THE ADECCO GROUP

Annual Report 2022

Adecco International Financial Services B.V.

The Adecco Group
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Chamber of Commerce number: 30212925
Registered seat in Utrecht, the Netherlands

The Annual Report 2022 has been approved and adopted in the General Meeting of Shareholders on April 21, 2023

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Adecco International Financial Services B.V.

BOARD OF DIRECTORS' REPORT 2022

General information

Adecco International Financial Services B.V. (the 'Company') was incorporated on March 1, 2006 as a private limited liability company, with its registered seat in Utrecht, the Netherlands, having its head office at Hogeweg 123, 5301 LL Zaltbommel, the Netherlands. Registered with the Chamber of Commerce with number: 30212925. The Company is governed by the Netherlands law.

The Company is a wholly owned subsidiary of Adecco Group AG, Zurich, Switzerland. Adecco Group AG is registered in Switzerland and listed on the SIX Swiss Exchange.

The principal activity of the Company is to act as financing company of the Group.

The Company has requested her external legal partner to reconfirm that the Company has no reporting obligations in relation to the Brexit or Single Electronic Format (SEF). The external legal partner concluded (same as last year) that the Company is not being impacted by the Brexit. No direct business is done with the UK, except for the listing of the Company's bonds on the London Stock Exchange (LSE) for which reporting obligations have been reviewed in relation to the Brexit.

No requirements are applicable for the Company either related to (European or UK) SEF format. SEF is required for retail debt securities admitted to trading on the regulated market of the LSE (i.e. securities with a denomination of less than EUR 100,000) while the Company has only wholesale debt (i.e. securities with a denomination of at least EUR 100,000) outstanding.

Financial statements

The financial statements have been prepared on the going concern basis in conformity with Part 9 of book 2 of the Dutch Civil Code.

The financial statements of the Company will be filed at the Trade Register of the Chamber of Commerce in Utrecht, the Netherlands, after adoption by the General Meeting of Shareholders.

Company operations

The Company is engaged in financing and investment activities for the Adecco Group and obtains funds through loans via external banking and capital markets.

Bonds

Under the Group's Euro Medium Term Notes (EMTN) program the Company has issued the following bonds:

Amount of Bond	Year issuance	Year maturing	Interest rate	Effective interest rate	Issuance price
EUR 500,000,000	2016	2024	1.000%	1.110%	99.162%
EUR 300,000,000	2019	2029	1.250%	1.307%	99.446%
NOK 500,000,000 *	2020	2030	2.650%	2.700%	100%
EUR 500,000,000	2021	2028	0.125%	0.220%	99.341%
EUR 500,000,000	2021	2031	0.500%	0.509%	99.912%
EUR 500,000,000	2021	2082	1.000%	1.125%	99.339%
EUR 50,000,000	2022	2034	4.860%	4.919%	100%

** NOK 500,000,000 equivalent to EUR 47,622,000 as per December 31, 2022 revalued balance.*

The proceeds of the bond issuances have been used for general financing purposes, special acquisitions of the Adecco Group or for refinancing purposes of the Adecco Group.

As presented in the table the Company issued on November 7, 2022 a senior unsecured fixed rate bond in a private placement for EUR 50,000,000. The bond is guaranteed by Adecco Group AG, the parent company and will mature on November 7, 2034. The interest is paid on the fixed rate bond annually on November 7 in arrears at a fixed annual rate of 4.860%. The net proceeds from the issue of the fixed rate bond are being used for general financing purposes by the Adecco Group.

All bonds are listed at the London Stock Exchange, United Kingdom.

Loans

Interest income from Adecco Group companies and other financing income amount to EUR 42.4 million in 2022 (2021: EUR 38.2 million), and interest expenses on the issued securities and other financial expenses amount to EUR 40.2 million in 2022 (2021: EUR 36.6 million). The net profit amounts to EUR 1.6 million in 2022 (2021: profit of EUR 1.0 million).

Commercial paper

In August 2010 the Company established a French commercial paper programme (‘Negotiable European Commercial Paper - NEU CP’). Under the programme the Company may issue short-term commercial paper up to a maximum amount of EUR 500M, with maturity per individual paper of a year or less. The proceeds are used to fund short-term working capital and borrowing requirements within the Adecco Group. The commercial paper is usually issued at a discount and repaid at nominal amount at maturity. The discount represents the interest paid to the investors on the commercial paper. The programme is guaranteed by Adecco Group AG.

In 2022 the Company issued commercial paper for EUR 850M which have been repaid in the same year. No commercial paper has been issued in 2021. In 2022 the Company received a premium on the commercial paper issuance until mid-August (higher cash inflow than nominal value of the commercial paper as the investors paid a premium at the issuance of the commercial paper) while as of the issuance during August the momentum moved to a discount resulting in a lower cash inflow than the nominal value of the commercial paper as the investor paid interest on the commercial paper at the moment of issuance.

Cash pool

A EURO dominated cash pool account with Adecco Liquidity Services AG, Switzerland (Pool Leader) has been in place since 2019 (facilitated via Société Générale and used for transactions as of 2020) and is reported as current account with Group company at nominal value.

The Company shall deposit daily all excess cash with the Pool Leader and can make use of the cash pool in case of a short-term cash need. The cash pool agreement with Adecco Liquidity Services provides a maximum credit facility of EUR 7,500,000.

At the end of 2022 the Company has a cash surplus on its cash pool account of EUR 1,818,934 (current asset) as a result of a cash surplus from its bond coupon payments versus interest received on the related granted loans as well as the result on commercial paper and related loans during 2022. The Company will investigate how to invest this cash surplus into a loan within the Adecco Group in 2023 taking into accounts its cash flow need of 2023.

Guarantee
As described above, the Company is a subsidiary of Adecco Group AG and serves as a funding entity for the benefit of the Adecco Group. Accordingly, the objectives of the Company are very much depending on the need of funding within the Adecco Group.

Adecco Group AG is guarantor for liabilities arising from the bonds and / or other instruments issued by the Company. Accordingly, the financial position and credit worthiness of the Company and the Adecco Group must be considered as a whole. The notes issued by the Company are fully guaranteed by Adecco Group AG and a comfort letter is issued by Adecco Group AG committed to fund the Company if needed.

Result
Compared to 2021 the financial result increased with EUR 869,099 mainly as a result of the movement in the mix of bonds and related loans with higher interest rates due to increasing market interest rates as well as the commercial paper issuance in 2022 which did not take place in 2021. The general and administrative expenses of 2022 are in line with 2021 resulting in the result before tax increasing with EUR 867,404 from a profit before tax of EUR 1,243,684 in 2021 to a profit before tax of EUR 2,111,088 in 2022.

Ratios
The ratio regarding solvability is 0.4% (2021: 0.3%) and the ratio for liquidity is 140.0 (2021: 102.8). The movement in the liquidity ratio is linked to the maturity the current portion of the long-term liabilities by EUR 499.7 million.

The solvability is calculated by dividing the total equity (2022: EUR 10.5 million; 2021: EUR 8.8 million) by the total assets (2022: EUR 2,400 million; 2021: EUR 2,845 million). The liquidity is presented on base of the current ratio: the sum of the current assets including cash (2022: EUR 12.8 million; 2021: 521.2 million) is divided by the current liabilities (2022: EUR 9.1 million; 2021: EUR 506.8 million).

Personnel
The Company had no personnel in 2022 (2021: nil), but staff costs are being recharged from Adecco Holding Europe, Netherlands and Adecco Support, Netherlands for board, accounting and legal support where the staff is officially under contract. The internal recharge is reported in the income statement as part of the general and administrative expenses.

Research and development
The Company had no research and development activities in 2022.

Investments (fixed assets)
The Company does not have any investments (fixed assets).

Prospective information

Forecast 2023

The annual interest expenses on bonds will decrease in 2023 compared to 2022 as the 2015-2022 bond matured in November 2022 while the new issued 2022-2034 bond in the same month has a lower annual coupon amount.

The interest expenses decrease is offset with the decrease of interest income on loans related to the (change in mix of) bonds. This results in an expected decrease of the financial result compared to 2022. The operating expense are forecasted slightly higher resulting in an expected positive result before taxation for 2023. The Company does not expect to perform any research and development activities in 2023. The Company does not plan to do any investments (fixed assets) in 2023.

The Company is as part of the Adecco Group always looking for new financing opportunities if there is a (future) cash need within the group. This can result in issuance of bonds (long-term finance need) or commercial paper program loans (short-term finance need).

Going concern

The financial statements have been prepared on the going concern basis in conformity with Part 9 of book 2 of the Dutch Civil Code. The financial statements of the Company will be filed at the Trade Register of the Chamber of Commerce in Utrecht, the Netherlands, after adoption by the General Meeting of Shareholders.

The financial statements of the Company are included in the consolidated financial statements of Adecco Group AG. Copies of the consolidated financial statements are available at the head office of the parent company.

The Company has issued bonds which will mature in 2024-2034. It even has a hybrid bond that will mature in 2082 with a first reset date in 2027. The cash proceeds of all the bond issuances have been set out in intercompany loans with Adecco entities aligned to the terms and the maturity date of the bond to support the asset-liability match and its related cash flows.

The possibility exists that intercompany loans will bear a lower interest rate than the initial intercompany loan entered into upon issuance of the bond which will have an impact on the profitability of the Company. If the situation requires, the parent company is willing and has the ability to recapitalize the Company or can implement other measures to support the Company to continue as a going concern.

Furthermore, Adecco Group AG, as a beneficial owner of the Company, ensures that Adecco Group companies can meet their contractual and other obligations to third parties under the guarantee structure.
Based on management's assessment and expectation no material uncertainty exists with respect to the Company's ability to continue as a going concern for the 12 months after the signing date of this annual report.

COVID-19 outbreak

The COVID-19 outbreak across the globe, starting end of 2019 and effecting the Netherlands early 2020 prompted government authorities to adopt containment measures that have disrupted the local economies mainly in 2020 and 2021. Early 2022 the Netherlands was in a hard lockdown but measurements were released during 2022.

