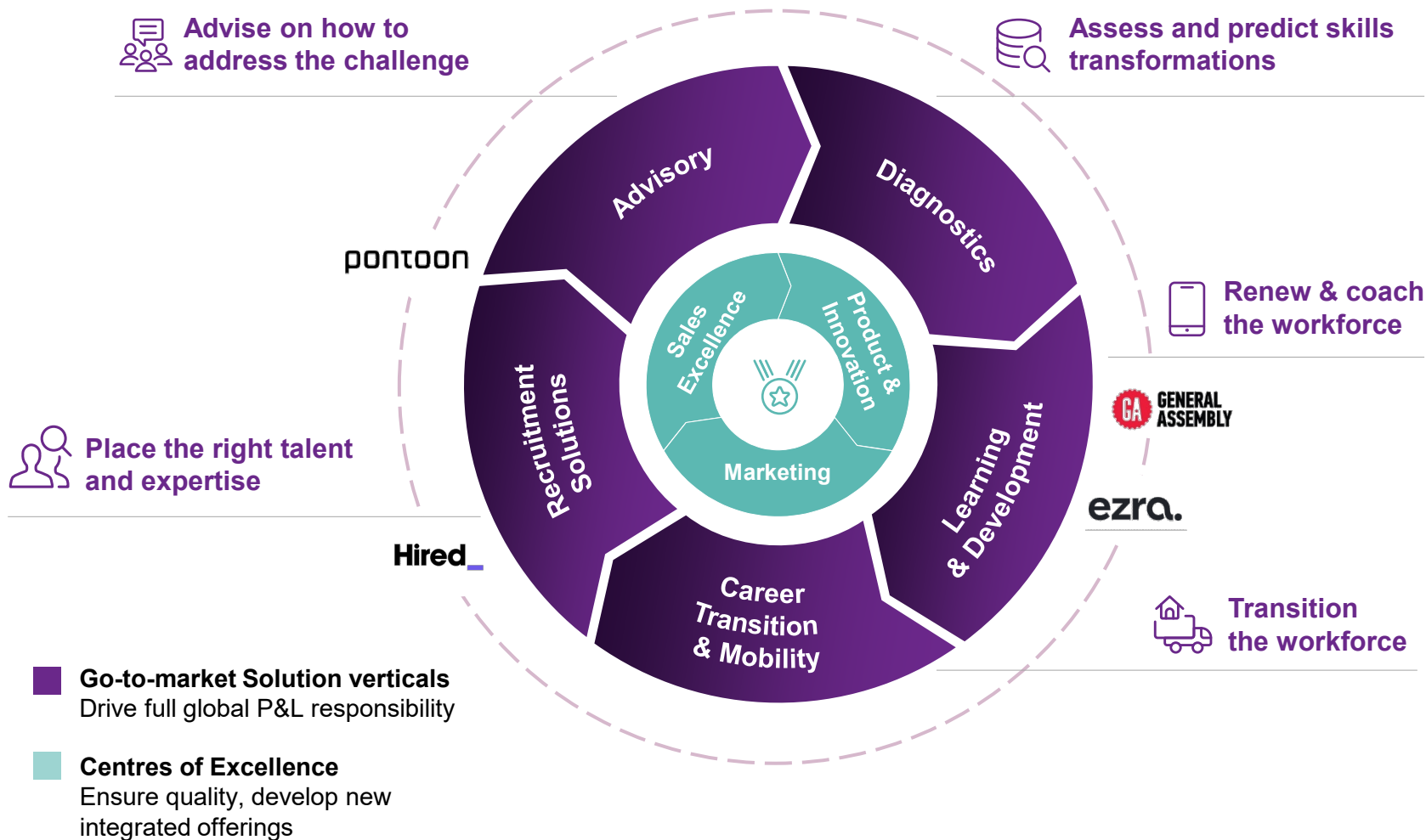




LHH Strategy update

Adecco Group Capital Markets Day 2022

The first truly end-to-end Human Capital Transformation partner



Customer value proposition

Data-driven & digitally enabled E2E solution

- Planning & executing workforce transition
- Managing talent development

A candidate-centric approach

- Seamless experience for learning, developing, growing and exploring opportunities

The global brand for Human Capital Transformation



>8,000 colleagues, associates and coaches in >60 countries



Global delivery for **>15,000** clients across all industries



35,000 permanent placements in Recruitment Solutions p.a., incl. digital placement



