

# Remuneration Report

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## 1. General introduction

Adecco's Remuneration Report reflects the requirements of the Ordinance Against Excessive Compensation at Listed Corporations (see below) and the Directive on Information relating to Corporate Governance, issued by the SIX Swiss Exchange as amended on September 1, 2014. Adecco S.A.'s principles regarding remuneration further take into account the recommendations set out in the Swiss Code of Best Practice for Corporate Governance as published on September 29, 2014. In addition, the Remuneration Report comprises information as required under the Swiss Code of Obligations (Art. 663c para. 3). For further information regarding Adecco's Corporate Governance refer to the Corporate Governance Report.

On November 20, 2013, the Swiss Federal Council approved the Ordinance Against Excessive Compensation at Listed Corporations (the "Ordinance") which entered into force on January 1, 2014. The Ordinance was issued to implement the key elements of the so-called Minder-Initiative, a constitutional amendment approved by the Swiss electorate in March 2013. In line with the subsequently amended Articles of Incorporation of Adecco S.A. ("Aol"; Internet: [www.aoi.adecco.com](http://www.aoi.adecco.com)), Art. 14<sup>bis</sup>, as approved by the shareholders at the Annual General Meeting of Shareholders of Adecco S.A. ("AGM") 2014, as of 2015, the maximum compensation amounts available for the compensation of the members of the Board of Directors ("Board") as well as of the Executive Committee ("EC") will be subject to annual binding prospective approval of the shareholders' meeting of the Company. At the AGM in 2015, shareholders will be asked to approve in a prospective binding vote the maximum Board compensation for the office period AGM 2015 to AGM 2016, and the maximum EC compensation for the calendar year 2016. Further, the Ordinance introduced as a legal requirement that the shareholders annually elect the members of the compensation committee among the members of the Board. At the AGM 2014, the members of the Company's compensation committee were elected by the AGM for the first time. In line with Art. 19 of the Aol ([www.aoi.adecco.com](http://www.aoi.adecco.com)), the compensation committee in addition has been assigned by the Board with a number of tasks in the field of nomination and therefore is named Nomination & Compensation Committee ("NCC"). For further information regarding the implementation of measures required under the Ordinance refer to the Corporate Governance Report.

Statements throughout this Remuneration Report using the terms "the Company" or "the Group" refer to the Adecco Group, which comprises Adecco S.A., a Swiss corporation, its consolidated subsidiaries, as well as variable interest entities for which Adecco is considered the primary beneficiary.

## 2. The Company's compensation philosophy and determination of remuneration principles and compensation

### 2.1 Compensation philosophy

The Company's compensation philosophy seeks to recognise and reward performance. Taking into consideration Group, business unit, and individual contributions, the compensation programmes are designed to attract, retain, motivate and reward employees in order to support the achievement of the Company's financial and strategic objectives and also to ensure that the total compensation potential is internally consistent and externally competitive. It is the Company's aim to align its compensation philosophy with the shareholders' interests and to foster collaboration between countries, units and departments. The cyclical nature of the Company's business is also considered in order to reflect the risks of each component of remuneration.

The compensation is to be fair and competitive and therefore the base salaries are aligned at a median level of the relevant peer companies. The individual positioning takes into account factors such as revenues, employees under scope and market capitalisation. Further responsibilities beyond the typical scope of the function are also taken into consideration. The alignment of base salaries with the median of the relevant peer companies assures that the compensation is competitive in attracting and retaining talent. The benefits are defined regionally to meet local regulations and to take into consideration the local competitive situation.

With the variable components of compensation, the Company strives to recognise and reward team performance. Thus, as a general rule, individual quantitative targets are not used for bonus purposes in the compensation programmes. The incentive programmes include a short-term incentive plan ("STIP") and a long-term incentive plan ("LTIP"). The STIP incentivises management to achieve the Company's yearly financial targets. This is a very important factor in view of the cyclical nature of the Company's business. Long-term performance targets also align the interest of management with the interest of the shareholders but additionally focus on employee retention, a critical aspect in a cyclical business and a key strategic priority for the Company. More details on the different plans are provided in the discussion about the compensation of the EC in section 3.3. and 4.3 "Executive Committee's compensation".

## **2.2 Determination of remuneration principles and compensation**

In general, compensation of the Board and of the members of the EC is reviewed annually to ensure that competitive pay is maintained and undesired fluctuations are minimised.

