

SUPPLEMENT DATED 9 SEPTEMBER 2021 TO THE BASE PROSPECTUS DATED 5 MAY 2021



THE ADECCO GROUP

ADECCO GROUP AG

(incorporated with limited liability in Switzerland)

ADECCO INTERNATIONAL FINANCIAL SERVICES B.V.

(incorporated with limited liability in The Netherlands)

ADECCO FINANCIAL SERVICES (NORTH AMERICA), LLC

(incorporated under the laws of the State of Delaware in the United States of America)

EUR 3,500,000,000

**Euro Medium Term Note Programme
unconditionally and irrevocably guaranteed by
ADECCO GROUP AG**

(incorporated with limited liability in Switzerland)

This Supplement (the **Supplement**) to the Base Prospectus dated 5 May 2021 (the **Base Prospectus**), which comprises a base prospectus for the purposes of the UK Prospectus Regulation, constitutes a supplement to the prospectus for the purposes of Article 23 of the UK Prospectus Regulation and is prepared in connection with the EUR 3,500,000,000 Euro Medium Term Note Programme (the **Programme**) established by Adecco Group AG (in its capacity as Issuer, **Adecco**, and in its capacity as guarantor of Notes issued by AIFS and AFS (each as defined below), the **Guarantor**), Adecco International Financial Services B.V. (**AIFS**) and Adecco Financial Services (North America), LLC (**AFS**, and together with Adecco and AIFS, the **Issuers**, and each an **Issuer**).

Terms defined in the Base Prospectus have the same meaning when used in this Supplement. When used in this Supplement, **UK Prospectus Regulation** means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

This Supplement is supplemental to, and should be read in conjunction with, the Base Prospectus and any other supplements to the Base Prospectus issued by the Issuers.

Each of the Issuers and the Guarantor accepts responsibility for the information contained in this Supplement. To the best of the knowledge of each of the Issuers and the Guarantor the information contained in this Supplement is in accordance with the facts and this Supplement makes no omission likely to affect its import.

Purpose of the Supplement

The purpose of this Supplement is (a) to incorporate by reference the consolidated unaudited interim financial statements of Adecco as at and for the six month period ended 30 June 2021; (b) to update the section titled “*Risk Factors – Factors that may affect the Guarantor’s ability to fulfil its obligations under the Guarantee – Adecco Group’s acquisition strategy may have an adverse effect on Adecco Group’s business.*” on page 14 of the Base Prospectus to refer to Adecco Group’s proposed acquisition of AKKA Technologies; (c) to update the section titled “*Risk Factors - Factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme - Risks related to the market generally*” to amend the risk factor titled “*Potential new Swiss federal withholding tax regime*” on page 20 of the Base Prospectus and, immediately following such risk factor, to include a new risk factor in relation to the risk that any payment of additional amounts for Swiss withholding taxes may be null and void; (d) to include a new section in the Base

Prospectus titled “Recent Developments” after the section titled “Description Of Adecco Financial Services (North America), LLC.” on page 83 of the Base Prospectus to include information relating to Adecco Group’s proposed acquisition of AKKA Technologies along with other relevant recent developments; (e) to amend the form of Final Terms on pages 28 to 35 of the Base Prospectus to supplement the existing call options and to amend the Tax Gross-Up option available to the relevant Issuer; and (f) to include a new “Significant or Material Change” statement for Adecco.

Adecco’s Interim Financial Statements as at and for the six month period ended 30 June 2021

On 28 July 2021, Adecco published its consolidated unaudited interim financial statements as at and for the six month period ended 30 June 2021 (the **Adecco Interim Financial Statements**) as set out on pages 11 to 30 of the 2021 Half Year Report of Adecco Group, which can be found at https://www.adecco-jobs.com/-/media/project/adeccogroup/pdf-files/2021-aug/ade058_2021-half-year-report_210804.pdf?h=738&w=2652&modified=20210804181631. By virtue of this Supplement, the Adecco Interim Financial Statements are incorporated in, and form part of, the Base Prospectus including the information set out at the following pages in particular:

Consolidated balance sheets	Page 11
Consolidated statements of operations	Page 12
Consolidated statements of comprehensive income	Page 13
Consolidated statements of cash flows	Pages 14-15
Consolidated statements of changes in shareholders’ equity	Page 16
Notes to consolidated financial statements	Pages 17-30

If documents which are incorporated by reference themselves incorporate any information or other documents therein, either expressly or implicitly, such information or other documents will not form part of this Supplement for the purposes of the UK Prospectus Regulation except where such information or other documents are specifically incorporated by reference into this Supplement.

