



THE ADECCO GROUP

Strategy overview

# Future@Work

Investor Relations | March 2024

# Making the future work for everyone

People placed<sup>1</sup>:

**470,000+** on assignment, every day

**165,000+** permanent placements

**880,000+** trained and coached

Employer of choice:

**~180,000** FTEs

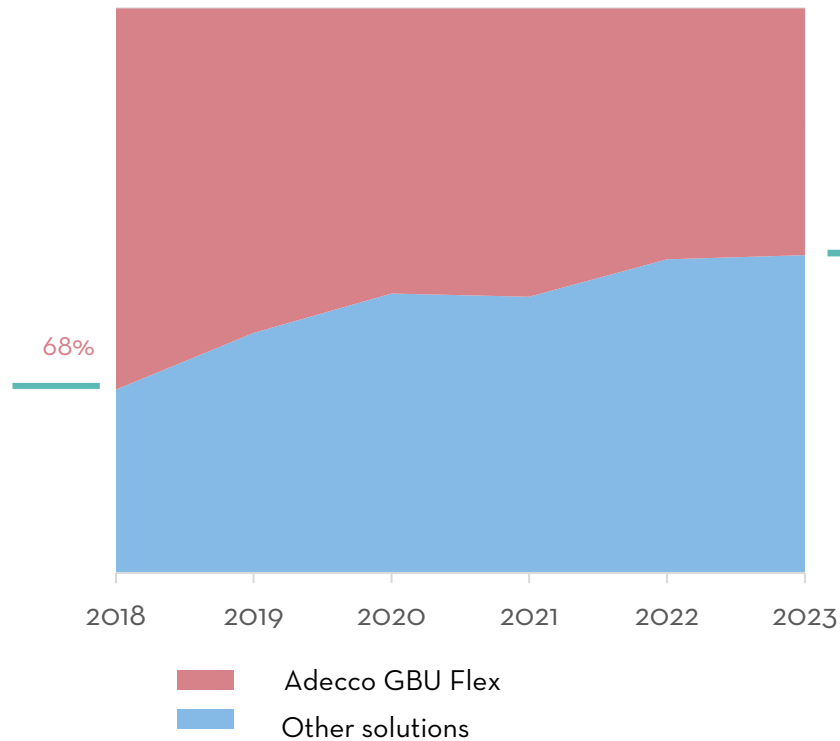
when including tech experts and bench associates<sup>2</sup>

**+34** Employee engagement, +2 pts above benchmark<sup>3</sup>



# Strategic approach to drive a resilient, well-diversified gross profit base

## Adecco Group gross profit by service area (%)



## Orientated to higher growth, higher margin markets

Market growth rate

Market EBITA margin profile

**GDP**

**3%-6%**

**6%+**

**7%-10%**

45%

**Higher  
returns  
potential**

# **FUTURE@WORK RELOADED**

Delivering better, faster execution and improving financial performance

## **THREE LEVERS TO ACCELERATE PROGRESS**

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### **SIMPLIFY**

Improve organisational  
effectiveness

EUR 150 mn G&A savings run-rate  
targeted by mid-2024

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### **EXECUTE**

Empower decision-making  
closest to customers

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### **GROW**

Top-line leading to  
EBITA profitability

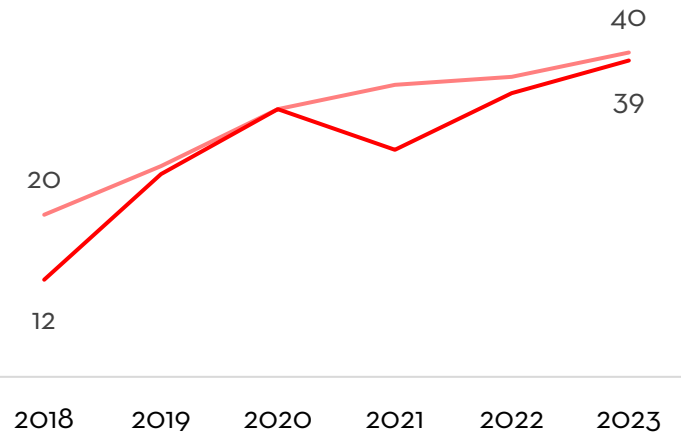
# Delivering against Simplify, Execute, Grow plan