>10 mn hours of up-/reskilling delivery p.a., incl. digital skilling and coaching

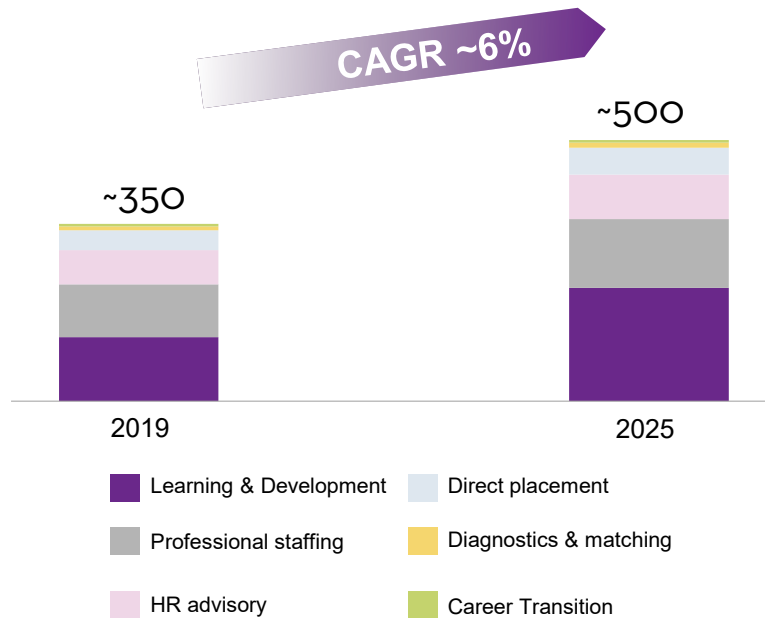


~300,000 candidates transitioned into new jobs p.a.

Operating in a large and attractive market

Addressable market

(in € bn)



Driven by global megatrends changing the world of work

 **20%**

Employees with the skills needed for both their current role and future career

 **87%**

Executives say their organizations are already experiencing skill gaps or expect them in the short-term

 **60%**

Clients look for integrated solutions across segments



THE AVERAGE SHELF LIFE OF SKILLS IS **LESS THAN 5 YEARS**



CULTURE SHIFT TO CONTINUOUS LEARNING & MOBILITY NEEDED



NEW TALENT POOLS WITH SPECIFIC SKILLS NEEDED



NEW **LEADERSHIP** PROFILE REQUIRED

Creating value through the move to a global lead brand



LHH

The LHH brand roll-out involves migrating

 **9** Recruitment Solutions brands to **1**

 **+50** websites

 **18** languages

Why LHH?

 **High brand awareness**

 Brand asset score **+10% higher** than our other brands

 **Highest customer preference**

Ability to extend brand across services



Key milestones

● As of CMD

- Successful pilot in Brazil
- Brand migration of US, UK and Brazil
- ~20% of websites rebranded
- Extensive customer outreach