Any non-incorporated parts of a document referred to in this Supplement (which, for the avoidance of doubt, means any parts not listed in the cross-reference list above) are either deemed not relevant for an investor or are otherwise covered elsewhere in this Supplement.

Updated Risk Factors – Factors that may affect the Guarantor’s ability to fulfil its obligations under the Guarantee

The following wording shall be inserted as new paragraphs at the end of the risk factor titled “Adecco Group’s acquisition strategy may have an adverse effect on Adecco Group’s business.” on page 14 of the Base Prospectus:

“In furtherance of its growth strategy, on 28 July 2021 Adecco Group announced that it had reached an agreement to acquire AKKA Technologies (**AKKA**) (see “Recent Developments” for further information on the proposed acquisition). Completion of the acquisition is subject to a number of conditions, including the obtaining of regulatory approvals. Assuming that all such conditions are satisfied, the acquisition is expected to complete during the first half of 2022. However, Adecco Group cannot guarantee that the acquisition will be successful or will yield the benefits and/or synergies that are currently expected to be generated. In addition, the acquisition of AKKA has a number of specific inherent risks, including but not limited to:

- the purchase price for the AKKA shares represents a significant premium to the prevailing AKKA share price prior to the announcement;
- AKKA’s financial or operational performance may not develop as expected, or sales, earnings and cash flow goals pursued by way of the acquisition may not be met, or AKKA may otherwise incur liabilities in the future which have not previously been contemplated;

- Adecco Group may not be able to realise the anticipated revenue and cost synergies, future earnings, transfer of know-how, cross-selling opportunities or other benefits that it intends to achieve from the acquisition;
- in integrating Modis and AKKA, the Adecco Group may encounter difficulties integrating the existing staff of the two entities and connecting the different company cultures, harmonising IT systems and putting into place common processes for the integrated business;
- the integration of Modis and AKKA could further require a larger amount of time and attention of both companies' management than originally anticipated. If integration issues significantly divert each management's attention from other responsibilities, the businesses of Modis and AKKA could be adversely affected; and
- the acquisition may not be as successful as the acquisitions that Adecco Group has completed in the past.

The realisation of any of the above risks could have a material adverse effect on Adecco Group's results of operations, financial condition or liquidity.

Furthermore, if the Final Terms in respect of any Notes issued after the date of the Supplement specify Acquisition Event Call as "Applicable" (as contemplated under "Annex – Acquisition Event Call" in the Supplement), the Issuer may redeem the Notes early if an Acquisition Event (as defined under "Annex – Acquisition Event Call" in the Supplement) occurs. This redemption right is likely to limit the market value of the Notes prior to the end of the period for exercise of such redemption right (see "*Risk Factors – Risks related to the structure of a particular issue of Notes – Notes subject to optional redemption by the relevant Issuer*").

Updated Risk Factors – Factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme – Risks related to the market generally

The following wording shall replace the existing wording under the current risk factor titled "*Potential new Swiss federal withholding tax regime*" on page 20 of the Base Prospectus:

"On 3 April 2020, the Swiss Federal Council published a consultative draft on the reform of the Swiss withholding tax system applicable to interest payments on bonds. This consultative draft provided for the replacement of the current debtor-based Swiss withholding tax regime applicable to interest payments on bonds with a paying agent-based Swiss withholding tax regime. Under such proposed paying agent-based regime, all interest payments on bonds made by banks and other financial institutions, i.e. paying agents, as defined in the draft legislation, acting out of Switzerland to individuals resident in Switzerland would have been subject to Swiss withholding tax. However, because the results of the consultation were controversial, the Swiss Federal Council submitted a revised draft on the reform of the Swiss withholding tax system to the Swiss Federal Parliament on 14 April 2021, which draft provides for the abolition of Swiss withholding tax on interest payments on bonds. Notwithstanding this revised draft, if a new paying agent-based Swiss withholding tax regime were to nevertheless be enacted as contemplated by the consultative draft published on 3 April 2020 and a paying agent, as defined in the draft legislation, acting out of Switzerland were required to deduct or withhold Swiss withholding tax on any interest payments under the Notes or any payments under the Guarantee in respect thereof, as applicable, neither the relevant Issuer nor the Guarantor would pursuant to the terms and conditions of the Notes or the Guarantee, as applicable, (subject to the relevant exception to the Tax Gross-Up being so specified in the applicable Final Terms) be obliged to pay additional amounts with respect to such payments as a result of such deduction or withholding of Swiss withholding tax."

