

## **Invitation to the Annual General Shareholders' Meeting**

We are pleased to invite you to the

### **Annual General Shareholders' Meeting of Adecco S.A.**

to be held on Tuesday, 21 April 2015, 11.00 a.m.  
at the Beaulieu, Centre de Congrès et d'Expositions  
Av. des Bergières 10, CH-1004 Lausanne.

Doors open: 10.15 a.m.

Meeting starts: 11.00 a.m.

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Dear Shareholders,

For Adecco, 2014 was a year of continuing progress. In spite of a difficult environment in many markets, notably in Europe, we made further steps towards our ambitious target of achieving an EBITA margin of at least 5.5% in 2015. While top line growth remained challenging, we were able to report encouraging progress in earnings. In 2014, Group revenues grew by 3% to EUR 20 billion. And our operating profit increased by 14% to EUR 891 million. Net income attributable to Adecco shareholders increased by 14% to EUR 638 million.

Europe continued to send very mixed messages, with rising demand for flexible labour in Spain, Italy and Eastern Europe where we outperformed the market. In France, with still limp economic growth, Adecco was able to increase profitability. In Germany, our growth was in line with the market. North America witnessed a convincing reinforcement of the encouraging signs of 2013, with demand for labour rising on the back of the rapidly recovering US economy. In China, the revenues of our joint venture FESCO Adecco increased threefold. We further improved our leading profitability through price discipline and tight cost control.

At the next Annual General Meeting ("AGM"), the Board of Directors will submit a dividend proposal of CHF 2.10, which is an increase of 5% compared to the prior year. This proposed dividend is equal to a pay-out ratio of 49%. It is intended to be allocated from the reserve from capital contributions to the free reserves and subsequently distributed to shareholders, and is therefore expected to be exempt from Swiss withholding tax.

Following the divestment of Adecco shares by Jacobs Holding AG, Andreas Jacobs has decided not to stand for re-election to the Board of Directors. Since Andreas Jacobs joined the Board in May 2006, he has made a major contribution to the success of the Adecco Group. The Board of Directors and the Executive Committee would like to thank Andreas Jacobs and the Jacobs Family for their long-standing and personal engagement to the success of Adecco Group.

The Board of Directors proposes to newly elect Kathleen P. Taylor, Chair of the Board of the Royal Bank of Canada, and Jean-Christophe Deslarzes, Head of Human Resources at the ABB Group, as members of the Board of Directors.

In accordance with the Swiss Ordinance Against Excessive Compensation in Public Corporations (the “Ordinance”), entered into force on 1 January 2014, Adecco adapted its Articles of Incorporation (“Aoi”) and introduced the election by the shareholders of the Chairman, the members of the Compensation Committee and the Independent Proxy Representative as of the AGM 2014.

As of the AGM 2015, in line with the requirements of the Ordinance, Adecco will submit to its shareholders for approval the maximum total amount of remuneration of the Board of Directors for the upcoming office period (AGM 2015 to AGM 2016) and of the Executive Committee for the next fiscal year 2016. In continuation of its existing practice, Adecco submits the annual Remuneration Report to an advisory vote of its shareholders.

Challenging economic conditions and an increasingly complex operating environment deepened the interest of many of our clients in strategic human resources solutions from a trusted partner. The continuing trend towards flexible labour will see a reinforcement also beyond 2014.

‘better work, better life’ is what our more than 31,000 colleagues around the world live up to every day as they help over 650,000 people into work. Work that supports people to achieve their full potential, irrespective of ethnicity, ability, gender or age. ‘better work, better life’ – this is what Adecco stands for.

Dear shareholders, we thank you for your continued support, as we thank our clients and our associates and colleagues who work for Adecco worldwide.

**Rolf Dörig**  
Chairman

## Agenda Items and Proposals of the Board of Directors:

### 1. Annual Report 2014

#### 1.1. Approval of the Annual Report 2014

The Board of Directors proposes to approve the Annual Report 2014 consisting of the Business Report, the Financial Statements of Adecco S.A. and the Consolidated Financial Statements for the fiscal year 2014.

#### 1.2. Advisory vote on the Remuneration Report 2014<sup>1</sup>

The Board of Directors proposes that the Remuneration Report for the fiscal year 2014 be ratified in a non-binding advisory vote.

### 2. Appropriation of available earnings 2014 and distribution of dividend

Explanations: Swiss tax legislation allows the payment of a dividend without the deduction of 35% of Swiss withholding tax if originating from the reserve from capital contributions. The Board of Directors proposes to allocate the respective amount from the reserve from capital contributions to free reserves and distribute it as dividend (item 2.2.). Accordingly, the available earnings 2014 will be carried forward (item 2.1.).

As of 31 December 2014, the assumed dividend amounted to approximately CHF 376 million. The total dividend amount results from multiplying the dividend per share amount with the number of shares outstanding entitled to dividend payment at the dividend record date (30 April 2015). Until the dividend record date, this number of shares can change. Ex date is 29 April 2015.