In the context of COVID-19, the management has reviewed its management forecast since 2020 and, more importantly for the near term, its liquidity forecast both during 2022 as well as for 2023 and onwards. The Board of Directors expects the direct impact on the operation of the Company to be limited as of 2023. Among the outstanding bonds of the Company, the earliest maturity date is in December 2024.

Although there is no immediate direct impact on the operations of the Company, the parent Company is willing and has cash balance and an revolving credit facility that can, when necessary, support the borrowers to cope with adverse effects of this pandemic and to meet their financial obligation to the Company.

The management will carefully monitor the situation and will take appropriate actions, when necessary.

Russia – Ukraine conflict

The current conflict between Russia and Ukraine which started in February 2022 has impacted the global economy as a whole, and as a result the Adecco Group and the market the Adecco Group is operating in face greater risks due to the international nature of the group as a whole including in the countries where the Adecco Group, our customers or our suppliers operate.

The Company has no direct business with Ukraine nor Russia or Belarus, but the Company might see an indirect impact on its business, including price increases and inflation. As part of the Adecco Group the Company remains alert for any impact on its direct business in the future.

Risk management

The purpose of the Company is to provide flexible financing to companies within the Adecco Group. The risks for the Company are mainly financing risks. The Company issues bonds and commercial paper program loans, and the proceeds are lent to other Adecco Group companies as long- and short-term loans.

The risk profile has not changed significantly in the last years. The Company has classified its risk into four categories:

- Financial risks
- Reporting and non-compliance risks (fraud and irregularities)
- Data protection and cyber security risks
- Economic environment risks

The company continuously monitors the risks within all categories. The Company's risks and uncertainties (the risk appetite) is limited for each risk category. The level of the Company's risk appetite gives guidance as to whether the Company would take measures to control such uncertainties.

The risk appetite is further clarified in the next section.

Financial risks

Market Risk / Price Risk

The Company is exposed to market/price risk, especially the interest rate risk on loans to Adecco Group companies. The Russia - Ukraine conflict can also lead to a financial risk. The intercompany loan extensions will be renegotiated considering current market interest rates which may be different compared to the rate upon issuance of the bond.

The possibility exists that intercompany loans will bear a lower interest rate than the initial intercompany loan entered into upon issuance of the bond which will have an impact on the profitability of the Company. If the situation requires, the parent company is willing and has the ability to recapitalize the Company or can implement other measures to support the Company to continue as a going concern.

The interest rate risk for the Company is limited as all lending activities are subject to fixed rates and the loans and debts have the same maturity date.

Credit Risk

Credit risk arises mainly from the lending activities of the Company where there is a possibility of incurring losses as a result of a default of a borrower. Since the lending activity is constrained within the Adecco Group, the implicit risk of the Company is the risk for the parent company, Adecco Group AG.

As of December 31, 2022, the credit rating of Adecco Group AG is 'BBB+' (2021: 'BBB+'), by Standard and Poor's and 'Baa1' (2021: 'Baa1') by Moody's Therefore, the risk of a credit loss on the group lending is limited.

Furthermore, Adecco Group AG, as a beneficial owner of the Company, ensures that Adecco Group companies can meet their contractual and other obligations to third parties under the guarantee structure.

Liquidity Risk

Liquidity risk refers to the possibility of not being able to meet own payment obligations in full or when due. The Board of Directors believes that the ability to generate cash from operations combined with additional capital resources available is sufficient to support the existing business activities and to meet short and medium-term financial commitments.

Foreign exchange risk

Foreign exchange risk is the risk that the future cash flows of financial instrument will fluctuate because of changes in foreign exchange rates. It arises on financial instruments that are denominated in a foreign currency other than the functional currency which they are measured. The Company has foreign exchange risk arising from the NOK bond issued in 2020 (maturing in 2030). This risk is mitigated by lending on the proceeds to other Adecco Group companies in the same currency.

Reporting and non-compliance risks (fraud and irregularities)

The complexity of the laws regulating public interest entities have increased in the last years, which means that the Company is subject to increased exposure to non-compliance, which could result in fines or reputational damage.

The management of the Company is aware of the inherent risk of fraud or non-compliance risks that it faces, both internally and externally, in carrying out its activities. As being part of the Adecco Group the management of the Company does not make an in-depth stand-alone fraud risk analysis for the Company as it relies on the risk analysis made on Adecco Group level and its policies on integrity and compliance.

The Company has put in place internal controls like a four eye principle control on payment authorization and approvals as well as only dealing with reputable banks that comply with laws and regulations on money laundering and terrorist financing. The investments in financial instruments can only be executed within the Group's Treasury frame work and authorized staff as presented in the Company's and Group's mandates.

The Company specifically requested her external legal partner to reconfirm that the Company has no reporting obligations in relation to the Brexit or Single Electronic Format (SEF) to ensure it is meeting the reporting compliance rules for this.

Integrity and compliance are key to the Adecco Group's sustainable success and form the basis of the culture within the Adecco Group. The management of the Company does business in a reliable, honest and careful manner by complying with applicable laws and regulations, the Adecco Code of Conduct, and Adecco policies and guidelines.

Ensuring fair and ethical working conditions and respect for human rights and labor rights is a fundamental principle of how the Adecco Group operates. Health, safety, and wellbeing as well as equity, diversity, inclusion, and belonging are highly ranked withing Adecco's way of working. There is no room for anti-discrimination and harassment as well to avoid any conflicts of interest.

Each employee working for the Company has signed at the start of their employment the Adecco Code of Conduct. The importance of the Adecco Code of Conduct, integrity and compliance is periodically emphasized in mandatory trainings were all employees are being trained regularly on key mandatory topics such as integrity & compliance, data privacy, diversity & inclusion, IT security, and health & safety. The Adecco Group has a zero-tolerance attitude to bribery and corruption in all its forms.

A confidential advisor and the Adecco Compliance and Ethics (tip)line, including whistleblower policy have been implemented where any actual or suspected misconduct can be reported confidentially. The code of conduct is available on the website of the Adecco Group and is in this way also shared with the Company's external relations.

The Adecco Code of Conduct is embedding integrity and compliance consistently into how and why the Adecco Group conducts their business and enables the Adecco Group to deliver on their mission to be a driver of positive change and make the future work for everyone. The Adecco Code of Conduct summarizes the key principles of the Adecco Group and is a collective commitment to operate ethically.

The Company's financial processes are characterized by the presence of segregation of duties. This prevents only one person from initializing, authorizing, processing and settling transactions or liabilities and having access to assets in an uncontrolled manner.

Despite all internal control measures, there remains the risk of management or the board overriding internal controls and the risk of collusion between employees. Transparent decision-making, the governance structure, an open culture in which we dare to call each other to account, the presence of a confidential advisor to report non-ethical actions (anonymously), periodic internal and external audits on compliance with control measures must contribute to the instances of override of controls are detected.

The management of the Company is of the opinion that, with all procedures and control measures taken in account at Adecco Group level, the fraud risk assessment provides a complete overview of the risks the Company faces and that adequate procedures are in place at Adecco Group level to mitigate these risks of not being compliant.

Internal Control Systems

The Company's internal control system is designed to provide reasonable assurance to Adecco Group management and the Board of Directors regarding the reliability of financial reporting and the preparation and fair presentation of its financial statements. All internal control systems, no matter how well designed, have limitations.

Furthermore, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Putting controls into practice

There is a monthly result reporting and forecasting to Adecco Group AG. The Company submits a management representation letter quarterly that certifies that the corporate policies have been complied with and explains any exceptions or deviations that have occurred. In addition, the Company organizes a quarterly meeting to discuss any developments regarding Dutch law or any other pending legal matters to assure that all applicable laws and regulations have been complied with.

In these quarterly business review meetings with the Board of Directors all aspects of the business are scrutinized and discussed with corporate departments, such as Group Treasury, Group Tax, Group Legal and Accounting Netherlands.

Data protection and cyber security risks

With increasing digitalisation, the ability to provide a data environment respecting the highest security and regulatory standards like General Data Protection Regulation (GDPR) is critical. Any failure to do so, whether due to a lack of appropriate technology and/or controls or human error, could result in a loss of trust among our candidates, associates, employees and clients, as well as financial penalties.

The Company takes advantage of the knowledge within the Adecco Group where the Adecco Group is continually investing in cyber security-related processes and systems. With investments in compliance resources, business processes and technology, the Adecco Group is complying with relevant data privacy principles established by law.

To mitigate the risks, a global privacy strategy was defined that consists of embedding privacy in the day-to-day operations, securing compliance with applicable laws and aiming to turn data privacy and compliance into a competitive advantage in the long run.

Economic environment risks

COVID-19 outbreak

The COVID-19 outbreak across the globe, starting end of 2019 and effecting the Netherlands early 2020 prompted government authorities to adopt containment measures that have disrupted the local economies mainly in 2020 and 2021. Early 2022 the Netherlands was in a hard lockdown but measurements were released during 2022.

In the context of COVID-19, the management has reviewed its management forecast since 2020 and, more importantly for the near term, its liquidity forecast both during 2022 as well as for 2023 and onwards. The Board of Directors expects the direct impact on the operation of the Company to be limited as of 2023.

Although there is no immediate direct impact on the operations of the Company, the parent Company is willing and has cash balance and an revolving credit facility that can, when necessary, support the borrowers to cope with adverse effects of this pandemic and to meet their financial obligation to the Company.

The management will carefully monitor the situation and will take appropriate actions, when necessary.

Russia - Ukraine conflict

The current conflict between Russia and Ukraine which started in February 2022 has impacted the global economy as a whole, and as a result the Adecco Group and the market the Adecco Group is operating in face greater risks due to the international nature of the group as a whole including in the countries where the Adecco Group, our customers or our suppliers operate.

The Company has no direct business with Ukraine nor Russia or Belarus, but the Company might see an indirect impact on its business, including price increases and inflation. As part of the Adecco Group the Company remains alert for any impact on its direct business in the future.