● 2022

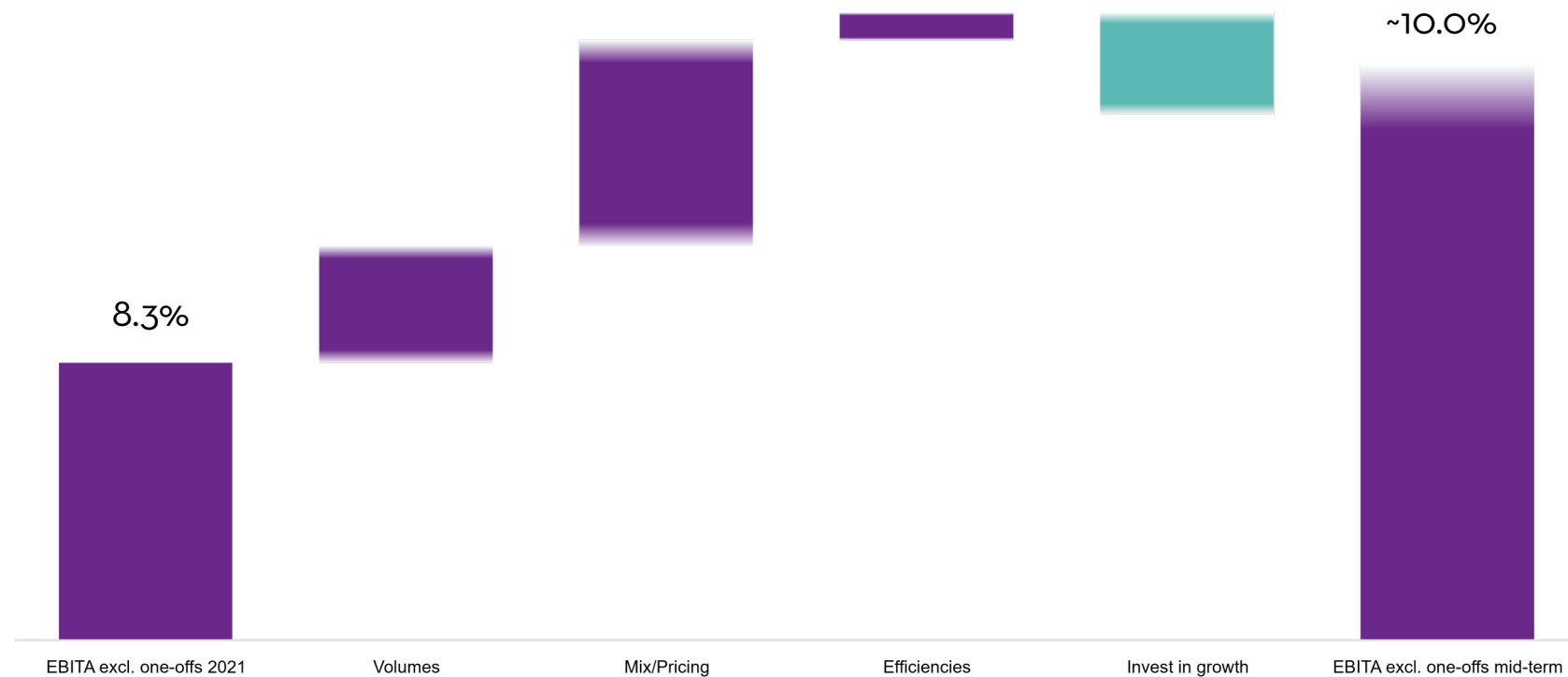
- Complete brand migration, covering 80% of revenues
- Unified LHH website go-live

● 2023

- Brand migration of remaining countries
- Accelerate value capture of unified brand strategy

Targeting mid-term EBITA margin of ~10%

EBITA bridge



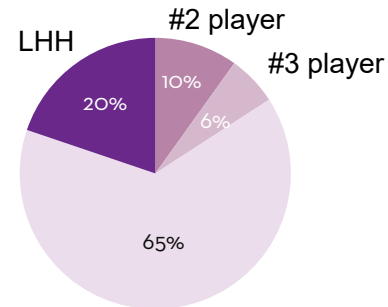
Key drivers

- Sustained post-Covid rebound
- New services and end-to-end solutions
- Scaling in digital
- Synergies from rebranding, integration

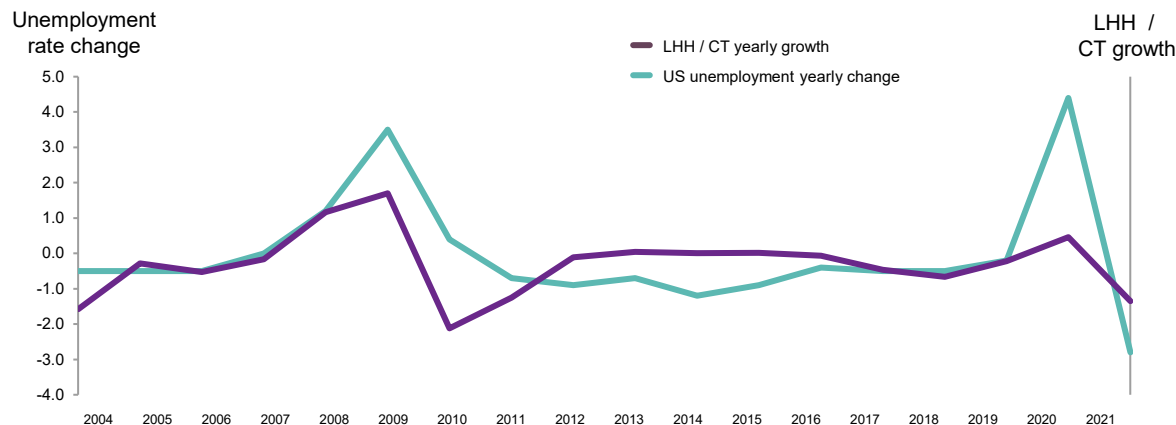
Career Transition: managing cyclicality

Starting from a position of strength

Leader in the global Career Transition market



Growth has been highly correlated to unemployment trends



US job cuts in February 2022 at lowest monthly total since 1997

Right-sizing actions

Focus on operational excellence

(EUR bn or % terms, unless otherwise stated)

| | 2019 | 2020 | 2021 | Future |
|--------------|------|------|------|--------|
| Revenues | 0.4 | 0.4 | 0.3 | ↗ |
| Gross margin | >95 | >95 | >95 | → |
| EBITA margin | ~25 | >25 | <20 | ↑↑ |

