

Invitation to the Annual General Shareholders' Meeting

We are pleased to invite you to the

Annual General Shareholders' Meeting of Adecco S.A.

to be held on Thursday, 21 April 2016, 11.00 a.m.
at the Beaulieu, Centre de Congrès et d'Expositions
Av. des Bergières 10, CH-1004 Lausanne.

Doors open: 10.15 a.m.
Meeting starts: 11.00 a.m.

Dear Shareholders,

For the Adecco Group, 2015 was a year of transition characterised by changes. Patrick De Maeseneire stepped down after six years as CEO; the Board of Directors thanks him for his commitment and wishes him well for his future. In September last year, Alain Dehaze took over the leadership of the Adecco Group as CEO. Four new members joined the Executive team. The Board of Directors looks forward to working with the new leadership team, which has made a strong start.

Despite the difficult economic environment in 2015, the Adecco Group recorded 4% organic revenue growth and reached a strong 5.2% EBITA margin excluding one-offs. Net income at EUR 8 million was impacted by an impairment of goodwill of EUR 740 million recognized in Q3 2015.

On a regional basis, the Adecco Group performed well, despite the different conditions in the more than 60 countries and territories in which the Group operates. The main staffing markets presented divergent trends during the year. For the whole of 2015, growth remained very good in Southern Europe and the Emerging Markets, and Benelux accelerated to end the year strongly. France returned to growth, with the market clearly picking up after the summer. In Japan growth was moderate throughout the year, while in the UK and Germany revenues were broadly stable. In North America growth slowed during the year.

Thanks to continued good cash flow and the solid balance sheet, at the next Annual General Meeting, the Board of Directors will propose a dividend of CHF 2.40 to shareholders, which is an increase of 14% compared to the prior year. This represents a pay-out ratio of 45% of adjusted net earnings, in line with the pay-out range of 40–50%.

The six strategic priorities for the Group have been defined by the Board and the Executive Committee and were announced in early 2016: Segmentation, Permanent Placement, Professional Staffing & Solutions, Engagement, Digital and Thought Leadership.

These six strategic priorities are being implemented in all the countries in which the Adecco Group operates. New financial targets were also set, which reinforce the EVA approach and involve longer-term through-the-cycle goals¹:

1. growing revenues organically at least in line with the main peers, at Group level and in each major market;
2. improving the EBITA margin to 4.5–5.0% on average;
3. delivering an operating cash flow conversion of more than 90% on average.

These targets reflect the volatile nature of the Adecco Group's business, which is highly dependent on economic cycles. They are consistent with the continued commitment to long-term value creation and will push the Adecco Group continuously to improve structurally over time.

The compensation framework for the Executive team is aligned with the new targets. As of 2016, the long-term incentive plan will be based entirely on performance, to be measured by relative total shareholder return.

Furthermore, the global compliance organisation and processes are constantly being adapted in line with the increased regulatory demands.

There are very good opportunities for HR services. The Board of Directors and the Executive team are optimistic that the Adecco Group can capture these opportunities and further build on its leading position worldwide.

Dear shareholders, once again, we thank you for your trust and continued support, as we thank our clients and associates worldwide. We would also like to thank our 32,000 colleagues around the world who delivered excellent performance and displayed outstanding commitment during this year of transition.

Rolf Dörig

Chairman of the Board

¹ See Annual Report 2015, section "Company Report".

Agenda Items and Proposals of the Board of Directors:

1. Annual Report 2015

1.1. Approval of the Annual Report 2015

The Board of Directors proposes to approve the Operating and Financial Review and Prospects, the Financial Statements of Adecco S.A. and the Consolidated Financial Statements of Adecco Group for the fiscal year 2015.

1.2. Advisory vote on the Remuneration Report 2015²

The Board of Directors proposes that the Remuneration Report for the fiscal year 2015 be ratified in a non-binding advisory vote.