Corporate Social Responsibility

Corporate Social Responsibility (CSR) is embedded within the Adecco Group's policy and is based on the CSR Performance ladder level 3 and EcoVadis. The key principle is the basic right of all individuals to decent and safe work. This principle enables the Company to nurture the right conditions for maximum diversity in the workplace for training and education.

The Company removes obstacles for those for whom access to employment is not (yet) an inevitable given. The Company establish partnerships with civil society organizations who hold the same work-related objectives as ourselves. We take our responsibility for our environment very seriously. Where possible concrete measures to reduce waste, energy consumption and pollution are taken.

Key priorities are:

- Excellence
  Contributing to the positive effects for the stakeholders and society.
- Development of talent (Skills)
  Enhancing prospects for self-development, for everyone.
- Integration
  Equal opportunities in the labor market, for everyone.
- Prevention (Safety)
- Effective health and safety, proper conditions of work for everyone.
- Climate protection
  As part of The Adecco Group, we are committed to a transition that puts people at its center and to reduce our emissions by 50% by 2030 with 2018 as the base year.

The Adecco Group is constantly striving to match quality and capacity at work so that individuals can get the best out of themselves. The firm belief is that this will benefit the quality of life for the people who work via the Adecco Group. At the same time this has a positive effect on employers and society in general. In achieving this goal, less capacity will be lost as a result of the under or over-utilization of human capital. This vision ties in with a sustainable employment market.

Management and Supervision Act (Wet Bestuur en Toezicht)

As of January 1, 2013, the law ‘Wet Bestuur en Toezicht’, a new Management and Supervision Act came into effect. The new Act requires large-sized legal entities to have a balanced composition of their Board of Directors in terms of gender, with at least 30% of the seats occupied by women and at least 30% by men.

On January 1, 2022, the Law for Greater Gender Balance at the Top of Business (‘Diversity Law’) entered into force. For large NVs and BVs, there is a requirement to set appropriate targets in the form of a target.

The current composition of the Board of Directors meets the above mentioned percentages as the Company has 2 men and 1 women in its board. The Company has no employees in 2022. The Company is supported by employees working for other Adecco entities in where there is a balanced mix in women-men in the supporting and managerial positions. The Company tries to achieve the same balances composition for the future.

The members of the Board of Directors did not receive remuneration in 2022 (2021: nil) in their capacity as Board of Directors of the Company.

The Board of Directors of the Company is composed as follows:

- Adriaan Belonje, director as of January 1, 2021
- Marissa van der Werf, director as of January 1, 2023
- Coram Williams, director as of June 1, 2020
- Els Vandersickel, director as of September 1, 2021 up and until March 31, 2022

Responsibility statement of the Board of Directors

The Board of Directors confirms that internal controls over financial reporting provide a reasonable level of assurance that the financial reporting does not contain any material inaccuracies, and confirms that these controls functioned properly in the year under review and that there are no indications that they will not continue to do so. The financial statements fairly represent the Company’s financial condition and the results of the Company’s operations and provide the required disclosures.

It should be noted that the above does not imply that these systems and procedures provide absolute assurance as to the realization of operational and strategic business objectives, or that they can prevent all misstatements, inaccuracies, errors, fraud and non-compliances with legislation rules and regulations.

In accordance with Article 5.25c of the Financial Markets Supervisory Act, and in view of all of the above the Board of Directors confirms, that to its knowledge, the financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the financial statements include a fair review of the position at the balance sheet date and the development and performance of the business during the financial year together with a description of the principal risks and uncertainties that the Company faces.

March 30, 2023
The Board of Directors

Adriaan Belonje

Marissa van der Werf

Coram Williams

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Balance sheet

(after proposed appropriation of result)

	Note	Balance sheet as per December 31, 2022		Balance sheet as per December 31, 2021	
		EUR	EUR	EUR	EUR
Non-current assets					
Long-term loans to Group companies	4	2,387,314,963		2,323,792,693	
Total non-current assets			**2,387,314,963**		**2,323,792,693**
Current assets					
Receivables from Group companies	5	10,958,856		521,029,123	
Current account with Group company	6	1,818,934		-	
Other receivables		4,219		7,115	
Total current assets			**12,782,009**		**521,036,238**
Cash					
Cash	7	1,354		151,261	
Total cash			**1,354**		**151,261**
Total assets			**2,400,098,326**		**2,844,980,192**
Sharesholder's equity					
Share capital	8	2,500,000		2,500,000	
Share premium	8	30,223,245		30,223,245	
Additional paid in capital	8	23,786,217		23,786,217	
Accumulated losses	8	(46,030,289)		(47,665,832)	
Total shareholder's equity			**10,479,173**		**8,843,630**
Non-current liabilities					
Long-term liabilities, less current maturities	9	2,380,489,082		2,329,369,345	
Total non-current liabilities			**2,380,489,082**		**2,329,369,345**
Current liabilities					
Long-term liabilities - current portion	10	-		499,696,085	
Payables to Group companies	11	2,360,561		1,822,753	
Interest payables to third parties	12	6,384,787		4,326,365	
Current account with Group company	6/11	-		567,283	
Other payables	13	50,676		257,670	
Corporate income tax payable	17	334,047		97,061	
Total current liabilities			**9,130,071**		**506,767,217**
Total shareholder's equity and liabilities			**2,400,098,326**		**2,844,980,192**

The accompanying notes are an integral part of these financial statements.

Income statement

	Note	Income statement over the year 2022		Income statement over the year 2021	
	Note	EUR	EUR	EUR	EUR
Financial income	*14*		42,483,193		38,219,980
Financial expenses	*15*		(40,157,778)		(36,763,664)
Financial result			**2,325,415**		**1,456,316**
General and administrative expenses	*16*		(214,327)		(212,632)
Result before taxation			**2,111,088**		**1,243,684**
Income taxes	*17*		(475,545)		(240,968)
Result after taxation			**1,635,543**		**1,002,716**

The accompanying notes are an integral part of these financial statements.

Cash flow statement

	Cash flow statement over the year 2022		Cash flow statement over the year 2021	
	EUR	EUR	EUR	EUR
Operating activities				
Operating expenses	(262,855)		(225,997)	
Interest received	39,302,916		36,786,595	
Interest paid	(23,849,352)		(24,653,290)	
Financing and guarantee fees paid	(10,016,698)		(9,848,366)	
Taxes paid (VAT)	(11,878)		(10,783)	
Taxes refund (VAT)	9,572		9,353	
Taxes paid (current income tax)	(238,559)		(147,316)	
Taxes refund (current income tax)	-		35	
Cash flow generated from operating activities		**4,933,146**		**1,910,231**
Investing activities				
Issuance of loans to Group companies	(499,272,000)		(1,499,690,829)	
Collection of loans to Group companies	946,750,000		256,692,456	
Cash flow generated from / used in investing activities		**447,478,000**		**(1,242,998,373)**
Financing activities				
Proceeds from the issuance of long-term liabilities	49,825,000		1,486,635,000	
Repayment of long-term liabilities - current portion	(500,000,000)		(259,560,600)	
Issuance of commercial paper	849,500,000		-	
Repayment of commercial paper	(849,500,000)		-	
Cash flow generated from / used in investing activities		**(450,175,000)**		**1,227,074,400**
Net cash flow		**2,236,146**		**(14,013,742)**
Exchange rate differences on cash		**164**		**(15,771)**
Change in cash items		**2,236,310**		**(14,029,513)**
Cash at beginning of year		151,261		87,854
Cash at end of year		1,354		151,261
Current account with Group company at beginning of year		(567,283)		13,525,637
Current account with Group company at end of year		1,818,934		(567,283)
Change in cash items		**2,236,310**		**(14,029,513)**

The cash flow statement has been prepared in accordance with the direct method. The accompanying notes are an integral part of these financial statements.

Notes to the financial statements

1. General

Adecco International Financial Services B.V. (the 'Company') was incorporated on March 1, 2006 as a private limited liability company, with its registered seat in Utrecht, the Netherlands, having its head office at Hogeweg 123, 5301 LL Zaltbommel, the Netherlands. Registered with the Chamber of Commerce with number: 30212925. The Company is governed by the Netherlands law.

The Company is a wholly owned subsidiary of Adecco Group AG, Zurich, Switzerland. Adecco Group AG is registered in Switzerland and listed on the SIX Swiss Exchange

The principal activity of the Company is to act as financing company of the Group.

The financial statements of the Company have been prepared on March 30, 2023.

The Company has requested her external legal partner to reconfirm that the Company has no reporting obligations in relation to the Brexit or Single Electronic Format (SEF). The external legal partner concluded (same as last year) that the Company is not being impacted by the Brexit. No direct business is done with the UK, except for the listing of the Company's bonds on the London Stock Exchange (LSE) for which reporting obligations have been reviewed in relation to the Brexit.

No requirements are applicable for the Company either related to (European or UK) SEF format. SEF is required for retail debt securities admitted to trading on the regulated market of the LSE (i.e. securities with a denomination of less than EUR 100,000) while the Company has only wholesale debt (i.e. securities with a denomination of at least EUR 100,000) outstanding.

Going concern

The financial statements have been prepared on the going concern basis in conformity with Part 9 of book 2 of the Dutch Civil Code. The financial statements of the Company will be filed at the Trade Register of the Chamber of Commerce in Utrecht, the Netherlands, after adoption by the General Meeting of Shareholders.

The financial statements of the Company are included in the consolidated financial statements of Adecco Group AG. Copies of the consolidated financial statements are available at the head office of the parent company.

The Company has issued bonds which will mature in 2024-2034. It even has a hybrid bond that will mature in 2082 with a first reset date in 2027. The cash proceeds of all the bond issuances have been set out in intercompany loans with Adecco entities aligned to the terms and the maturity date of the bond to support the asset-liability match and its related cash flows.
The possibility exists that intercompany loans will bear a lower interest rate than the initial intercompany loan entered into upon issuance of the bond which will have an impact on the profitability of the Company. If the situation requires, the parent company is willing and has the ability to recapitalize the Company or can implement other measures to support the Company to continue as a going concern.