#### 2.1. Appropriation of available earnings 2014

The Board of Directors proposes to carry forward the available earnings 2014.

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

The Board of Directors proposes to allocate the total dividend amount from the reserve from capital contributions to free reserves and distribute as dividend CHF 2.10 per registered share. The treasury shares held by the Company will not receive a dividend.

<sup>1</sup> See Annual Report 2014, section "Remuneration Report".

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

The Board of Directors proposes to grant discharge of liability to all members of the Board of Directors and the Executive Committee for the fiscal year 2014.

**4. Approval of Maximum Total Amount of Remuneration of the Board of Directors and of the Executive Committee<sup>2</sup>**

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

The Board of Directors proposes to approve CHF 4.9 million as Maximum Total Amount of Remuneration for the Board of Directors for the office period starting at the AGM 2015 and ending after completion of the AGM 2016.

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

The Board of Directors proposes to approve CHF 36.3 million as Maximum Total Amount of Remuneration for the Executive Committee for the fiscal year 2016.

**5. Elections**

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

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

The Board of Directors proposes to individually elect Ms Kathleen P. Taylor and Mr Jean-Christophe Deslarzes as members of the Board of Directors for a tenure of one year ending after completion of the next AGM.<sup>3</sup>

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<sup>2</sup> See the explanations under "Ad 4."

<sup>3</sup> See short biographies at the end of this invitation.

## **5.2. Election of the members of the Compensation Committee**

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

## **5.3. Election of the Independent Proxy Representative**

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

## **5.4. Election of the Auditors**

The Board of Directors proposes to re-elect Ernst & Young Ltd, Zurich, as Auditors for the fiscal year 2015.

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

The Board of Directors proposes the cancellation of 4,606,873 own shares acquired under the share buyback programme and the reduction of the Company's share capital by 4,606,873 registered shares with a nominal value of CHF 1.– each.

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

“The share capital shall be in a total amount of CHF 174,474,937 (one hundred seventy-four million four hundred seventy-four thousand nine hundred thirty-seven Swiss francs), divided into 174,474,937 (one hundred seventy-four million four hundred seventy-four thousand nine hundred thirty-seven) fully paid-up registered shares of a nominal value of CHF 1.– (one Swiss franc) each.”

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

### **Documents, attendance and representation**

The Annual Report 2014 including the Remuneration Report 2014, the Auditors' Reports, the Aol ([www.aoi.adecco.com](http://www.aoi.adecco.com)) and the Invitation to the AGM with the agenda and proposals are available from 27 March 2015, at Adecco S.A., c/o Adecco Ressources Humaines S.A., rue des Fontenailles 16, CH-1002 Lausanne, and at the registered office in Chésérèx. Shareholders may also request a copy of the Annual Report 2014. In addition, the Annual Report 2014 and the Invitation to the AGM with the agenda and proposals are accessible on Adecco's websites ([www.adecco.com](http://www.adecco.com) and [www.agm.adecco.com](http://www.agm.adecco.com)).

Shareholders who are registered in the share register on 23 March 2015 will receive the Invitation to the AGM by regular mail. To those shareholders who will be registered with the share register after 23 March 2015 but before 15 April 2015, the Invitation to the AGM will be sent upon registration. Only shareholders who are registered by 14 April 2015, 5.00 p.m. (record date) with a right to vote are entitled to vote at the AGM 2015 or to appoint a proxy. Shareholders who are not registered but would like to attend and vote at the AGM or to appoint a proxy should contact their bank in order to ensure they will be registered with the share register before its closing.

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

Shareholders are kindly requested to return the reply form as soon as possible to ShareCommService AG, Europastrasse 29, CH-8152 Glattbrugg, in order to receive an admission card by mail. If reply forms are received too late for mailing, admission cards will be available at the admission desk. No admission cards will be sent out before 7 April 2015.

Alternatively, shareholders can order admission cards online or instruct the Independent Proxy Representative online via the investor service Sherpany ([www.sherpany.com](http://www.sherpany.com)) until 19 April 2015, 11.59 p.m. If you are using the web service for the first time, please see the instructions on the attached account opening form.

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

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

The minutes of the AGM will be available for inspection from 12 May 2015 at Adecco S.A., c/o Adecco Ressources Humaines S.A., rue des Fontenailles 16, CH-1002 Lausanne.

The Board of Directors

**ad 4. Maximum Total Amounts of Remuneration of the Board of Directors and of the Executive Committee**

Explanations: On 3 March 2013, the Swiss electorate approved the popular initiative “against excessive compensation” and approved the adoption of the text referred to in the initiative as the new Article 95 para. 3 of the Swiss Federal Constitution. The Swiss Federal Council issued the necessary transitory ordinance (“Ordinance against excessive Compensation at Listed Stock Companies” – VegüV), which came into force on 1 January 2014.

The new rules must be implemented by the companies listed on the stock exchange within a period of two years. Adecco’s shareholders have approved at the AGM in 2014 the Company’s new AoI ([www.aoi.adecco.com](http://www.aoi.adecco.com)) which address the new requirements. The remuneration of the Board of Directors and of the Executive Committee are therefore submitted for approval to the AGM in 2015 (Art. 14<sup>bis</sup> AoI).