2. Appropriation of available earnings 2015 and distribution of dividend

Explanations: Swiss tax legislation allows the payment of a dividend without the deduction of 35% of Swiss withholding tax if originating from the reserve from capital contributions. The Board of Directors proposes to make use of this and thus proposes to release the remaining reserves from capital contributions (item 2.2.) and to distribute an additional amount out of the available earnings (item 2.1.). Together, the dividends total in a gross dividend of CHF 2.40 per registered share.

As of 31 December 2015, the assumed total dividend amounted to approximately CHF 409 million (gross). The total dividend amount results from multiplying the total dividend per share amount (gross) with the number of shares outstanding entitled to dividend payment at the dividend record date (2 May 2016). Until the dividend record date, this number of shares can change. Ex-date is 29 April 2016. The dividend as per item 2.1. will be paid out after deduction of withholding tax of 35% and the dividend as per item 2.2. will be paid out without deduction of withholding tax.

2.1. Appropriation of available earnings 2015

The Board of Directors proposes to distribute a gross dividend of CHF 1.50 per registered share out of the available earnings 2015 and to carry forward the remaining amount of available earnings 2015. The treasury shares held by the Company will not receive a dividend.

² See Annual Report 2015, section "Remuneration Report".

2.2. Allocation of the reserve from capital contributions to free reserves and distribution of dividend

The Board of Directors proposes to allocate a corresponding dividend amount from the reserve from capital contributions to free reserves and distribute a dividend CHF 0.90 per registered share. The treasury shares held by the Company will not receive a dividend.

3. Granting of discharge to the members of the Board of Directors and of the Executive Committee

The Board of Directors proposes to grant discharge of liability to all members of the Board of Directors and the Executive Committee for the fiscal year 2015.

4. Approval of Maximum Total Amount of Remuneration of the Board of Directors and of the Executive Committee³

4.1. Approval of Maximum Total Amount of Remuneration of the Board of Directors

The Board of Directors proposes to approve CHF 4.9 million as Maximum Total Amount of Remuneration for the Board of Directors for the office period starting at the AGM 2016 and ending after completion of the AGM 2017.

4.2. Approval of Maximum Total Amount of Remuneration of the Executive Committee

The Board of Directors proposes to approve CHF 34.5 million as Maximum Total Amount of Remuneration for the Executive Committee for the fiscal year 2017.

5. Elections

5.1. Election of the members of the Board of Directors and of the Chairman

The Board of Directors proposes to individually re-elect Mr Rolf Dörig as member and as Chairman, and Mr Dominique-Jean Chertier, Mr Jean-Christophe Deslarzes, Mr Alexander Gut, Mr Didier Lamouche, Mr Thomas O'Neill, Mr David Prince, Ms Wanda Rapaczynski and Ms Kathleen P. Taylor as members of the Board of Directors for a new tenure of one year ending after completion of the next AGM.

³ See the explanations under "ad 4.1. and ad 4.2."

5.2. Election of the members of the Compensation Committee

The Board of Directors proposes to individually re-elect Mr Alexander Gut, Mr Thomas O'Neill and Ms Wanda Rapaczynski, and to elect Mr Jean-Christophe Deslarzes as members of the Compensation Committee for a tenure of one year ending after completion of the next AGM.

5.3. Election of the Independent Proxy Representative

The Board of Directors proposes to re-elect Mr Andreas G. Keller, Attorney at Law, as Independent Proxy Representative for a tenure of one year ending after completion of the next AGM.

5.4. Election of the Auditors

The Board of Directors proposes to re-elect Ernst & Young Ltd, Zurich, as Auditors for the fiscal year 2016.

6. Capital reduction by way of cancellation of own shares after share buyback

The Board of Directors proposes the cancellation of 3,318,750 own shares acquired under the share buyback programme completed in January 2016 and the reduction of the Company's share capital by 3,318,750 registered shares with a nominal value of CHF 1.– each.