Furthermore, Adecco Group AG, as a beneficial owner of the Company, ensures that Adecco Group companies can meet their contractual and other obligations to third parties under the guarantee structure.

Based on management's assessment and expectation no material uncertainty exists with respect to the Company's ability to continue as a going concern for the 12 months after the signing date of this annual report.

COVID-19 outbreak
The COVID-19 outbreak across the globe, starting end of 2019 and effecting the Netherlands early 2020 prompted government authorities to adopt containment measures that have disrupted the local economies mainly in 2020 and 2021. Early 2022 the Netherlands was in a hard lockdown but measurements were released during 2022.

In the context of COVID-19, the management has reviewed its management forecast since 2020 and, more importantly for the near term, its liquidity forecast both during 2022 as well as for 2023 and onwards. The Board of Directors expects the direct impact on the operation of the Company to be limited as of 2023. Among the outstanding bonds of the Company, the earliest maturity date is in December 2024.

Although there is no immediate direct impact on the operations of the Company, the parent Company is willing and has cash balance and an revolving credit facility that can, when necessary, support the borrowers to cope with adverse effects of this pandemic and to meet their financial obligation to the Company.

The management will carefully monitor the situation and will take appropriate actions, when necessary.

Russia - Ukraine conflict
The current conflict between Russia and Ukraine which started in February 2022 has impacted the global economy as a whole, and as a result the Adecco Group and the market the Adecco Group is operating in face greater risks due to the international nature of the group as a whole including in the countries where the Adecco Group, our customers or our suppliers operate.

The Company has no direct business with Ukraine nor Russia or Belarus, but the Company might see an indirect impact on its business, including price increases and inflation. As part of the Adecco Group the Company remains alert for any impact on its direct business in the future.

2. Summary of significant accounting policies

The principal accounting policies adopted in preparing the financial statements of the Company are as follows:

a) Basis of presentation

The financial statements are drawn up in accordance with the provisions of Title 9, Book 2 of the Dutch Civil Code and the firm pronouncements in the Dutch Accounting Standards, as published by the Dutch Accounting Standards Board ('Raad voor de Jaarverslaggeving').

The accounting principles applied to the valuation of assets and liabilities and the determination of results in these financial statements are based on the assumption of continuity of the Company.

Assets and liabilities are generally measured at historical cost or at fair value at the time of acquisition. The balance sheet and profit and loss account contain references. These refer to the disclosures in the financial statements.

b) Use of estimates

The preparation of financial statements in conformity with Dutch GAAP requires management to make judgements, assumptions, and estimates that affect the amounts reported in the financial statements and accompanying notes. On an on-going basis, management evaluates its estimates which is related to the allowance for doubtful accounts.

The Company bases its estimates on historical experience and on various other market-specific assumptions that are believed to be reasonable under the circumstances. The results of these estimates form the basis for making judgements about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results differ from those estimates.

c) Reporting currency

Items included in the financial statements of Company are measured using the currency of the primary economic environment in which the Company operates (the functional currency) and reflects the significance of the Company's Euro-dominated operations. The financial statements are presented in euros (EUR), which is the functional and presentation currency of the Company.

Transactions in foreign currencies are stated in the financial statements at the exchange rate of the functional currency on the transaction date. Monetary assets and liabilities in foreign currencies are converted to the closing rate of the functional currency on the balance sheet date. The translation differences resulting from settlement and conversion are credited or charged to the income statement.

d) Related parties

All legal entities, natural persons and other related companies which can control the Company are considered to be a related party. In addition, statutory directors, other key management of the Company or the parent company and close relatives are regarded as related parties.

Transactions with related parties are disclosed in the notes insofar as they are not transacted under normal market conditions. The nature, extent and other information is disclosed if this is necessary in order to provide the true and fair view.

e) Long-term assets

Long-terms assets are recognised initially at fair value, net of transaction cost and subsequently measured at amortised cost.

The Company assesses at each balance sheet date whether there is objective evidence that the loans to Group companies is impaired. If any such evidence exists, the impairment loss is determined and recognised in the income statement.

The amount of an impairment loss incurred on loans to Group companies stated at amortised cost is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition).

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss shall be reversed.

The reversal shall not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal shall be recognised through income statement.

The balances of loans to Group companies that are expected to be recovered or collected more than twelve months after the reporting date are presented as non-current assets.

f) Current assets

Short terms loans to Group companies are recognised initially at fair value, net of transaction cost and subsequently measured at amortised cost. Corporate income tax receivable and other (group) receivables are stated at nominal value. The interest receivables from Group companies are stated at amortised cost (which generally equals nominal value).

g) Cash

Cash is stated at nominal value. The cash balance at the year-end represents cash held at banks at the free disposal of the Company.

h) Shareholder's equity

Share capital, comprising of common shares, is classified as equity and is stated as nominal value. Share premium includes consideration received in excess of the par value on the issuance of share capital. Additional paid-in capital pertains to the amounts received from the parent Company after the issuance of share to ensure to strengthen the equity position of the Company.

i) Long-term liabilities

Long-term liabilities are recognised initially at fair value, net of transaction cost and subsequently measured at amortised cost.

The difference between stated book value and the mature redemption value is accounted for as interest cost in the income statement on the basis of the effective interest rate during the estimated term of the long-term debts.

The amounts to be paid more than twelve months after the reporting date are presented as non-current liabilities.

j) Current liabilities

Short terms loans from Group companies are recognised initially at fair value, net of transaction cost and subsequently measured at amortised cost. The interest payables, other (group) payables, accrued and other liabilities are recognised at amortised cost (which generally equals nominal value).

k) Current account with Group company – cash pool

A cash pool account with Adecco Liquidity Services AG, Switzerland has been in place since 2019 (used for transactions as of 2020) and is reported as current account with Group company at nominal value. This can either be an asset or a liability.

l) Determination of the result

Interest income and expenses are recognised on a pro rata basis, taking account of the effective interest rate of the assets and liabilities to which they relate. In accounting for interest expenses, the recognised transaction expenses for loans received are taken into consideration.

General and administrative expenses are determined on a historical basis and are attributed to the reporting year to which they relate. Expenses incurred in the direction and general administration of day-to-day operations of the Company and are generally recognised when the service is used or the expense arises.

m) Income taxes

Taxes were based on tax rulings, the so called Advanced Price Agreements (APAs), as concluded with the Dutch Tax Authorities and the (fiscal) operating expenses as disclosed in the income statement and are stated at nominal value.

APAs are not officially been formalized by the Dutch Tax Authorities anymore since a few years. For any new bond or commercial paper issuances the Company calculates the (taxable result) spread based on the method as applied when there were still formalized APAs in place.

On 1 July 2022, the Dutch State Secretary of Finance published a new decree related to transfer pricing and the interpretation of the arm's-length principle in the Netherlands. This decree has been applied on the new transactions of 2022 and will be applied to any future transactions to calculate the (taxable result) spread on bonds and commercial papers to align to Dutch tax rules.

The effective tax rate applied will differ from the nominal tax rate of 25.8% for the fiscal result above EUR 395,000 (2021: 25.0% for fiscal results above EUR 245,000). The tax rate is 15.0% on the fiscal result up to EUR 395,000 (2021: 15.0% up to EUR 245,000).

n) Cash flow statement

The cash flow statement has been prepared in accordance with the direct method.

Consolidated cash flows for the entire group are included in the Adecco Group AG consolidated financial statements. A separate cash flow statement for the Company is not required by Dutch law. To be in line with the practice in the capital market, the Company prepares a cash flow statement, using the direct method.

The cash items included in the cash flow statement consists of current accounts maintained with local banks and the cash pool account which is presented in the financial statement as current account with Group company.

Cash flows denominated in foreign currencies have been translated at average exchange rates and exchange differences affecting the cash balance is included in the respective amounts.

Cash from loans granted to group companies are included in investing activities. Cash from borrowings including additional paid-in capital are included in the financing activities. Interest received and paid and all other movements in the cash balance are included in operating activities.

3. Risk management

This risk paragraph is a copy of the risk management paragraph as reported in the Board of Directors' Report.

The purpose of the Company is to provide flexible financing to companies within the Adecco Group. The risks for the Company are mainly financing risks. The Company issues bonds and commercial paper program loans, and the proceeds are lent to other Adecco Group companies as long- and short-term loans.

The risk profile has not changed significantly in the last years. The Company has classified its risk into four categories:

- Financial risks
- Reporting and non-compliance risks (fraud and irregularities)
- Data protection and cyber security risks
- Economic environment risks

The company continuously monitors the risks within all categories. The Company's risks and uncertainties (the risk appetite) is limited for each risk category. The level of the Company's risk appetite gives guidance as to whether the Company would take measures to control such uncertainties.

The risk appetite is further clarified in the section below.

Financial risks

Market Risk / Price Risk

The Company is exposed to market/price risk, especially the interest rate risk on loans to Adecco Group companies. The Russia - Ukraine conflict can also lead to a financial risk. The intercompany loan extensions will be renegotiated considering current market interest rates which may be different compared to the rate upon issuance of the bond.

The possibility exists that intercompany loans will bear a lower interest rate than the initial intercompany loan entered into upon issuance of the bond which will have an impact on the profitability of the Company. If the situation requires, the parent company is willing and has the ability to recapitalize the Company or can implement other measures to support the Company to continue as a going concern.

The interest rate risk for the Company is limited as all lending activities are subject to fixed rates and the loans and debts have the same maturity date.

Credit Risk

Credit risk arises mainly from the lending activities of the Company where there is a possibility of incurring losses as a result of a default of a borrower. Since the lending activity is constrained within the Adecco Group, the implicit risk of the Company is the risk for the parent company, Adecco Group AG.

As of December 31, 2022, the credit rating of Adecco Group AG is 'BBB+' (2021: 'BBB+'), by Standard and Poor's and 'Baa1' (2021: 'Baa1') by Moody's, which is considered to be 'strong investment grade' by the market. Therefore, the risk of a credit loss on the group lending is limited.

Furthermore, Adecco Group AG, as a beneficial owner of the Company, ensures that Adecco Group companies can meet their contractual and other obligations to third parties under the guarantee structure.