The Company's compensation programmes, which include share-based compensation elements, are approved by the Board. In line with the new provisions of the Aol ([www.aol.adecco.com](http://www.aol.adecco.com)), approved by the AGM in April 2014, the Board has entrusted the NCC with providing recommendations to the Board, taking into account proposals of the Chief Executive Officer ("CEO") and the Chief Human Resources Officer, regarding the remuneration principles and general compensation philosophy of the Company, and with reviewing and proposing the objectives relevant to compensation of the EC. The NCC is composed of independent Board members only (for further details on NCC composition, tasks, and activities refer to the Corporate Governance Report, section 3.4.3 "Nomination & Compensation Committee").

The remuneration of the Board and of the EC, and starting with the AGM 2015, the proposals of the maximum compensation of the Board and of the EC to be submitted to the AGM, is determined by the full Board, upon recommendation of the NCC. The members of the EC do not attend when matters concerning their own compensation are being decided. The compensation of the other employees of the Company is authorised by the

responsible members of management, based on the remuneration principles and general compensation philosophy of the Company. The findings, recommendations and decisions of the NCC are submitted to the Board by the Chairman of the NCC.

In order to ensure that compensation is in line with market standards, the NCC commissioned international independent external consultants (Towers Watson AG, Zurich, Switzerland) to provide a compensation benchmark analysis in 2013 and 2014. Members of the EC with global responsibility (CEO, Chief Financial Officer ("CFO"), Chief Sales Officer, and Chief Human Resources Officer) were benchmarked against comparable functions in terms of revenue and number of employees under scope, considering also market capitalisation. A reference group of 23 Swiss companies of different industries, thereof 13 SMI companies was selected. Companies in the financial service industry were included (5 companies) in the assessment for the CFO and for the Chief Human Resources Officer only. The compensation packages of members of the EC with geographical responsibility were benchmarked against the packages of comparable functions in terms of revenue and number of employees under scope in the respective countries of residency. More than 240 companies worldwide, active in different industries, which can be considered potential employers of the individuals in question, were included in the benchmark. Out of these companies, for each region, a specific peer group was determined. Recommendations of the benchmark analysis were provided to the NCC and taken into consideration by the NCC as an element in determining the final compensation packages. Towers Watson was commissioned in 2014 with additional Human Resources related survey work of minor scope.

Shareholders will be asked to approve for the first time at the AGM 2015 the maximum Board and EC compensation for the office period AGM 2015 to AGM 2016, and 2016, respectively.

## 3. Remuneration 2014

### 3.1 Introduction

The NCC has reviewed the compensation policy, including the remuneration principles and structure, for the members of the EC taking into particular consideration prior shareholder advisory votes, discussions with proxy advisors, current market practices and the level of alignment between pay and performance. Based on the findings of the review, the NCC provided recommendations to the Board who decided to continue the existing compensation system (refer to the Remuneration Report 2013) and to introduce only some minor amendments as described in the subsequent sections.

### 3.2 Board of Directors' compensation

The members of the Board are compensated with a fixed fee for each office period. Starting with the office period AGM 2014 to AGM 2015, approximately two-thirds of the fee is paid in cash and approximately one-third is paid with Adecco S.A. shares for which a three-year blocking period applies. Such an approach is intended to enhance alignment of all Board members with the interests of the shareholders. This is a change from prior years where only the Chairman received part of his compensation in shares. When determining the members' compensation, based on the recommendations of the NCC, their various functions and responsibilities within the Board and its committees are taken into account.

The compensation system for the office period from AGM 2015 to AGM 2016 is summarised in the table below:

<i>in CHF</i>	Cash	Shares <sup>1</sup>
<b>Fee (gross) for the office period<sup>2</sup></b>		
Chairman of the Board	960,000	500,000
Vice-Chairman of the Board	300,000	150,000
Other members of the Board	166,670	83,330
<b>Additional fee (gross) for committee work for the office period</b>		
Committee Chairperson <sup>3</sup>	100,000	50,000
Committee Member	33,330	16,670

For the amounts paid to the individual members of the Board in the period under review (January 1 to December 31, 2014), refer to section 5.1.1 "Board of Directors' compensation and shareholding".

### 3.3 Executive Committee's compensation

The compensation model for the EC includes fixed and variable elements (refer to Art. 20<sup>bis</sup> of the Aol; [www.aoi.adecco.com](http://www.aoi.adecco.com)):

- base salary, taking into account market conditions for comparable functions and positions;
- social contributions, pension plan dues and fringe benefits;
- STIP, based on annual, ambitious and clearly defined internal performance objectives. The STIP includes a special one-time cash incentive element ("STIPA") applicable only for the years 2014 and 2015 to support the achievement of the 2015 Group EBITA<sup>4</sup> margin target of above 5.5%;
- LTIP, including performance share awards, based on ambitious internal and external performance objectives, and restricted share unit awards, which cliff-vest after a three-year period.