End-23 run-rate G&A savings of EUR 90 mn

## Improving customer focus

Adecco GBU NPS survey, 2023

— Clients — Candidates



Client NPS **+4 pts yoy**

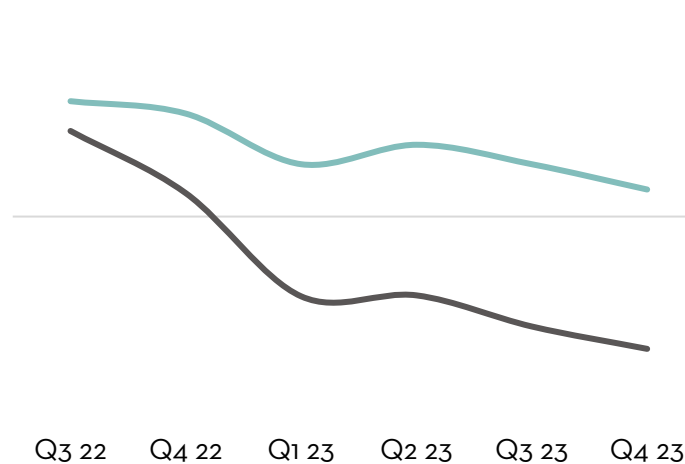
Candidate NPS **+3 pts yoy**

Adecco Group NPS **+3 pts yoy**

## Growing ahead of market

Revenue growth (% yoy, organic TDA)