Art. 3 of the Aol shall be amended as follows (translation):

“The share capital shall be in a total amount of CHF 171,156,187.– (one hundred seventy-one million one hundred fifty-six thousand one hundred eighty-seven Swiss francs), divided into 171,156,187 (one hundred seventy-one million one hundred fifty-six thousand one hundred eighty-seven) fully paid-up registered shares of a nominal value of CHF 1.– (one Swiss franc) each.”

In their report for the AGM, the Company's Auditors Ernst & Young Ltd confirm that claims by creditors are fully covered notwithstanding the proposed capital reduction.

7. Change of Articles of Incorporation⁴

Explanations: The Board of Directors of Adecco S.A. has decided to move the corporate seat of Adecco S.A. to Opfikon (Zurich) and, subsequently, to amend the corporate name of the top holding company of Adecco S.A. to “Adecco Group AG” (in English: “Adecco Group Inc.”). Therefore, the Board of Directors proposes to the shareholders to amend the Articles of Incorporation, reflecting the new corporate seat (item 7.1.) and the new corporate name (item 7.2.). For the current version of the Articles of Incorporation in their prevailing French version as well as the translations into German and English see www.aoi.adecco.com. They will be amended with the below changes proposed to the AGM and, if approved, the German version will prevail in the future.

7.1. Change of corporate seat

The Board of Directors proposes to move the seat of the Company from Chéserey (Vaud) to Opfikon (Zurich) and therefore amend Art. 1 para 2 of the Aol as follows below and to approve the Articles of Incorporation in their German but otherwise unchanged version.

Art. 1 para. 2 of the Aol shall be amended as follows (translation):

“²The registered office of the Company shall be at Opfikon (Zurich). The Company is formed for an unlimited duration.”

7.2. Change of corporate name

The Board of Directors proposes to amend of Art. 1 para 1 of the Aol as follows (translation):

“¹A joint stock Company is formed under the name of Adecco Group AG (Adecco Group SA) (Adecco Group Inc.), in accordance with these Articles of Incorporation and Title XXVI of the Swiss Code of Obligations.”

⁴ See the explanations under “ad 7.”.

Documents, attendance and representation

The Annual Report 2015 including the Remuneration Report 2015, the Auditors' Reports, the Aol (www.aoi.adecco.com) and the Invitation to the AGM with the agenda and proposals are available from 24 March 2016, at Adecco S.A., c/o Adecco Ressources Humaines S.A., rue des Fontenailles 16, CH-1002 Lausanne, and at the registered office in Chéserey. Shareholders may also request a copy of the Annual Report 2015. In addition, the Annual Report 2015 and the Invitation to the AGM with the agenda and proposals are accessible on Adecco's websites (www.adecco.com and www.agm.adecco.com).

Shareholders who are registered in the share register on 21 March 2016 will receive the Invitation to the AGM by regular mail. To those shareholders who will be registered with the share register after 21 March 2016 but before 15 April 2016, the Invitation to the AGM will be sent upon registration. Only shareholders who are registered by 14 April 2016, 5.00 p.m. (record date) with a right to vote are entitled to vote at the AGM 2016 or to appoint a proxy. Shareholders who are not registered but would like to attend and vote at the AGM or to appoint a proxy should contact their bank in order to ensure they will be registered with the share register before its closing.

Shareholders can order an admission card or instruct a representative to vote on their behalf by using the reply form received together with this Invitation.

Shareholders are kindly requested to return the reply form as soon as possible to ShareCommService AG, Europastrasse 29, CH-8152 Glattbrugg, in order to receive an admission card by mail. If reply forms are received too late for mailing, admission cards will be available at the admission desk. No admission cards will be sent out before 7 April 2016.

Alternatively, shareholders can order their admission cards or grant power of attorney and issue voting instructions to the Independent Proxy Representative online. Information to access the online platform are included on the reply form. Should you have any questions, please see the contact information for support on the homepage of the platform.