Actions implemented, mainly H2 21

- Right-sizing real estate; spend reduced ~45% since 2019
- Headcount optimisation
- Extensive reduction in G&A expenses

Shifting towards a more resilient business model

Traditional outplacement

- External job search

Internal Redeployment

- Re-/upskilling

Enterprise Mobility

- AI-based matching
- Career pathing
- Lifelong learning

Honeywell

TRUIST 

 NORTHERN
TRUST

 KAISER
PERMANENTE

BAE SYSTEMS

T-Mobile

Bupa 

CommonwealthBank 

 USAA®

Allianz 

- Capitalises on the current and future talent scarcity trend

- Potential for more stable revenue through annual subscription model

- Elevates the HR buying discussion, better positions LHH in the HR Advisory space

Enterprise Mobility - successful launch of our Career Mobility Portal

Strong synergy potential across LHH; future benefits for the Adecco Group ecosystem

Highlights

↑ **+40%**

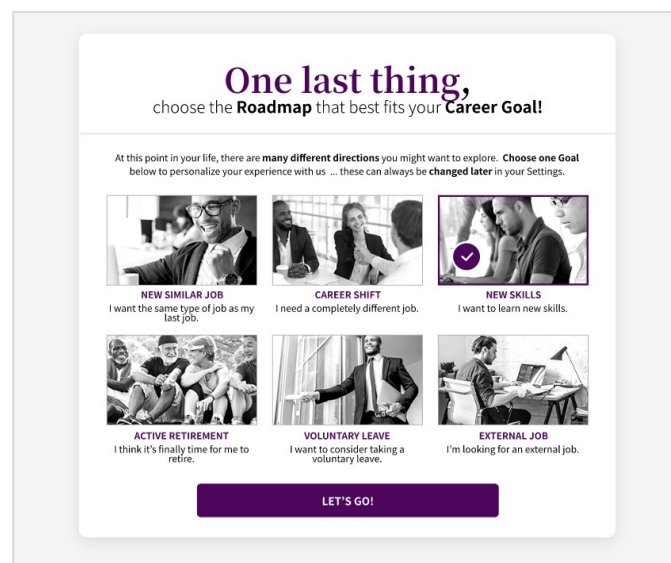
2021 revenues yoy

↑ **€50+ mn**

Pipeline value

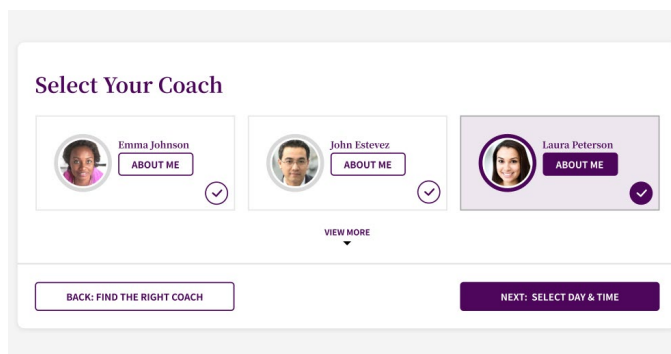
↑ **+60%**

Pipeline growth last 2 months



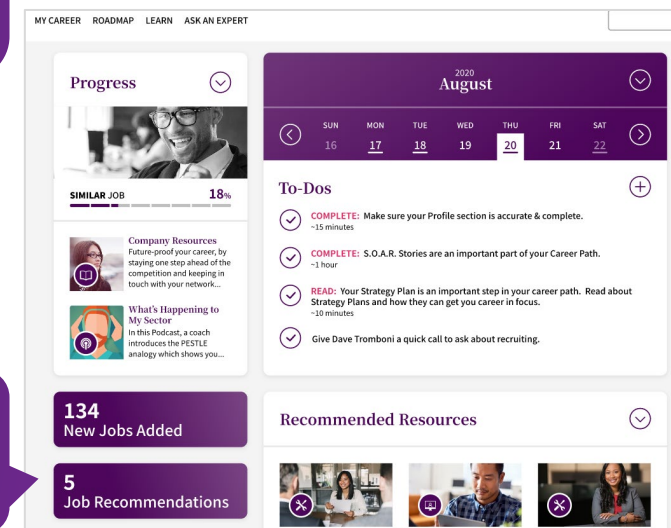
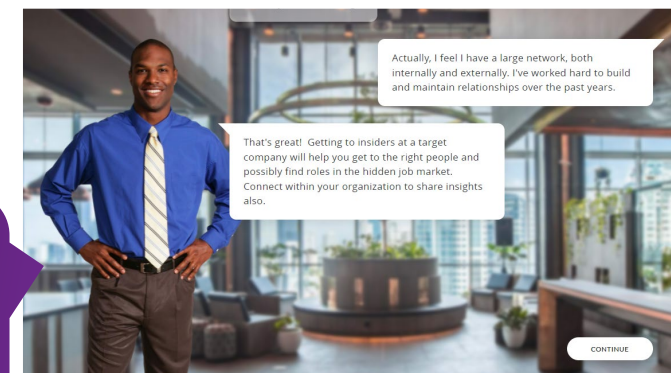
Personalised journeys for individual career goals

Career Management digital learning resources – assessments, interactive modules, videos, practical tools and interview centre



Select a coach from those matching search criteria




Guided experience for individuals to take charge of their career progress





Recruitment Solutions: sustaining profitable growth

Our growth opportunity

| | |
|--|---|
|  PERMANENT PLACEMENT | <ul style="list-style-type: none"> Maintain growth above market Invest in people, +15% expansion by June Continue tech investment |
|  PROFESSIONAL STAFFING SOLUTIONS | <ul style="list-style-type: none"> Focus on key sectors and profiles Accelerate in key geographies Improve candidate experience |
|  EXECUTIVE SEARCH & INTERIM MANAGEMENT | <ul style="list-style-type: none"> Utilise LHH brand to strengthen positioning Invest to gain market share in key markets Leverage LHH candidate database |