— Adecco Group — Key competitors

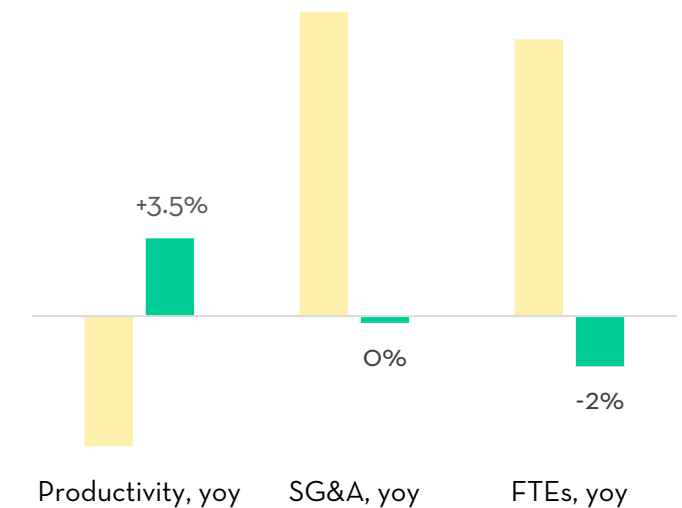


**+780 bps** market share gain (2023 avg.)

**+40%** visits to prospects (2023, yoy)

## Improving profitability

■ 2022 ■ 2023

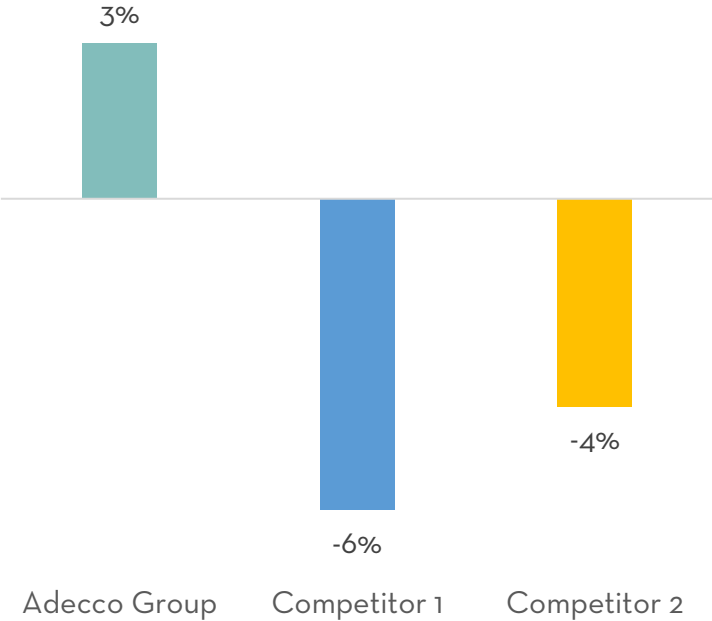


**+70 bps** conversion ratio yoy

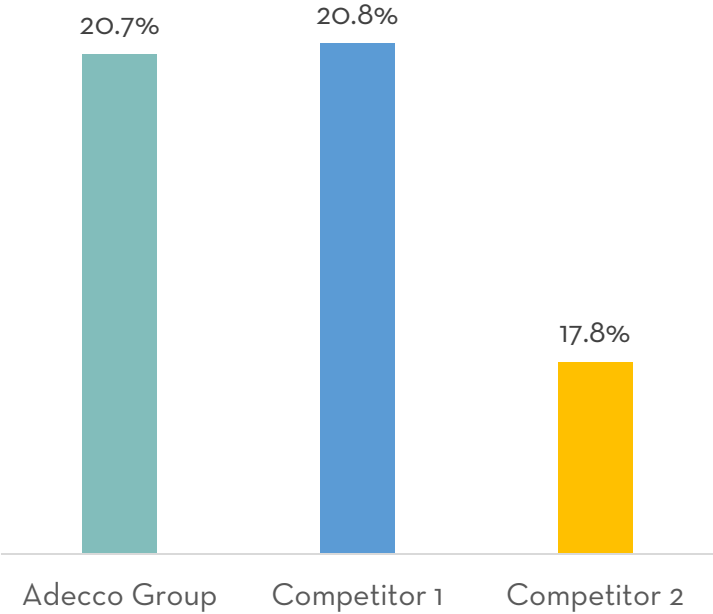
**+50 bps** EBITA margin, H2 23 yoy

# Driving market leadership and improved operational execution

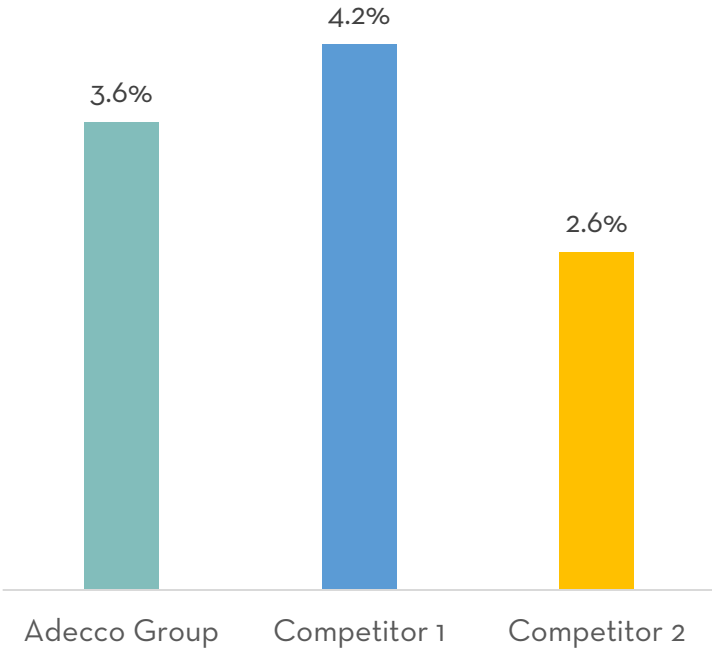
**#1 in Revenue growth**  
(FY 23 organic TDA; % yoy)



**Healthy Gross margin**  
(FY 23)



**Robust EBITA<sup>1</sup> margin**  
(FY 23)



# Future@Work Reloaded: financial goals reinforced



THE ADECCO GROUP

## Clear financial framework

### Dual Revenue Growth Strategy

- Sustained market share gains in Adecco
- Investment in faster growth segment, LHH and Akkodis