Shareholders who do not wish to attend the AGM in person can be represented as follows:

- By the Independent Proxy Representative, Mr Andreas G. Keller, Attorney at Law, Gehrenholzpark 2g, CH-8055 Zurich. Shareholders may instruct the Independent Proxy Representative by filling in and duly signing the reply form accordingly or online via the platform (there is no need to order an admission card). For specific instructions, please use the form on the reverse side of the reply form or the respective page on the platform until the close of the online voting period on 19 April 2016 at 12.00 a.m. Without specific instructions, the Independent Proxy Representative will vote according to the proposals of the Board of Directors;
- By a third person with written proxy. The shareholder needs to fill in the proxy section on the reply form and duly sign it. Adecco S.A. will send the admission card directly to the appointed proxy. Furthermore, the shareholder can fill in the proxy section printed on the reverse side of the admission card and hand the admission card over to the appointed proxy.

The minutes of the AGM will be available for inspection from 12 May 2016 at the Zurich office of the company at Sägereistrasse 10, CH-8152 Opfikon.

The Board of Directors

ad 4.1. Approval of Maximum Total Amount of Remuneration of the Board of Directors

The Board of Directors submits for approval to the AGM the Maximum Total Amount of Remuneration of the Board of Directors for the period of office from the AGM 2016 until the completion of the AGM 2017, which amounts to CHF 4.9 million. This amount is calculated on the fee system outlined in the Remuneration Report 2015, section 4.2. According to Adecco's compensation policy, the members of the Board of Directors receive a fixed fee only of which a certain portion is paid out in form of blocked Adecco shares instead of cash.

ad 4.2. Approval of Maximum Total Amount of Remuneration of the Executive Committee

The AGM 2015 approved the Maximum Total Amount of Remuneration of the EC for 2016 of CHF 36.3 million. In the meantime, the number of EC members increased by one to 13 members.

The Board of Directors submits for approval to the AGM the Maximum Total Amount of Remuneration of the Executive Committee for the fiscal year 2017, which amounts to CHF 34.5 million.

The below table explains the Maximum Total Amount of Remuneration of the Executive Committee for 2017 compared to the one for 2016.

The LTIP amounts are based on the maximum value at grant as disclosed in the table below under "Potential at maximum".

The amounts of the individual elements of compensation shown in the table include some estimates and as such may change, but the total shall not exceed the Maximum Total Amount of Remuneration.

	2016 ¹	2017 ²
In CHF million	Potential at maximum as approved by AGM 2015	Potential at maximum to be approved by AGM 2016
Gross cash compensation		
– Base salary	9.0	9.0
– Annual bonus	11.0	10.5
Compensation in kind and other	1.1	1.1
Share awards to be granted in the respective year under the long-term incentive plan (LTIP) ³	12.3	11.1
Social contributions, incl. for old age insurance/pension incl. on LTIP awards granted in the respective year becoming due in later periods, estimated	2.9	2.8
Total	36.3⁴	34.5

- ¹ The same foreign exchange rates are applied as for 2014 compensation information.
- ² The same foreign exchange rates are applied as for 2015 compensation information.
- ³ The maximum value is determined in accordance with the rules for the remuneration disclosure as reported in the Remuneration Report (see Aol, Art. 14bis para. 5).
- ⁴ Amount conferred 2015: CHF 35 million; see Remuneration Report 2015, section 5.1.2. Potential at maximum for 2015 was CHF 36.4 million.

ad 7. Change of Articles of Incorporation

For the original French and the newly prevailing German version of the Aol see www.aol.adecco.com, where also a freely translated English version is available, all not yet reflecting the changes as per items 7.1., 7.2. and 6. which will be amended when due.

The Board proposes the change of the Company's corporate seat in order to simplify and to better align the Group's corporate legal structure with its operational activities.

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