Liquidity Risk
Liquidity risk refers to the possibility of not being able to meet own payment obligations in full or when due. The Board of Directors believes that the ability to generate cash from operations combined with additional capital resources available is sufficient to support the existing business activities and to meet short and medium-term financial commitments.

Foreign exchange risk
Foreign exchange risk is the risk that the future cash flows of financial instrument will fluctuate because of changes in foreign exchange rates. It arises on financial instruments that are denominated in a foreign currency other than the functional currency which they are measured. The Company has foreign exchange risk arising from the NOK bond issued in 2020 (maturing in 2030). This risk is mitigated by lending on the proceeds to other Adecco Group companies in the same currency.

Reporting and Compliance risks (fraud and irregularities)
The complexity of the laws regulating public interest entities have increased in the last years, which means that the Company is subject to increased exposure to non-compliance, which could result in fines or reputational damage.

The management of the Company is aware of the inherent risk of fraud or non-compliance risks that it faces, both internally and externally, in carrying out its activities. As being part of the Adecco Group the management of the Company does not make an in-depth stand-alone fraud risk analysis for the Company as it relies on the risk analysis made on Adecco Group level and its policies on integrity and compliance.

The Company has put in place internal controls like a four eye principle control on payment authorization and approvals as well as only dealing with reputable banks that comply with laws and regulations on money laundering and terrorist financing. The investments in financial instruments can only be executed within the Group’s Treasury frame work and authorized staff as presented in the Company’s and Group’s mandates.

The Company specifically requested her external legal partner to reconfirm that the Company has no reporting obligations in relation to the Brexit or Single Electronic Format (SEF) to ensure it is meeting the reporting compliance rules for this.

Integrity and compliance are key to the Adecco Group’s sustainable success and form the basis of the culture within the Adecco Group. The management of the Company does business in a reliable, honest and careful manner by complying with applicable laws and regulations, the Adecco Code of Conduct, and Adecco policies and guidelines.

Ensuring fair and ethical working conditions and respect for human rights and labor rights is a fundamental principle of how the Adecco Group operates. Health, safety, and wellbeing as well as equity, diversity, inclusion, and belonging are highly ranked withing Adecco’s way of working. There is no room for anti-discrimination and harassment as well to avoid any conflicts of interest.

Each employee working for the Company has signed at the start of their employment the Adecco Code of Conduct. The importance of the Adecco Code of Conduct, integrity and compliance is periodically emphasized in mandatory trainings were all employees are being trained regularly on key mandatory topics such as integrity & compliance, data privacy, diversity & inclusion, IT security, and health & safety. The Adecco Group has a zero-tolerance attitude to bribery and corruption in all its forms.

A confidential advisor and the Adecco Compliance and Ethics (tip)line, including whistleblower policy have been implemented where any actual or suspected misconduct can be reported confidentially. The code of conduct is available on the website of the Adecco Group and is in this way also shared with the Company’s external relations.

The Adecco Code of Conduct is embedding integrity and compliance consistently into how and why the Adecco Group conducts their business and enables the Adecco Group to deliver on their mission to be a driver of positive change and make the future work for everyone. The Adecco Code of Conduct summarizes the key principles of the Adecco Group and is a collective commitment to operate ethically.

The Company's financial processes are characterized by the presence of segregation of duties. This prevents only one person from initializing, authorizing, processing and settling transactions or liabilities and having access to assets in an uncontrolled manner.

Despite all internal control measures, there remains the risk of management or the board overriding internal controls and the risk of collusion between employees. Transparent decision-making, the governance structure, an open culture in which we dare to call each other to account, the presence of a confidential advisor to report non-ethical actions (anonymously), periodic internal and external audits on compliance with control measures must contribute to the instances of override of controls are detected.

The management of the Company is of the opinion that, with all procedures and control measures taken in account at Adecco Group level, the fraud risk assessment provides a complete overview of the risks the Company faces and that adequate procedures are in place at Adecco Group level to mitigate these risks of not being compliant.

Internal Control Systems

The Company's internal control system is designed to provide reasonable assurance to Adecco Group management and the Board of Directors regarding the reliability of financial reporting and the preparation and fair presentation of its financial statements. All internal control systems, no matter how well designed, have limitations.

Furthermore, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Putting controls into practice

There is a monthly result reporting and forecasting to Adecco Group AG. The Company submits a management representation letter quarterly that certifies that the corporate policies have been complied with and explains any exceptions or deviations that have occurred. In addition, the Company organizes a quarterly meeting to discuss any developments regarding Dutch law or any other pending legal matters to assure that all applicable laws and regulations have been complied with.

In these quarterly business review meetings with the Board of Directors all aspects of the business are scrutinized and discussed with corporate departments, such as Group Treasury, Group Tax, Group Legal and Accounting Netherlands.

Data protection and cyber security risks

With increasing digitalisation, the ability to provide a data environment respecting the highest security and regulatory standards like General Data Protection Regulation (GDPR) is critical. Any failure to do so, whether due to a lack of appropriate technology and/or controls or human error, could result in a loss of trust among our candidates, associates, employees and clients, as well as financial penalties.

The Company takes advantage of the knowledge within the Adecco Group where the Adecco Group is continually investing in cyber security-related processes and systems. With investments in compliance resources, business processes and technology, the Adecco Group is complying with relevant data privacy principles established by law.

To mitigate the risks, a global privacy strategy was defined that consists of embedding privacy in the day-to-day operations, securing compliance with applicable laws and aiming to turn data privacy and compliance into a competitive advantage in the long run.

Economic environment risks

COVID-19 outbreak

The COVID-19 outbreak across the globe, starting end of 2019 and effecting the Netherlands early 2020 prompted government authorities to adopt containment measures that have disrupted the local economies mainly in 2020 and 2021. Early 2022 the Netherlands was in a hard lockdown but measurements were released during 2022.

In the context of COVID-19, the management has reviewed its management forecast since 2020 and, more importantly for the near term, its liquidity forecast both during 2022 as well as for 2023 and onwards. The Board of Directors expects the direct impact on the operation of the Company to be limited as of 2023.

Although there is no immediate direct impact on the operations of the Company, the parent Company is willing and has cash balance and an revolving credit facility that can, when necessary, support the borrowers to cope with adverse effects of this pandemic and to meet their financial obligation to the Company.

The management will carefully monitor the situation and will take appropriate actions, when necessary.

Russia - Ukraine conflict

The current conflict between Russia and Ukraine which started in February 2022 has impacted the global economy as a whole, and as a result the Adecco Group and the market the Adecco Group is operating in face greater risks due to the international nature of the group as a whole including in the countries where the Adecco Group, our customers or our suppliers operate.

The Company has no direct business with Ukraine nor Russia or Belarus, but the Company might see an indirect impact on its business, including price increases and inflation. As part of the Adecco Group the Company remains alert for any impact on its direct business in the future.

4. Long-term loans to Group companies

The long-term loans to Group companies can be detailed as follows:

Group Company	Interest rate	Maturity	01-01-2022 Opening balance	Additions	Redemption / Transfers *	FX revaluations	31-12-2022 Closing balance
			EUR	EUR	EUR	EUR	EUR
Adecco Refinancing B.V., The Netherlands	1.597%	2024	167,154,000	-	-	-	167,154,000
Adecco Refinancing B.V., The Netherlands	1.431%	2024	199,867,000	-	-	-	199,867,000
Adecco Refinancing B.V., The Netherlands	1.676%	2024	127,539,000	-	-	-	127,539,000
Adecco Group AG, Switzerland	3.292%	2024	-	16,000,000	-	-	16,000,000
Adecco Group AG, Switzerland	1.897%	2029	83,751,069	-	-	-	83,751,069
Adecco Group AG, Switzerland **	2.800%	2030	49,728,864	-	-	(2,249,730)	47,479,134
Adecco Group AG, Switzerland	5.020%	2034	-	49,772,000	-	-	49,772,000
Adecco Refinancing B.V., The Netherlands	1.486%	2029	212,061,931	-	-	-	212,061,931
Modis Investment BV, Belgium	1.679%	2027	74,747,967	-	-	-	74,747,967
Modis Investment BV, Belgium	0.671%	2028	75,029,119	-	-	-	75,029,119
Modis Investment BV, Belgium	0.996%	2031	75,435,923	-	-	-	75,435,923
Modis International AG, Switzerland	1.679%	2027	417,687,499	-	-	-	417,687,499
Modis International AG, Switzerland	0.671%	2028	419,258,562	-	-	-	419,258,562
Modis International AG, Switzerland	0.996%	2031	421,531,759	-	-	-	421,531,759
Long-term loans to Group companies			**2,323,792,693**	**65,772,000**	**-**	**(2,249,730)**	**2,387,314,963**

* *Transfers of loans relate to loans maturing within twelve months after balance sheet date.*
These loans have been reclassed from long-term loans to short-term loans as per the balance sheet date.

** *The long-term loan to Adecco Group AG, Switzerland is stated in NOK and is impacted by the foreign exchange rate.*

Group Company	Interest rate	Maturity	01-01-2021 Opening balance	Additions	Redemption / Transfers *	FX revaluations	31-12-2021 Closing balance
			EUR	EUR	EUR	EUR	EUR
Adecco Refinancing B.V., The Netherlands	1.597%	2024	167,154,000	-	-	-	167,154,000
Adecco Refinancing B.V., The Netherlands	1.431%	2024	199,867,000	-	-	-	199,867,000
Adecco Refinancing B.V., The Netherlands	1.676%	2024	127,539,000	-	-	-	127,539,000
Adecco Group AG, Switzerland	1.897%	2029	83,751,069	-	-	-	83,751,069
Adecco Group AG, Switzerland **	2.800%	2030	47,562,881	-	-	2,165,983	49,728,864
Adecco Invest SA, Switzerland	2.400%	2022	497,250,000	-	(497,250,000)	-	-
Adecco Refinancing B.V., The Netherlands	1.486%	2029	212,061,931	-	-	-	212,061,931
Modis Investment BV, Belgium	1.679%	2027	-	74,747,967	-	-	74,747,967
Modis Investment BV, Belgium	0.671%	2028	-	75,029,119	-	-	75,029,119
Modis Investment BV, Belgium	0.996%	2031	-	75,435,923	-	-	75,435,923
Modis International AG, Switzerland	1.679%	2027	-	417,687,499	-	-	417,687,499
Modis International AG, Switzerland	0.671%	2028	-	419,258,562	-	-	419,258,562
Modis International AG, Switzerland	0.996%	2031	-	421,531,759	-	-	421,531,759
Long-term loans to Group companies			**1,335,185,881**	**1,483,690,829**	**(497,250,000)**	**2,165,983**	**2,323,792,693**

* *Transfers of loans relate to loans maturing within twelve months after balance sheet date.*
These loans have been reclassed from long-term loans to short-term loans as per the balance sheet date.