### Achieve ~6% EBITA margin<sup>1</sup>

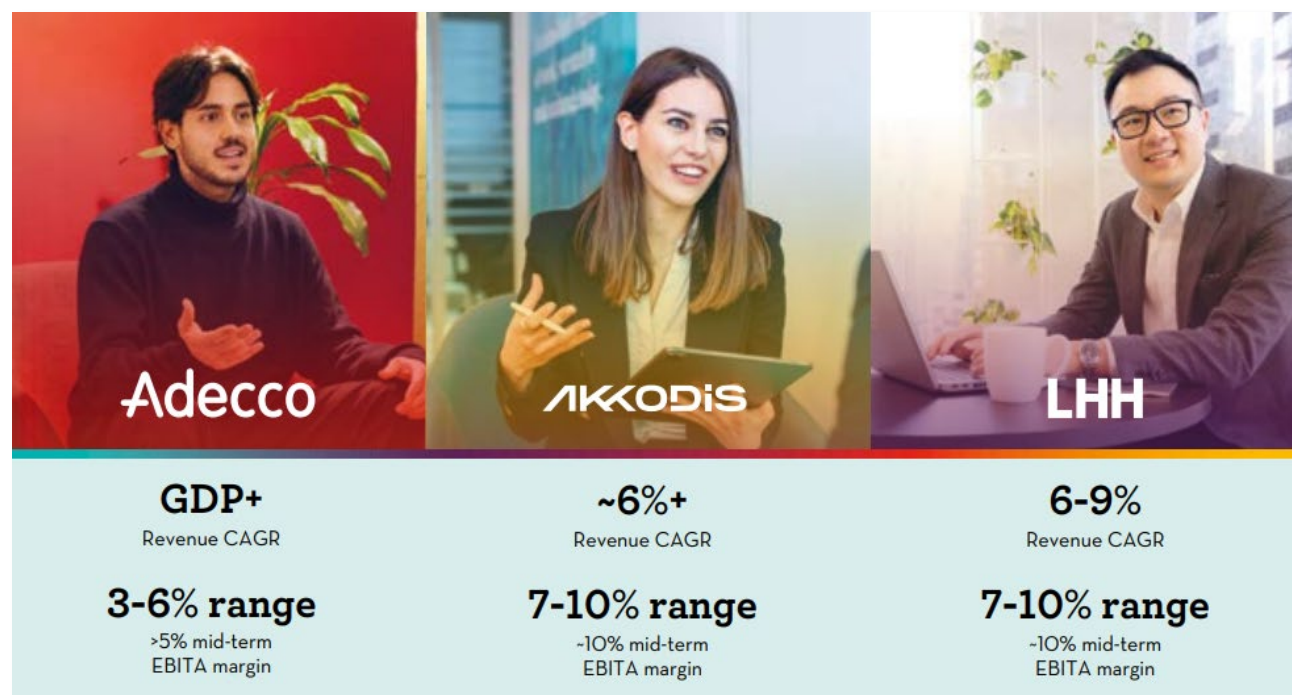
- Cost savings and Productivity
- Mix shift towards higher margin segments, LHH and Akkodis

### Strong cash flow: conversion >90%<sup>2</sup>

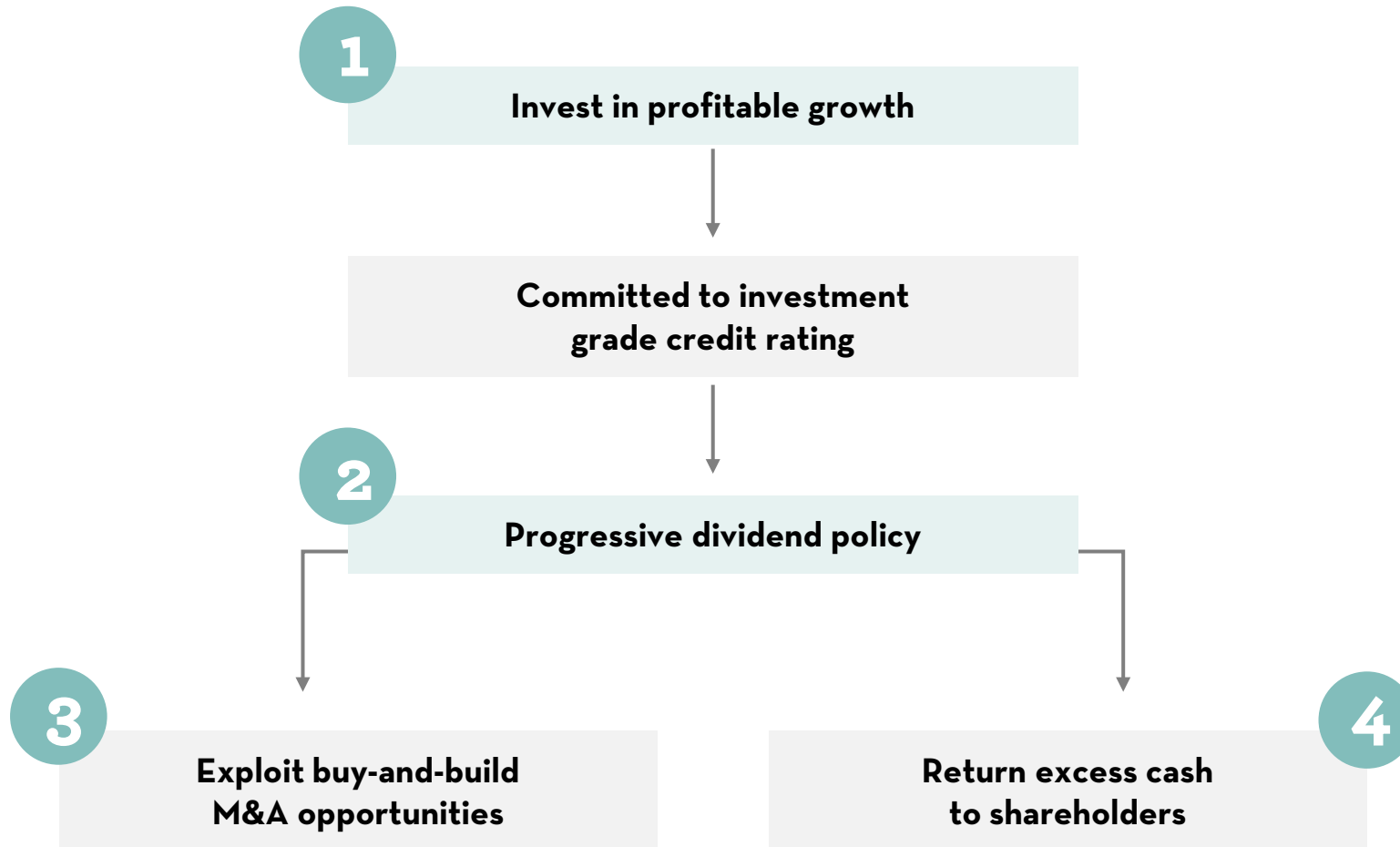
- Disciplined capex and M&A
- Progressive dividend and return of excess cash to shareholders