The following wording shall be inserted as a new risk factor immediately after the risk factor titled "*Potential new Swiss federal withholding tax regime*" on page 20 of the Base Prospectus:

"Payment of additional amounts for Swiss withholding taxes may be null and void

Although the terms of the Notes and the Guarantee provide that, in the event of any withholding for or on account of Swiss withholding tax being required by Swiss law, the relevant Issuer or the Guarantor, as the case may be, shall (if Tax Gross-Up is specified as being applicable in the applicable Final Terms and subject to certain exceptions) pay additional amounts so that the net amount received by the Noteholders shall equal the amount which would have been received by such Noteholder in the absence of such withholding, such obligation may

contravene Swiss legislation and be null and void and not enforceable in Switzerland. See “*Taxation – Switzerland – Swiss Federal Withholding Tax*” below.”

Recent Developments

The following wording shall be inserted as a new section in the Base Prospectus titled “*Recent Developments*” after the section titled “*Description Of Adecco Financial Services (North America), LLC.*” on page 83 of the Base Prospectus:

“RECENT DEVELOPMENTS

Proposed acquisition of AKKA Technologies

On 28 July 2021, Adecco Group announced that it had reached agreement with the Ricci Family Group and SWILUX S.A., a fully-owned subsidiary of Compagnie Nationale à Portefeuille SA, which collectively own approximately 60 per cent. of the issued share capital of AKKA Technologies (AKKA) and approximately 68 per cent. of the voting rights, to acquire their holdings in AKKA, providing Adecco Group with a controlling stake in AKKA.

AKKA is a global leader in engineering research and development services (ER&D), headquartered in Belgium and employing around 20,000 engineers and digital experts. AKKA has a strong presence in Europe and in the mobility sector (automotive, aerospace, railway). It has deepened its digital expertise in cutting-edge technologies including data analytics, IoT, autonomous driving, mobile services, and embedded software, including through the acquisition of Data Respons in 2020. According to its annual report for the year ended 31 December 2020, AKKA generated 75 per cent. of its revenues from digital and embedded software activities in 2020 and reported revenues of €1.8 billion in 2019 and €1.5 billion in 2020 and an adjusted operating profit margin of 8.0 per cent. in 2019 and 1.3 per cent. in 2020 as a consequence of the COVID-19 crisis.

Adecco Group intends to combine AKKA with Modis, one of Adecco Group’s three Global Business Units. The new combined business is expected to be the second largest globally in the ER&D market with approximately 50,000 engineers and digital experts providing comprehensive IT, engineering, and digital services. The limited customer overlap and complementary footprint between Modis and AKKA are expected to drive strong revenue synergies (mainly from cross-selling) and costs synergies (mainly from the optimisation of real estate, reduced duplication in general and administrative costs and improved utilisation of engineers). AKKA, Modis and Adecco Group are expected to benefit from each other’s extensive customer network and, in combining AKKA and Modis, it is expected that the new business will be able to capture a larger share of project value. The transaction is aligned with Adecco Group’s strategic commitment to invest in faster growth, higher margin segments, and the company expects the acquisition to accelerate a beneficial shift in Adecco Group’s portfolio mix, further diversifying the company toward high-value, technology-led activities. See “*Risk Factors – Factors that may affect the Guarantor’s ability to fulfil its obligations under the Guarantee – Adecco Group’s acquisition strategy may have an adverse effect on Adecco Group’s business.*”.

Adecco Group has agreed with Mr Mauro Ricci and Mr Jean-Franck Ricci, who collectively hold 33.10 per cent. of AKKA’s issued share capital, to pay a consideration of €42 per share cash plus €7 per share value equivalent in Adecco Group new ordinary shares created from Adecco Group’s authorised capital. Adecco Group has also agreed with SWILUX S.A. and the other members of the Ricci family, who collectively hold 26.81 per cent. of AKKA’s issued share capital, to pay a consideration of €49 per share, all in cash.

After the closing of this first stage of the transaction (which also involves the cancellation of outstanding profit sharing certificates with voting rights held by members of the Ricci Family Group), Adecco Group would own approximately 48 per cent. of AKKA’s securities with voting rights. As a result, Adecco Group will be required to launch a mandatory tender offer in Belgium and France for the remaining AKKA securities, at €49 per share all cash and at an equivalent price in cash per warrant or convertible bond. The mandatory tender offer will be unconditional.