|  ASSESSMENT | <ul style="list-style-type: none"> Capture strong client demand Build on LHH assessment expertise Focus on key countries |
|  DIGITAL PLATFORMS | <ul style="list-style-type: none"> Continue investment in Hired Leverage candidate database to maximize potential Expand model in non-tech profiles and other industries |

Solid financial track-record

(EUR bn or % terms, unless otherwise stated)

| | 2019 | 2020 | 2021 | Future |
|--------------|------|---------------|------|--------|
| Revenues | 1.0 | 0.8 | 0.9 | ↑↑ |
| Gross margin | ~50 | ~50 | ~50 | → |
| EBITA margin | ~8 | ← ~150+ bps → | | → |

Strengthening the connections between the 3Cs



Become **Industry Advisors** on Skill Prediction and Diagnostics, moving from **Tactical** to **Strategic**

Become **Career Advisors** connecting Talent Networks, moving from **Consultants** to **Advisors**

Become **Talent Boosters** by offering a multi-dimensional career journey

Recent integrated solutions wins

CUSTOMER NEED & SOLUTION



GLOBAL FINANCIAL SERVICES LEADER

Upgrade of recruiting and retention processes

Our integrated solution

LHH

Review and improvement of recruiting processes

ezra.

Digital coaching for onboarding processes



US FINTECH LEADER

Urgent need to increase digital talent to build new, inhouse teams

Our integrated solution, leveraging the Group's ecosystem

pontoon

Comprehensive HR strategy, recruiting efficiencies through RXO

LHH

Sourcing through digital talent exchange, talent pools

LHH
AKKODIS

Immediate recruitment efforts

GA
GENERAL ASSEMBLY

Upskilling and reskilling services

VALUE ADD

- Potential contract value: ~€10 mn
- 200+ already opened positions in Management and HR roles

- Potential contract value: ~€10 mn
- ~800 Tech professionals

Building the first truly end-to-end Human Capital Transformation partner

Key takeaways

- 1 Uniquely positioned in the high-growth talent skills and transformation market
- 2 Clear strategy to leverage end-to-end solution offering
- 3 Adapting Career Transition to manage cyclicalality
- 4 Driving sustained profitable growth in Recruitment Solutions
- 5 Targeting mid-term EBITA margin ~10%





Thank you