## Global Business Unit financial ambitions

Revenues and EBITA margin



# Capital allocation policies



## **No large M&A, bolt-off / bolt-on deals, only where:**

- Accelerates our strategy
- Demonstrable cost, revenue synergies
- EVA positive within 3 years
- Management capacity



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# Factsheet

Investor Relations | March 2024

# Global Business Units, offering a distinct yet complementary value proposition

## One common purpose

Making the future work for everyone

We enable sustainable and lifelong employability for individuals and empower organisations to optimise their talent needs and organisational model.

## Three GBUs: the strength of our business model

**Adecco**

Adecco is a global leader in workforce solutions, offering flexible placement, permanent placement, outsourcing and managed services across all sectors.

**AKKODIS**

Akkodis powers the Smart Industry transformation globally with digital and engineering services across Consulting, Solutions, Talent and Academy.

**LHH**

LHH helps future-proof organisations and careers by building the right capabilities, delivering talent solutions and enabling workforce transformation.

## Revenue €23,957 mn

| <i>FY 23, in % terms</i> |      |
|--------------------------|------|
| Adecco                   | 77%  |
| Akkodis                  | 15%  |
| LHH                      | 8%   |
| Adecco Group             | 100% |

## Gross Profit €4,969 mn

| <i>FY 23, in % terms</i> |      |
|--------------------------|------|
| Adecco                   | ~55% |
| Akkodis                  | ~20% |
| LHH                      | ~25% |
| Adecco Group             | 100% |

## EBITA €867 mn

Excl. one-offs

| <i>FY 23, in % terms</i> |      |
|--------------------------|------|
| Adecco                   | 79%  |
| Akkodis                  | 27%  |
| LHH                      | 15%  |
| Corporate                | -21% |
| Adecco Group             | 100% |

## EBITA margin 3.6%

Excl. one-offs

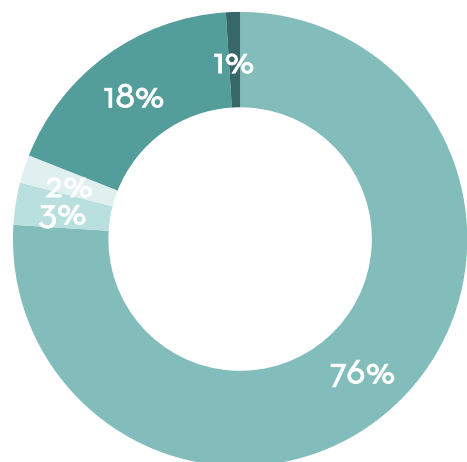
| <i>FY 23, in % terms</i> |      |
|--------------------------|------|
| Adecco                   | 3.7% |
| Akkodis                  | 6.3% |
| LHH                      | 7.4% |
| Adecco Group             | 3.6% |