** *The long-term loan to Adecco Group AG, Switzerland is stated in NOK and is impacted by the foreign exchange rate.*

5. Receivables from Group companies

The receivables from Group companies can be detailed as follows:

	31-12-2022	31-12-2021
	EUR	EUR
Short-term loans to Group companies - reclassed from long-term loans *	-	497,250,000
Short-term loans to Group companies - issued in current year **	-	16,000,000
Interest receivables from Group companies	10,958,856	7,779,123
Receivables from Group companies	**10,958,856**	**521,029,123**

The short-term loans to Group companies for 2021 relates to a loan with Adecco Group AG for EUR 16,000,000 which had an interest rate of 0.050%. This loan rolled over in 2022 to a long-term loan at an interest rate of 3.292% and will mature in 2024. The loan with Adecco Invest SA for EUR 497,250,000 had an interest rate of 2.400% and matured in 2022. There are no short-term loans as per the end of 2022.

6. Current account with Group company

The current account with Group company has become an asset in 2022 for EUR 1,818,934 (2021: EUR 567,283 liability) and relates to the cash pool agreement with Adecco Liquidity Services AG, Switzerland. This cash pool agreement has a maximum credit facility of EUR 7,500,000. See also note 11.

7. Cash

Cash is stated at nominal value. The cash balance at the year-end represents cash held at banks and is readily available.

8. Shareholder's equity

The authorized share capital amounts to EUR 12,500,000 divided into 12,500 shares, each with a nominal value of EUR 1,000. As of December 31, 2022, there were 2,500 shares registered and fully paid in.

Shareholder's equity 2022	Share capital	Share premium	Additional paid in capital	Accumulated losses	Total
	EUR	EUR	EUR	EUR	EUR
Shareholder's equity January 1, 2022	2,500,000	30,223,245	23,786,217	(47,665,832)	8,843,630
Result after taxation	-	-	-	1,635,543	1,635,543
Shareholder's equity December 31, 2022	**2,500,000**	**30,223,245**	**23,786,217**	**(46,030,289)**	**10,479,173**

Shareholder's equity 2021	Share capital	Share premium	Additional paid in capital	Accumulated losses	Total
	EUR	EUR	EUR	EUR	EUR
Shareholder's equity January 1, 2021	2,500,000	30,223,245	23,786,217	(48,668,548)	7,840,914
Result after taxation	-	-	-	1,002,716	1,002,716
Shareholder's equity December 31, 2021	**2,500,000**	**30,223,245**	**23,786,217**	**(47,665,832)**	**8,843,630**

These financial statements have been prepared on the basis that the result for the year will be added to accumulated losses account. A proposal will be made at the General Meeting of Shareholders.

9. Long-term liabilities

The long-term liabilities can be detailed as follows:

	Interest rate	Maturity	01-01-2022 Opening balance EUR	Issuance (+) Transfer to current (-) EUR	Amorization EUR	FX revaluations EUR	31-12-2022 Closing balance EUR
Nominal value bond issued 2016 500M EUR	1.000%	2024	500,000,000	-	-	-	500,000,000
Issuance costs and discount			(2,264,032)	-	776,256	-	(1,487,776)
Nominal value bond issued 2019 300M EUR	1.250%	2029	300,000,000	-	-	-	300,000,000
Issuance costs and discount			(2,454,032)	-	311,136	-	(2,142,896)
Nominal value bond issued 2020 500M NOK *	2.650%	2030	49,878,500	-	-	(2,256,500)	47,622,000
Issuance costs *			(167,951)	-	19,392	-	(148,559)
Nominal value bond issued 2021 500M EUR	0.125%	2028	500,000,000	-	-	-	500,000,000
Issuance costs and discount			(5,487,905)	-	816,048	-	(4,671,857)
Nominal value bond issued 2021 500M EUR	0.500%	2031	500,000,000	-	-	-	500,000,000
Issuance costs and discount			(2,948,927)	-	303,240	-	(2,645,687)
Nominal value bond issued 2021 500M EUR	1.000%	2082	500,000,000	-	-	-	500,000,000
Issuance costs and discount			(7,186,308)	-	1,375,368	-	(5,810,940)
Nominal value bond issued 2022 50M EUR	4.860%	2034	-	50,000,000	-	-	50,000,000
Issuance costs			-	(228,000)	2,797	-	(225,203)
Long-term liabilities, less current maturities			**2,329,369,345**	**49,772,000**	**3,604,237**	**(2,256,500)**	**2,380,489,082**

** 2020 Bond is stated in NOK and is impacted by the foreign exchange rate. This revaluation is included in the data as per year-end 2021. The issuance costs are stated and charged in EUR so not impacted by the foreign exchange rate. There is no discount on both the 2020 bond and the 2022 bond.*

	Interest rate	Maturity	01-01-2021 Opening balance EUR	Issuance (+) Transfer to current (-) EUR	Amorization EUR	FX revaluations EUR	31-12-2021 Closing balance EUR
Nominal value bond issued 2015 500M EUR *	1.500%	2022	500,000,000	(500,000,000)	-	-	-
Issuance discount and costs *			(619,302)	619,302	-	-	-
Nominal value bond issued 2016 500M EUR	1.000%	2024	500,000,000	-	-	-	500,000,000
Issuance discount and costs			(3,040,288)	-	776,256	-	(2,264,032)
Nominal value bond issued 2019 300M EUR	1.250%	2029	300,000,000	-	-	-	300,000,000
Issuance discount and costs			(2,765,168)	-	311,136	-	(2,454,032)
Nominal value bond issued 2020 500M NOK **	2.650%	2030	47,706,000	-	-	2,172,500	49,878,500
Issuance costs **			(187,343)	-	19,392	-	(167,951)
Nominal value bond issued 2021 500M EUR	0.125%	2028	-	500,000,000	-	-	500,000,000
Issuance discount and costs			-	(5,712,318)	224,413	-	(5,487,905)
Nominal value bond issued 2021 500M EUR	0.500%	2031	-	500,000,000	-	-	500,000,000
Issuance discount and costs			-	(3,032,318)	83,391	-	(2,948,927)
Nominal value bond issued 2021 500M EUR	1.000%	2082	-	500,000,000	-	-	500,000,000
Issuance discount and costs			-	(7,564,534)	378,226	-	(7,186,308)
Long-term liabilities, less current maturities			**1,341,093,899**	**984,310,132**	**1,792,814**	**2,172,500**	**2,329,369,345**

** 2015 Bond will mature in 2022 and has therefore been reclassed in the financial statements 2021 to current.*

*** 2020 Bond is stated in NOK and is impacted by the foreign exchange rate. This revaluation is included in the data as per year-end 2021. The issuance costs are stated and charged in EUR so not impacted by the foreign exchange rate. There is no discount.*

All bonds are listed at the London Stock Exchange, United Kingdom.

On May 20, 2019, the Company issued a loan to Adecco Refinancing B.V. The proceeds were used by Adecco Refinancing B.V. to initiate the bond buyback program which was launched by the Adecco Group.

As a result of this buyback, Adecco Refinancing B.V. was holding EUR 199,995,000 of the 2015-2022 bond. This bond matured in November 2022.

Nominal amounts held by participants after buyback programm	**31-12-2022**	**31-12-2021**
	EUR	**EUR**
Third parties	2,397,622,000	2,649,883,500
Group companies	-	199,995,000
Nominal amounts held by participants after buyback programm	**2,397,622,000**	**2,849,878,500**

Bond 2016-2024
On December 2, 2016, the Company issued EUR 500,000,000 fixed rate bond guaranteed by the parent company, due December 2, 2024 (8-year bond). The interest is paid on the fixed rate bond annually in arrears at a fixed annual rate of 1.000%, the effective interest rate is 1.110%. The issuance fee related to the bond is EUR 471,810. The net proceeds, EUR 494,560,000, were partially used for the bond buyback program of the Adecco Group.

Bond 2019-2029
On May 20, 2019, the Company issued EUR 300,000,000 fixed rate bond guaranteed by the parent company, due November 20, 2029 (10.5-year bond). The Company as the issuer has an option to redeem the bond during period commencing three months prior to the maturity date. The interest is paid on the fixed rate bond annually in arrears at a fixed annual rate of 1.250%, the effective interest rate is 1.307%. The issuance fee related to the bond is EUR 1,605,000. The net proceeds, EUR 297,438,000, were partially used for the bond buyback program of the Adecco Group and for general financing purposes.

Bond 2020-2030
On May 29, 2020, the Company issued a senior unsecured fixed rate bond denominated in NOK in a private placement for NOK 500,000,000 (equivalent to EUR 47,622,000 as per December 31, 2022 revalued balance; EUR 49,878,500 as per December 31, 2021 revalued balance). The bond is guaranteed by Adecco Group AG, the parent company and will mature on August 29, 2030. The interest is paid on the fixed rate bond annually on August 29 in arrears at a fixed annual rate of 2.650% (starting from 2021 with a coupon of NOK 16,562,500 in 2021 and NOK 13,250,000 thereafter), the effective interest rate is 2.700%. The issuance fee related to the bond is NOK 1,500,000. The net proceeds, NOK 498,500,000 (equivalent to EUR 47,479,134 as per December 31, 2022 revalued balance; equivalent to EUR 49,728,865 as per December 31, 2021 revalued balance), were used for general financing purposes of the Adecco Group.