The board of AKKA has undertaken to unanimously recommend the mandatory tender offer. After the closing of the mandatory tender offer, Adecco Group intends to proceed to a simplified squeeze-out if the conditions for such a squeeze-out bid are met, with a view to acquiring all shares, warrants and convertible bonds of AKKA and delist AKKA from Euronext Brussels and Euronext Paris.

The total cost of the transaction of approximately €2.2 billion in aggregate (comprising the acquisition consideration of €1.5 billion in respect of the shares, together with the assumption of net debt of approximately €500 million and the assumption of AKKA's Odinance of approximately €200 million, which will be debt accounted in accordance with Adecco Group's accounting standards (US GAAP)) is expected to be financed mainly through approximately €1 billion of new senior bonds (expected to be issued under the Programme), approximately €500 million of hybrid securities, the placing of new ordinary shares (see "*Increase in share capital in connection with the AKKA Acquisition*" below), including the new ordinary shares to be issued to Mr Mauro Ricci and Mr Jean-Franck Ricci, and from available cash resources. Bridge financing in an amount of €1 billion has also been obtained, although is not expected to be drawn down, if the debt and equity financing referred to in the previous sentence can be obtained on a timely basis.

The acquisition is expected to close in the first half of 2022, subject to regulatory approvals.

Planned acquisition of BPI group (France) and divestment in USA

Adecco Group has announced that it will reinforce LHH's leadership in the French market and enhance its full-service HR Consulting and Advisory offering through the proposed acquisition of BPI Group. BPI Group is the third largest HR consulting services provider in France with a reported c.EUR 40 million annual revenues and approximately 300 employees. LHH France, a fully owned subsidiary of Adecco, has entered into exclusive negotiations with Perceva, an independent investment company, to acquire BPI Group.

Furthermore, Adecco Group is evaluating strategic alternatives for its U.S. based Legal Solutions business, which may include a sale of the business. If divested, the sale will sharpen the focus of the LHH portfolio, adding further momentum to its transformation.

Change of Brand strategy within Talent Solutions – rebranding to LHH (except for General Assembly)

Adecco Group is accelerating the transformation of the Talent Solutions portfolio by streamlining its organisational model and simplifying the brand structure within the Global Business Unit, reducing the number of brands to one global brand, LHH, from nine. Going forward, the majority of assets within Talent Solutions will operate under the LHH brand, bringing closer the realisation of a fully integrated HR services offering that simplifies and improves the customer experience. General Assembly will retain its brand identity.

Increase in share capital in connection with the AKKA Acquisition

On 7 September 2021, Adecco priced an issue of 5.1 million new Adecco shares at a price of CHF 49.60 per share, through an accelerated book building. The shares were issued on 8 September 2021, resulting in a total number of 168,224,177 shares outstanding as at 8 September 2021, and settlement is scheduled for 10 September 2021, raising expected gross proceeds of approximately CHF 253 million.

Increased revenues in Q2 and outlook

As disclosed in the unaudited consolidated interim financial statements of Adecco Group as at and for the six-month period ended 30 June 2021, Adecco Group's revenues increased by 29 per cent. in the second quarter of 2021 as compared to the same period in 2020, reflecting the easing of COVID-19-related restrictions. Management of Adecco Group expects trading conditions to further improve gradually in the third quarter, assuming limited adverse impacts from new variants of COVID-19 as vaccination campaigns continue in the markets in which Adecco Group operates.

Share buyback programme

Given the announcement of the proposed acquisition of AKKA referred to above, Adecco Group's previously announced share buyback programme has been put on hold. As of 28 July 2021, Adecco Group had acquired 1,424,388 shares under this programme for CHF 88.25 million.

Update to the Adecco Group Board of Directors

Kathleen Taylor – Member and Vice-Chair of the Board of Directors, member of the Audit Committee, member of the Compensation Committee and member of the Governance & Nomination Committee.

Update to the Managing Directors of Adecco International Financial Services B.V.

Robert Wolff resigned as a Managing Director of AIFS with effect from 1 August 2021 and has been replaced by Els Josefa G. Vandersickel with effect from 1 September 2021.”