# The Adecco Group

2023 Revenues €23,957 mn

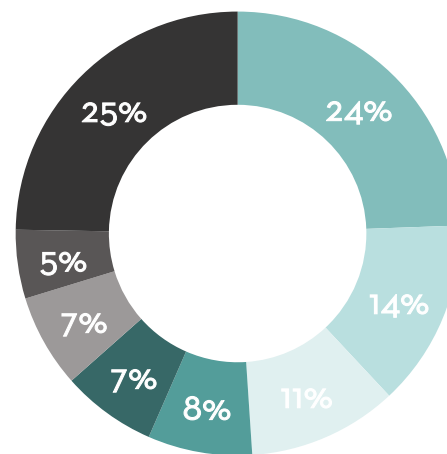
Revenue breakdown, approx. %

## Service Line



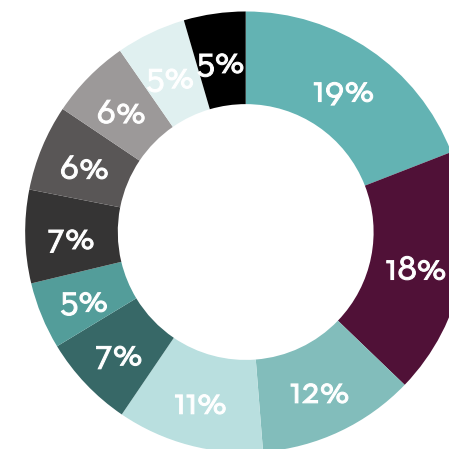
- Flexible Placement
- Permanent Placement
- Career Transition
- Outsourcing, Consulting & other Services
- Training, Upskilling & Reskilling

## Geography



- France
- USA
- Italy
- Germany
- Japan
- UK
- Spain
- RoW

## Client Industry



- Manufacturing
- Other Services
- Retail & E-commerce
- Logistics & transport
- Food & Beverages
- Financial Services
- Automotive
- Machinery & Equipment
- Business solutions & Research
- Telecomm, Media & Entertainment
- Construction

- Randstad (staffing & in-house)
- ManpowerGroup (Manpower Brand)

## Service Line

|                     | In %        |
|---------------------|-------------|
| Flex                | 88%         |
| Perm                | 2%          |
| Career Transition   | 0%          |
| Other Services      | 10%         |
| <b>Adecco Group</b> | <b>100%</b> |

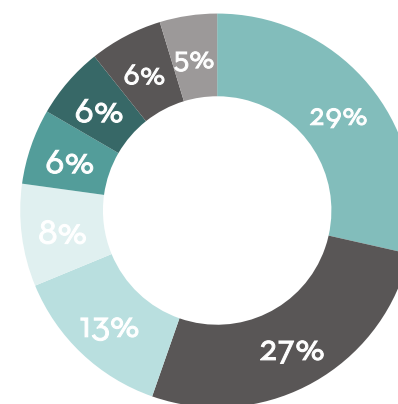
Adecco's goal is to regain industry leadership in the staffing market. To do so, it remains focused on an omni-channel strategy that combines its global branch and onsite networks with its zero-touch digital platforms, Adia and QAPA.

To regain its industry leadership, Adecco is committed to a two-part strategy – Run and Change. Running the business means remaining focused on strong local execution to grow its core business, while deploying a geographical portfolio approach to bolster profitable market share gains.

Adecco is aware of the challenges in the market, so its strategy to change the business means providing an end-to-end talent supply chain for selected Global Clients – leveraging their scale for competitive advantage – while applying digital capabilities to improve speed and cost to serve, as well as the overall candidate journey,