Bond 2021-2028
On September 21, 2021, the Company issued EUR 500,000,000 fixed rate bond guaranteed by the parent company, due September 21, 2028 (7-year bond). The Company as the issuer has an option to redeem the bond during period commencing three months prior to the maturity date. The interest is paid on the fixed rate bond annually in arrears at a fixed annual rate of 0.125%, the effective interest rate is 0.220%. The issuance fee related to the bond is EUR 2,417,318. The net proceeds, EUR 494,287,682, were used for acquisition performed by the Adecco Group.

Bond 2021-2031

On September 21, 2021, the Company issued EUR 500,000,000 fixed rate bond guaranteed by the parent company, due September 21, 2031 (10-year bond). The Company as the issuer has an option to redeem the bond during period commencing three months prior to the maturity date. The interest is paid on the fixed rate bond annually in arrears at a fixed annual rate of 0.500%, the effective interest rate is 0.509%. The issuance fee related to the bond is EUR 2,592,318. The net proceeds, EUR 497,967,682, were used for acquisition performed by the Adecco Group.

Bond 2021-2082

On September 21, 2021, the Company issued EUR 500,000,000 hybrid bond guaranteed by the parent company, due March 21, 2082 (60.5-year bond with first reset date at 5.5 years in March 2027). The Company as the issuer has an option to redeem the bond during period commencing three months prior to the first reset date. The interest on the hybrid bond will be paid annually on March 21 (short first coupon date March 21, 2022) in arrears at a fixed annual rate of 1.000% for the first 5.5 years up to the first reset date, the effective interest rate is 1.125%. The net proceeds, EUR 492,435,466, were used for acquisition performed by the Adecco Group.

Bond 2022-2034

On November 7, 2022, the Company issued a senior unsecured fixed rate bond in a private placement for EUR 50,000,000. The bond is guaranteed by Adecco Group AG, the parent company and will mature on November 7, 2034. The interest is paid on the fixed rate bond annually on November 7 in arrears at a fixed annual rate of 4.860%. The net proceeds from the issue of the fixed rate bond are being used for general financing purposes by the Adecco Group.

10. Long-term liabilities – current portion

The current portion of long-term liabilities can be detailed as follows:

	Interest rate	Maturity	31-12-2022 EUR	31-12-2021 EUR
Nominal value bond issued 2015 500M EUR *	1.500%	2022	-	500,000,000
Issuance discount and costs *			-	(303,915)
Current portion of long-term debt			**-**	**499,696,085**

** 2015 bond has matured in 2022 and was therefore reclassed in the financial statements 2021 to current.*

11. Payables to Group companies

The payables to Group companies can be detailed as follows:

	31-12-2022 EUR	31-12-2021 EUR
Interest payables to Group companies	-	120
Other payables to Group companies	2,360,561	1,822,633
Payables to Group companies	**2,360,561**	**1,822,753**

The interest payables to Group companies as per December 31, 2021 relate to the interest that needs to be paid on the current account (cash pool) with Adecco Liquidity Services AG, Switzerland. For 2021 there is a negative cash balance on the cash pool (EUR 567,283) resulting in an interest payable. For 2022 there is a positive cash balance on the cash pool (EUR 1,818,934) as presented in note 6 and an interest receivable linked to this of EUR 1,721 which is part of the EUR 10,958,856 as presented in note 5.

12. Interest payables to third parties

The interest payables to third parties of EUR 6,384,787 (2021: EUR 4,326,365) relates to the interest accrued and not yet paid on the fixed rate bonds (coupon). The amount of interest payables to third parties increased compared to 2021 as in 2021 new bonds have been issued (September 2021), a new bond has been issued in 2022 (November 2022) and bonds matured in 2022 and 2021. The coupon on the bonds is each year paid in March, August, September, November and December.

13. Other payables

The amount of other payables for 2022 is EUR 50,676 and relates to accrued expenses on tax consultancy services and bond issuance expense (2021: EUR 257,670). In 2022 the Company issued a bond for EUR 50M while in 2021 the Company issued bonds for EUR 1,500M. This explains the variance in the decrease of other payables related to bond issuance expenses.

14. Financial income

The financial income can be detailed as follows:

	2022 EUR	2021 EUR
Interest income from Group companies	42,379,767	38,219,980
Interest and similar income *	96,245	-
Foreign exchange gain	7,181	-
Financial income	**42,483,193**	**38,219,980**

** The interest and similair income relate to the negative interest on commercial paper*

15. Financial expenses

The financial expenses can be detailed as follows:

	2022 EUR	2021 EUR
Amortization discount and fees	(3,908,152)	(2,686,179)
Other financing fees *	(393,460)	(316,643)
Interest and similar expenses	(35,832,648)	(33,621,934)
Interest expense from Group companies	(23,518)	(4,888)
Foreign exchange loss	-	(134,020)
Financial expenses	**(40,157,778)**	**(36,763,664)**

** The other financing fees relate to general costs for financial instruments which are not part of the costs at issuance of the financial instrument.*

16. General and administrative expenses

The general and administrative expenses slightly increased in 2022 from EUR 212,632 to EUR 214,327.

17. Taxes

Income taxes

The total current income tax payable as of December 31, 2022 is EUR 334,047 (2021: EUR 97,061) and the total tax expense in the income statement is EUR 240,968 (2021: EUR 240,968).

As the preliminary tax assessment was lower than the year end calculation the Company has an income tax payable of EUR 334,047 at December 31, 2022 (2021: EUR 97,061) payable linked to a lower preliminary tax assessment versus actual year end calculation).

The effective tax rate is 22.53% (2021: 19.38%) leading to a difference with the domestic income tax rate of 25.8% (2021: 25.0%). This is caused by the Advanced Price Agreements (APAs) which are in place, resulting in a difference between the commercial result and taxable result.

APAs are not officially been formalized by the Dutch Tax Authorities anymore since a few years. For any new bond or commercial paper issuances the Company calculates the (taxable result) spread based on the method as applied when there were still formalized APAs in place.

On 1 July 2022, the Dutch State Secretary of Finance published a new decree related to transfer pricing and the interpretation of the arm's-length principle in the Netherlands. This decree has been applied on the new transactions of 2022 and will be applied to any future transactions to calculate the (taxable result) spread on bonds and commercial papers to align to Dutch tax rules.

See below overview from commercial result to taxable result resulting in the income taxes as presented in the income statement and the calculation of the effective tax rate for 2022 and 2021.

Commercial result to taxable result - Income taxes			**2022**	**2021**
			EUR	**EUR**
Result before taxation			2,111,088	1,243,684
Permanent difference linked to adjustment for 'Advanced Pricing Agreement (APA)'			(102,536)	(181,674)
Taxable result			2,008,552	1,062,010
	Tax rate 2022	*Tax rate 2021*		
Tax on EUR 0 - EUR 395,000 (2022) / EUR 245,000 (2021)	*15.0%*	*15.0%*	(59,250)	(36,750)
Tax on amount above EUR 395,000 (2022) / EUR 245,000 (2021)	*25.8%*	*25.0%*	(416,296)	(204,253)
Income taxes current year			(475,546)	(241,003)
Income taxes prior year			1	35
Income taxes			**(475,545)**	**(240,968)**

Effective Tax Rate (ETR)	**2022**	**2021**
	EUR	**EUR**
Income taxes current year	(475,546)	(241,003)
Income taxes prior year	1	35
Income taxes current year	(475,545)	(240,968)
Result before taxation	2,111,088	1,243,684
Effective Tax Rate (ETR) excluding prior year adjustment linked to final tax declaration	22.53%	19.38%
Effective Tax Rate (ETR)	22.53%	19.38%

18. Employees

The Company had no personnel in 2022 (2021: nil), but staff costs are being recharged from Adecco Holding Europe, Netherlands and Adecco Support, Netherlands for board, accounting and legal support where the staff is officially under contract. This internal recharge is reported in the income statement as part of the general and administrative expenses.

19. Related party transactions

In the normal course of business, the Company has transactions with related parties as follows:

a) Loans granted to Group companies are EUR 2,837,314,963 (2021: EUR 2,837,042,693). The related accrued interest receivables are EUR 10,958,856 (2021: EUR 7,779,123) and are disclosed in notes 4 and 5. In note 6/11 the current account with Group company (cash pool) is disclosed for an amount of EUR 1,818,934 asset (2021: EUR 567,283 liability). The cash pool account has become an asset in 2022; while it was a liability in 2021. In 2022, the management has assessed that no impairment loss needs to be recognised during the year (2021: nil).
b) As of December 31, 2022, the balance of loans obtained from Group companies is nil (2021: nil). For 2021 there is only a negative balance related to the cash pool and related interest with Adecco Liquidity Services AG, Switzerland for the cash pool of EUR 567,283 and an interest payable of EUR 120. This is disclosed in note 11.
c) As of December 31, 2022, the balance of other payables to Group companies is EUR 2,360,561 (2021: EUR 1,822,633) and is disclosed in note 11. The amount relates to the guarantee fees to be paid to Adecco Group AG, Switzerland.
d) Interest income from Group companies (financial income) is EUR 42,379,767 (2021: EUR 38,219,980) and is disclosed in note 14.
e) In 2022, a guarantee fee (financial expenses) of EUR 9,954,901 (2021: EUR 7,954,956) is charged by Adecco Group AG, Switzerland for the underwriting of the bonds. This is disclosed in note 15 in the interest and similar expenses.
f) Interest expense from Group companies (financial expenses) is EUR 23,518 (2021: EUR 4,888) and is disclosed in note 15.
g) Recharged staff and office expenses from Group companies is EUR 106,560 (2021: EUR 100,654) and is disclosed in note 16.

20. Fair value non-derivative financial instruments

The following table shows the carrying value and the fair value of non-derivative financial instruments as of December 31, 2022 and 2021.