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

The Board of Directors submits for approval to the AGM the Maximum Total Amount of Remuneration of the Board of Directors for the period of office from the AGM 2015 until the completion of the AGM 2016, which amounts to CHF 4.9 million. This amount is calculated on the fee system outlined in the Remuneration Report 2014, section 4.2. Compared to the office period 2014/2015, this includes the fee for one additional member of the Board of Directors (nine members in total). According to Adecco’s compensation policy, the members of the Board of Directors receive a fixed fee only of which a certain portion is paid out in form of blocked Adecco shares instead of cash.

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

The Board of Directors submits for approval to the AGM the Maximum Total Amount of Remuneration of the Executive Committee for the fiscal year 2016, which amounts to CHF 36.3 million.



The below table explains the Maximum Total Amount of Remuneration of the Executive Committee for 2016 compared to (i) the compensation conferred in 2014 as disclosed in the Remuneration Report 2014 and (ii) the maximum potential remuneration for 2014. Both maximum total amounts are calculated under the same valuation assumptions (see the explanations to below table).

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

The amounts of the individual elements of compensation shown in the table include some estimates as such may change for 2016, but the total shall not exceed the Maximum Total Amount of Remuneration.

In CHF million	2014		2016 <sup>1)</sup>
	Conferred	Potential at maximum	Potential at maximum
Gross cash compensation			
– Base salary	9.0	9.0	9.0
– Annual bonus	9.2	12.4	11.0
Compensation in kind and other	1.4	1.5	1.1
Share awards to be granted in the respective year under the long-term incentive plan (LTIP)	9.8	11.8 <sup>2)</sup>	12.3 <sup>2)</sup>
Social contributions, incl. for old age insurance/pension incl. on LTIP awards granted in the respective year becoming due in later periods, estimated	3.2	3.6	2.9
<b>Total<sup>3)</sup></b>	<b>32.6</b>	<b>38.3</b>	<b>36.3</b>

<sup>1)</sup> The same foreign exchange rates are applied as for 2014 compensation information. Note that certain payments are due in foreign currencies.

<sup>2)</sup> To determine the maximum value at grant of the LTIP, the following valuation assumptions have been made:

- i) Dividend payments during the vesting period are not taken into consideration;
- ii) EBITA, EPS and TSR awards are assumed to vest fully, and
- iii) Maximum potential increase due to the impact the LTIP’s formula to calculate the number of shares (refer to Remuneration Report 2014, item 3.3.4.1).

<sup>3)</sup> The Remuneration Report 2014 shows a total amount conferred of CHF 33.0 million. The difference to CHF 32.6 million is due to the inclusion in the Remuneration Report of social contributions related to share awards granted under the LTIP in previous periods, paid in 2014.

## **ad 5.1. Election of the members of the Board of Directors**

### **Short biography of Ms Kathleen P. Taylor**

Kathleen P. Taylor (1957) is a Canadian national. She obtained a Master of Business Administration degree from Schulich School of Business, a law degree from Osgoode Hall Law School and a Bachelor of Arts (Honours) degree from the University of Toronto, all Canada.

Since January 2014, Kathleen P. Taylor has been Chair of the Board of Royal Bank of Canada, and member of the Board since November 2001. She has been a director of the Canada Pension Plan Investment Board since October 2013.

Ms Taylor is the former President and Chief Executive Officer of Four Seasons Hotels and Resorts, Canada, where she served in a variety of senior leadership roles during her 24-year career with Four Seasons. Ms. Taylor is also Chair of the Board of the Hospital for Sick Children Foundation, the Chair of the Principal's International Advisory Board of McGill University and a member of the Dean's Advisory Council of the Schulich School of Business of York University, all Canada.

### **Short biography of Mr Jean-Christophe Deslarzes**

Jean-Christophe Deslarzes (1963) is a Swiss national. He obtained a master's degree (law) from the University of Fribourg, Switzerland.

Since November 2013, Jean-Christophe Deslarzes has been Chief Human Resources Officer and member of the Group Executive Committee of ABB, a leading power and automation technology group, based in Zurich, Switzerland.

Mr Deslarzes had served from 2010 to 2013 as Chief Human Resources and Organization Officer and member of the Executive Board at the global retail group Carrefour, based in Paris, France.

From 1994 to 2010, Jean-Christophe Deslarzes worked at Rio Tinto and its predecessor companies Alcan Inc. and Alusuisse, in a variety of human resources and management roles in Europe and Canada. He joined the Executive Committee of Alcan in 2006 as Senior Vice President Human Resources and, in addition, was named co-leader of the Rio Tinto Alcan integration in 2007, a large-scale business integration. In 2008, he was appointed President and CEO of Rio Tinto's global Downstream Aluminum Businesses which he led until its divestiture in 2010.

Jean-Christophe Deslarzes began his career in 1991 as a tax and legal consultant at Arthur Andersen in Geneva, Switzerland.

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