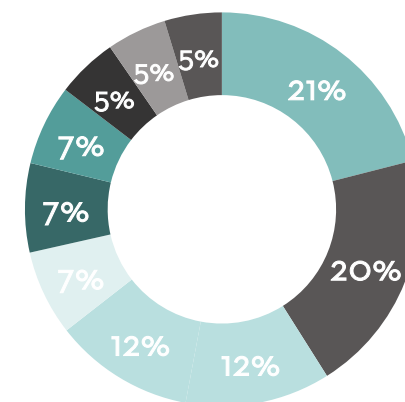
## Geography

Countries: ~60



■ RoW  
 ■ France  
 ■ Italy  
 ■ USA  
 ■ Japan  
 ■ UK  
 ■ Spain  
 ■ Germany

## Client Industry



■ Other Services  
 ■ Manufacturing  
 ■ Retail & E-commerce  
 ■ Logistics & transport  
 ■ Food & Beverages  
 ■ Automotive  
 ■ Machinery & Equipment  
 ■ Business Solutions & Research  
 ■ Construction  
 ■ Telecomm, Media & Entertainment

- Capgemini (engineering)
- Alten, ASGN, Atos, Bertrandt

## Service Line

|                        | In % |
|------------------------|------|
| Consulting & Solutions | 65%  |
| Tech Staffing          | 35%  |
| Adecco Group           | 100% |

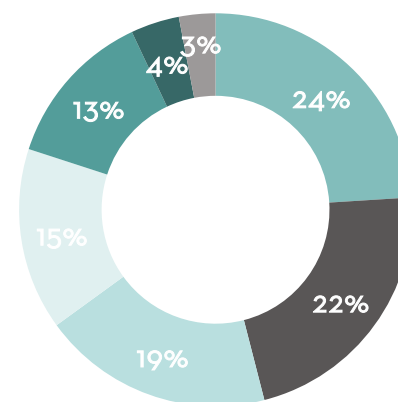
Akkodis' goal is to become the global Smart Industry leader, by offering expertise in technology and digital-engineering. With a network of over 50k experts, Akkodis has the scale and know-how to help Smart Industry clients develop digital innovations with speed and flexibility. Its business model takes advantage of the global scarcity in IT and tech talent, combined with its global reach, outsourcing and training capabilities, as well as its ability to balance onshore and offshore delivery models.

To drive profitable global growth, Akkodis has built its portfolio around two primary service lines: Consulting & Solutions and Tech Staffing. Akkodis aims to steer its revenue split towards higher-value consulting solutions, through the growth of its digital practices, as well as upselling.

Akkodis was formed from combining Modis, with AKKA, which the Group acquired in 2022. Since acquisition, management have delivered strong cost and revenue synergies, inline with transaction commitments. Total synergies secured for 2023 reached over EUR 60 million<sup>1</sup> and Akkodis on track to deliver value creation in year 3.

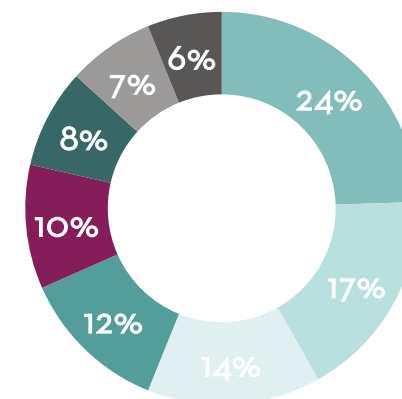
## Geography

Countries: ~30



- RoW
- USA
- France
- Germany
- Japan
- Australia
- Italy

## Client Industry



- Automotive & Transportation
- Aerospace & Defence
- Information & Comm Technology
- Other Services
- Manufacturing & Logistics
- Banking & Financial Services
- Life Sciences & Healthcare
- Energy & Clean Technology

**Talent Solutions**

- #1** Outplacement
- #1** Digital Coaching
- #2** US Prof. Recruitment

**Key competitors:**

- Randstad, ManpowerGroup
- Robert Half (US), PageGroup, Hays, Kelly Services, Recruit

**Service Line**

|                     | In %        |
|---------------------|-------------|
| Flex                | 34%         |
| Perm                | 16%         |
| Career Transition   | 26%         |
| Other Services      | 24%         |
| <b>Adecco Group</b> | <b>100%</b> |

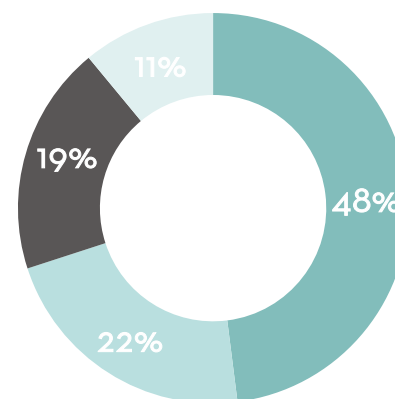
LHH's goal is to become a strategic talent solutions partner supporting professional talent across the entire career lifecycle. It helps organisations and individuals succeed in the evolving world of work by transforming workforces, building new skills and capabilities and matching talent with opportunity.