Fair value non-derivative financial instruments	**31-12-2022** EUR	**31-12-2022** EUR	**31-12-2021** EUR	**31-12-2021** EUR
	Carrying value	*Fair value*	*Carrying value*	*Fair value*
Non-current assets				
Long-term loans to Group companies	2,387,314,963	2,063,163,970	2,323,792,693	2,367,873,587
Current assets				
Short-term loans to Group companies	-	-	513,250,000	526,828,999
Interest receivables from Group companies	10,958,856	10,958,856	7,779,123	7,779,123
Current account with Group company	1,818,934	1,818,934	-	-
Other receivables	4,219	4,219	7,115	7,115
Cash	1,354	1,354	151,261	151,261
Non-current liabilities				
Long-term debt, less current maturities	2,380,489,082	1,998,664,571	2,329,369,345	2,339,228,748
Current liabilities				
Long-term liabilities - current portion	-	-	499,696,085	505,810,000
Short-term loans from Group companies	-	-	-	-
Interest payables to Group companies	-	-	120	120
Interest payables to third parties	6,384,787	6,384,787	4,326,365	4,326,365
Other payables to Group companies	2,360,561	2,360,561	1,822,633	1,822,633
Current account with Group company	-	-	567,283	567,283
Other payables	50,676	50,676	257,670	257,670

The fair value is presented at LAST / MID prices. The fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. If no fair value can be readily and reliably established, fair value is approximated by deriving it from the fair value of components or of a comparable financial instrument, or by approximating fair value using valuation models and valuation techniques.

Valuation techniques include using recent arm's length market transactions between knowledgeable, willing parties, if available, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis and/or option pricing models, making allowance for entity-specific inputs.

The Company uses the following methods to estimate the fair value of each class of non-derivative financial instruments:

- **Long and short term loans to – from Group companies**

To calculate the fair market value of loans to Group companies, the discounted cash flow method was applied. Starting from the scheduled interest and principal payments set forth in the loan contracts each individual loan is valued by discounting the remaining interest and principal payments with the relevant interest rate as of valuation date.

- **Long-term liabilities including the current portion**

The fair value of the Company's publicly traded long-term liabilities, including accrued interest, is estimated using quoted market prices on last trade during the year.

- **Other financial instruments**

The carrying amounts approximate fair value primarily due to the relatively short-term maturities of these financial instruments.

21. Audit fees

The total audit fees for 2022 are EUR 47,000 excluding VAT (2021: EUR 44,000 excluding VAT). Fees are related to the assurance assignments of the Company, no other services are rendered.

22. Remuneration of the Board of Directors

The members of the Board of Directors did not receive remuneration in 2022 (2021: nil) in their capacity as Directors of the Company.

23. Cross border listings

The Company has issued bonds that are listed on the London Stock Exchange.

24. Subsequent events after balance sheet date

No significant events between the balance sheet date and the date of approval of the financial statements 2022 occurred that would require adjustments in the reported figures for 2022 nor additional disclosure in the financial statements.

March 30, 2023
The Board of Directors

Adriaan Belonje

Marissa van der Werf

Coram Williams

OTHER INFORMATION

Appropriation of result

The articles of association of the Company (article 13) provide that the appropriation of the net result for the year is decided upon at the General Meeting of Shareholders.

The Company may make distributions of profit only to the extent that its shareholders' equity exceeds the sum of the amount of the paid up and called up part of the capital and the reserves which must be maintained by law; any distribution of profits shall be made after the adoption of the Annual Accounts from which it shall appear that the same is permitted.

Auditor's report

See next page.

Independent auditor's report

To: the shareholder of Adecco International Financial Services B.V.

A. Report on the audit of the financial statements 2022 included in the annual report

Our opinion

We have audited the financial statements 2022 of Adecco International Financial Services B.V. ('the Company') based in Utrecht.

WE HAVE AUDITED	OUR OPINION
The financial statements comprise: 1. the balance sheet as at 31 December 2022; 2. the profit and loss account for 2022; and 3. the notes comprising of a summary of the accounting policies and other explanatory information.	In our opinion, the accompanying financial statements give a true and fair view of the financial position of Adecco International Financial Services B.V. as at 31 December 2022 and of its result for 2022 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Adecco International Financial Services B.V. in accordance with the "Wet toezicht accountantsorganisaties" (Wta, Audit firms supervision act), the "Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten" (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the "Verordening gedrags- en beroepsregels accountants" (VGBA, Dutch Code of Ethics).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

B. Information in support of our opinion

We designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The following information in support of our opinion was addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

Materiality

Based on our professional judgement we determined the materiality for the financial statements as a whole at € 24.0 million. The materiality is calculated as 1% of the total assets, which we consider to be the principal considerations for users of the financial statements in assessing the financial performance of the Company. We have also taken into account misstatement and/or possible misstatements that in our opinion are material for the users of the financial statements that in our opinion are material for the users of the financial statements for qualitative reasons.

We agreed with the Board of Directors that misstatements in excess of € 1.2 million, which are identified during the audit, would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

Audit approach going concern

As explained in the section 'Going concern' on page 18 of the financial statements, the Board of Directors has carried out a going concern assessment and identified no going concern risks. Our procedures to evaluate the going concern assessment of the Board of Directors include:

- Reviewing management's plans and financial forecast to identify any mismatches in the timing of cash flows related to the financial instruments that would lead to liquidity gaps.
- Determining the impact of the results of the audit procedures performed on the valuation of loans granted to related parties on the ability of the Company to repay the related financial obligation.
- Considering that parent company guarantees all of the bonds issued by the Company, we analysed the consolidated financial statements of the parent company for any indicators of financial distress by reviewing any significant changes in the financial position, key ratios and cash flows.
- We examined relevant news articles and publicly available information on macroeconomic updates, industry developments and company-specific events that would have potential adverse effect on the performance and financial position of the Company.

Audit approach fraud risks

We identified and assessed the risks of material misstatements of the financial statements due to fraud. During our audit we obtained an understanding of the Company and its environment and the components of the system of internal control, including the risk assessment process and management's process for responding to the risks of fraud and monitoring the system of internal control and how the Board of Directors exercises oversight, as well as the outcomes.

We evaluated the design and relevant aspects of the system of internal control and in particular the code of conduct, whistle blower procedures and incident registration. We evaluated the design and the implementation and, where considered appropriate, tested the operating effectiveness, of internal controls designed to mitigate fraud risks.

As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption. We evaluated whether these factors indicate that a risk of material misstatement due to fraud is present.

We identified a fraud risk related to management override of controls and performed procedures to evaluate key accounting estimate for management bias that may represent a risk of material misstatement due to fraud, in particular relating to the valuation of loans. As described in our key audit matter, we specifically considered whether the judgements and assumptions in identifying impairment indicators indicate a management bias that may represent a risk of material misstatement due to fraud or non-compliance.

As the Company's revenue recognition is relatively simple and straightforward, with little room for judgement or estimation, we have rebutted the assumption of fraud risk in revenue recognition. We have also took into account that there is no incentive for the Board of Directors to manipulate the amount of revenues and that misstatements are easily detected due to the high predictability of the amount based on the principal value of the loans as well as the agreed interest rates with counterparties.

We incorporated elements of unpredictability in our audit. We also considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance.

We considered available information and made enquiries of relevant executives and directors. Our audit procedures did not lead to indications or suspicions for fraud potentially resulting in material misstatements.

Our key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements. We have communicated the key audit matter to the Board of Directors. The key audit matter is not a comprehensive reflection of all matters discussed.

This matter was addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

VALUATION OF LOANS	OUR AUDIT APPROACH
The Company is exposed to credit risk on loans to group companies. The corresponding financial liabilities related to the loans to Group companies are being guaranteed by Adecco Group AG. We considered the valuation of these loans as a key audit matter due to the size of the portfolio and due to the fact that non-performance on the loans may lead to impairment losses that have a negative impact on the income statement. Judgement arises in the assessment whether there is objective evidence that a loan is impaired and in the determination of the impairment loss.	Our audit procedures in relation to the valuation of the loans included: ▶ an examination of the impairment analysis methodology applied by the Board of Directors and consistency of the methodology applied per group company; ▶ a discussion with the Board of Directors regarding their impairment analysis and assumptions and comparing these against external observable data (e.g., data from credit rating agencies and financial data of Adecco Group AG as guarantor for the loans); ▶ an analysis of the completeness of the identified impairment triggers by challenging the fair values determined by the Board of Directors.

Based on the impairment assessment performed by the Board of Directors, the Board of Directors concluded that no objective evidence exists that a loan is impaired and as a result no impairment loss was recognized.	Further, we have reviewed the latest financial information of Adecco Group AG and discussed these with its external auditor to assess its ability to cover the repayment of financial securities issued by the Company in case of default. We also assumed the adequacy of the disclosures in the financial statements relating to the loans to Group companies.

C. Report on other information included in the annual report

In addition to the financial statements and our auditor's report thereon, the annual report contains other information that consists of:

- the Board of Directors' report;
- other information as required by Part 9 of Book 2 of the Dutch Civil Code.

Based on the following procedures performed, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements;
- contains the information as required by Part 9 of Book 2 of the Dutch Civil Code for the management report and the other information.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

The Board of Directors is responsible for the preparation of the other information, including the management report in accordance with Part 9 of Book 2 of the Dutch Civil Code.

D. Report on other legal and regulatory requirements

Engagement

We were engaged by the shareholder as auditor of Adecco International Financial Services B.V. on 21 April 2017, as of the audit for financial year 2017 and have operated as statutory auditor ever since that financial year.

E. Description of responsibilities regarding the financial statements

Responsibilities of the Board of Directors for the financial statements

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the Board of Directors is responsible for such internal control as the Board of Directors determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the Board of Directors is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, the Board of Directors should prepare the financial statements using the going concern basis of accounting, unless the Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Concluding on the appropriateness of the Board of Directors' use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures.
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

We provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine the key audit matters: those matters that were of most significance in the audit of the financial statements. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.

Amstelveen, 30 March 2023

For and on behalf of BDO Audit & Assurance B.V.,

sgd.
drs. M.F. Meijer RA