Amendments to Form of Final Terms

In the section titled “*Form of Final Terms*” on pages 28 to 35 of the Base Prospectus, the following changes shall be made:

- i. In paragraph 2(c) on page 29 of the Base Prospectus, the existing wording “paragraph 25(a) below” shall be deleted and replaced by “paragraph 26(a) below”;
- ii. In paragraph 12 on page 30 of the Base Prospectus, the new wording “[Acquisition Event Call]” shall be inserted after the existing wording “[Issuer Residual Call]” and the existing wording “[see paragraph 18, 19, 20, 21 below]” shall be deleted and replaced by “[see paragraph 18, 19, 20, 21, 22 below]”;
- iii. The following new paragraph 22 shall be inserted immediately after the existing paragraph 21 on page 32 of the Base Prospectus, and the subsequent paragraphs in Part A of the Final Terms shall be renumbered accordingly:
“
22. Acquisition Event Call: [Applicable – See Annex/Not Applicable]
”;
- iv. In paragraph 24 on page 32 of the Base Prospectus, the existing wording “[Applicable²/Not Applicable]” shall be replaced with the following (with no change being made to the related footnote):
“
[Applicable²: [Tax Gross-Up as per Condition 8][Tax Gross-Up as per Condition 8, save that sub-paragraph (j) in Condition 8 shall be replaced with the following two new sub-paragraphs:
“(j) where such withholding or deduction is required to be made pursuant to laws enacted by Switzerland changing the Swiss federal withholding tax system from an issuer-based system to a paying-agent-based system pursuant to which a person in Switzerland other than the Issuer or the Guarantor is required to withhold tax on any interest payments; or

(k) in the case of any combination of items (a) to (j) above;”][Not Applicable]
”;
- v. The following new wording shall be inserted as an Annex to the Final Terms, immediately after the existing sub-paragraph 6(viii) on page 35 of the Base Prospectus:

“[ANNEX – ACQUISITION EVENT CALL

If an Acquisition Event occurs at any time during the Acquisition Event Call Period, then the Issuer may on any Business Day (as defined in Condition 5.2(a)) on or before the 30th day following the expiry of the Acquisition Event Call Period, subject to having given not less than [15] nor more than [30] days’ notice to the Trustee, the Principal Paying Agent and, in accordance with Condition 14, the Noteholders (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem all, but not some only, of the Notes at the Acquisition Event Early Redemption Amount, together with any accrued and unpaid interest up to (but excluding) the redemption date (such right, the **Acquisition Event Call Option**). Upon the expiry of such notice, the Issuer shall redeem the Notes.

Promptly upon the Issuer [or the Guarantor, as applicable,] becoming aware that an Acquisition Event has occurred at any time during the Acquisition Event Call Period, the Issuer [or the Guarantor, as applicable,] shall give notice to the Trustee, the Principal Paying Agent and, in accordance with Condition 14, the

Noteholders, provided that no such notice shall be required from the Issuer [or the Guarantor] if the Issuer has previously waived its right under the Acquisition Event Call Option, as referred to below.

The Issuer may at any time during the Acquisition Event Call Period waive its right under the Acquisition Event Call Option by giving notice to the Trustee, the Principal Paying Agent and, in accordance with Condition 14, the Noteholders (which notice shall be irrevocable).

Prior to the publication of any notice of redemption pursuant to the Acquisition Event Call Option, the [Issuer/Guarantor] shall deliver to the Trustee, for the Trustee to make available at its specified office to the Noteholders, a certificate signed by two Authorised Signatories of the [Issuer/Guarantor] stating that the relevant requirement or circumstance giving rise to the right to redeem is satisfied. The Trustee shall be entitled to accept such certificate without any further inquiry as sufficient evidence of the satisfaction of the condition precedent set out above, in which event it shall be conclusive and binding on the Noteholders and the Couponholders.

For the purposes of this provision:

Acquisition Event means (a) the [Issuer/Guarantor] or any Subsidiary of the [Issuer/Guarantor] has not completed and closed the acquisition of AKKA Technologies (the **Acquisition**); or (b) the [Issuer/Guarantor] has publicly announced that it no longer intends to pursue the Acquisition;

Acquisition Event Call Period means the period from (and including) the Issue Date of the first Tranche of the Notes to (and including) []; and

Acquisition Event Early Redemption Amount means [] per Calculation Amount.]”

General Information

As a result of the publication of the Adecco Interim Financial Statements, and further to the information contained on page 96 of the Base Prospectus in the section headed “*General Information*”, there has been (i) no significant change in the financial performance or financial position of Adecco or of Adecco Group since 30 June 2021 and (ii) no material adverse change in the prospects of Adecco since 31 December 2020.

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Base Prospectus by this Supplement and (b) any other statement in or incorporated by reference in the Base Prospectus, the statements in (a) above will prevail.

Save as disclosed in this Supplement, there has been no other significant new factor, material mistake or material inaccuracy relating to information included in the Base Prospectus since the publication of the Base Prospectus.