This happens through four specialist areas: Career Transition & Mobility, Learning & Development, Recruitment Solutions, and Pontoon & Other. LHH also offers two market-leading digital platforms: Ezra, which provides digital coaching services and General Assembly, which offers training in high-demand tech fields.

LHH's strategic priorities are clear. It plans to strengthen its leadership position and grow market share, particularly in Career Transition & Mobility, LHH aims to boost digital innovation by investing in data and technology enhancing its service capabilities. Now that LHH is fully integrated, it is focused on accelerating portfolio-selling, as a key lever to grow its revenue and create stronger relationships with its key clients. Finally, LHH is committed to simplifying its organization, increasing responsiveness and agility, while improving efficiency and cost control.

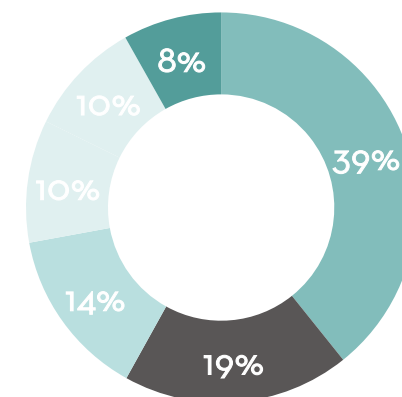
**Geography**

Countries: ~25



- USA
- UK
- RoW
- France

**Client Industry**



- Other Services
- Financial Services
- Business Solutions & Research
- Manufacturing
- Telecomm, Media & Entertainment

# Continued progress on ESG agenda

## 2023 Achievements

- 34% Gender parity for Global Leaders
- Absolute CO2 emissions: 2% reduction yoy (2023 vs. 2022) and 34% reduction vs. baseline (2018)
- Submitted environmental targets to the SBTi for validation (expected Q2 2024)
- Revised Code of Conduct reflecting latest regulatory, sustainability and equity topics
- Revised Human Rights Policy formalising commitment to respect minimum standards
- Revised Supplier Code of Conduct articulating expectations from third parties
- Revised Environmental Policy formalising standards and expected behaviours

The Group maintains its original **2030 targets**:

- Reducing its carbon emissions by 50%
- Move toward gender balance at leadership levels



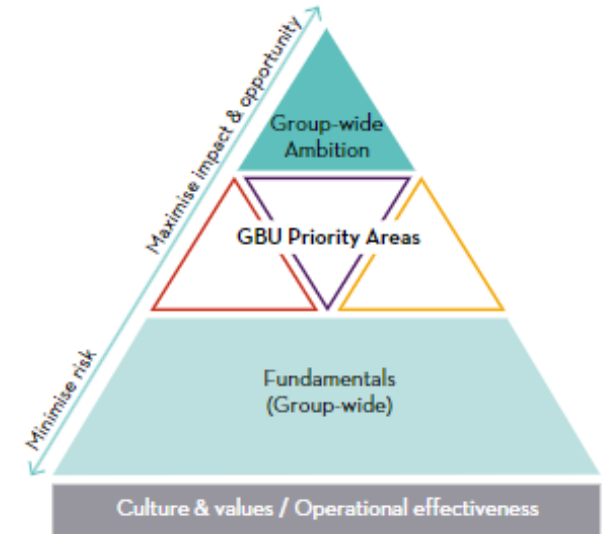
## Non-financial matters report

In line with Swiss Code of Obligations, as part of its 2023 annual report, **Adecco Group published a “Non-financial matters” report and will submit it to a shareholder vote at 2024’s AGM**

This report outlines outline: 1) business model, 2) approach to sustainable value creation, 3) key sustainability matters, 4) auditor’s assurance report



The Adecco Group continues to be rated highly by overarching sustainability benchmarks, having earned, for example, the Sustainalytics Outperformer badge consistently in recent years.



## 2030

### Environmental targets

- 100% renewable electrical energy in operations
- 100% of car fleet to low-emission or energy-efficient alternatives
- Reducing emissions from business travel by at least 50%<sup>1</sup>

# Contact us

## The Adecco Group

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