For the determination of the variable part of the compensation, no other targets than the ones mentioned in the description of the STIP and of the LTIP are taken into account.

The framework underlying the STIP and the LTIP is set forth in Art. 20<sup>bis</sup> of the Aol ([www.aoi.adecco.com](http://www.aoi.adecco.com)).

<sup>1</sup> Paid in Adecco S.A. shares with a three-year blocking period.

<sup>2</sup> No entitlement to additional fee for committee work for the Chairman and the Vice-Chairman.

<sup>3</sup> No entitlement to additional fee for committee membership for the Committee Chairperson.

<sup>4</sup> EBITA is a non-U.S. GAAP measure and refers to operating income before amortisation of intangible assets and impairment of goodwill and intangible assets.

## Elements of the Executive Committee's compensation

	Element	Purpose	Drivers	Performance measures
<b>Base Salary</b>	Cash salary, typically in monthly instalments	<ul style="list-style-type: none"> <li>• Payment for due job performance and day-to-day responsibilities;</li> <li>• Attract and retain</li> </ul>	<ul style="list-style-type: none"> <li>• Function;</li> <li>• Position;</li> <li>• Market conditions;</li> <li>• Skills; and</li> <li>• Experience of person</li> </ul>	n.a.
<b>Benefits</b>	Social contributions, pension plan dues and fringe benefits	<ul style="list-style-type: none"> <li>• Attract and retain</li> </ul>	<ul style="list-style-type: none"> <li>• Market practice;</li> <li>• Function;</li> <li>• Local regulations</li> </ul>	n.a.
<b>Short-term Incentive (STIP)</b>	Annual bonus paid in cash in the year following the relevant performance period	<ul style="list-style-type: none"> <li>• Pay for performance; and</li> <li>• Incentive to achieve the Group EBITA margin target of above 5.5% in 2015</li> </ul>	<ul style="list-style-type: none"> <li>• Achievement of business objectives over a one-year period; or</li> <li>• For 2014 and 2015, a two-year period</li> </ul>	<ul style="list-style-type: none"> <li>• Regional/Group Economic Profit ("EP"); and</li> <li>• For 2014/2015 only, regional absolute EBITA and/or EBITA margin on Regional/Group level</li> </ul>
<b>Long-term Incentive (LTIP)</b>	Performance share awards	<ul style="list-style-type: none"> <li>• Reward long-term performance; and</li> <li>• Align to shareholders' interest</li> </ul>	<ul style="list-style-type: none"> <li>• Achievement of Group objectives;</li> <li>• Continued employment</li> </ul>	<ul style="list-style-type: none"> <li>• EBITA Margin;</li> <li>• EPS;</li> <li>• Relative TSR</li> </ul>
	Restricted share unit awards (RSU awards)	<ul style="list-style-type: none"> <li>• Pay for loyalty over business cycle;</li> <li>• Attract and retain</li> </ul>	<ul style="list-style-type: none"> <li>• Continued employment</li> </ul>	n.a.

### 3.3.1 Base salary

The 2014 annual base salary was determined by the Board, taking into account comparable functions and positions, considering amongst other elements, the number of employees reporting to the function, revenues generated under the function and additional responsibilities beyond the typical scope of the function. The base salary reflects job characteristics, seniority, experience and skills. Base salary is paid in cash, typically in monthly instalments, and is set according to local practice. The annual base salary also serves as the basis for determining the variable compensation.

### 3.3.2 Social contributions, pension plan dues, and fringe benefits

Social contributions, pension plan dues and fringe benefits are awarded based on local regulations and practices. Fringe benefits may include, amongst other items, car allowance for private use, car lease, membership fees, housing allowance, relocation, education, health insurance and representation allowance.

### 3.3.3 Short-term incentive plan

The STIP is a cash incentive plan (annual bonus) linked to the achievement of Economic Profit ("EP") performance targets for a given year, based on the concept of Economic Value Added ("EVA"). EP is a measure of financial performance, based on residual income. According to this concept, value is created if EBITA after the deduction of taxes is greater than the minimum required return on invested capital. By using EP performance targets for the STIP, the Company incentivises employees to focus on both profit and the use of capital to deliver increased value. EP performance targets for the STIP are based on the Company's long-term strategic plans, ensuring the alignment of short-term performance targets with long-term objectives.

The calculation of EP takes the Adecco Group's net operating profit after taxes ("NOPAT") and deducts a charge for the use of capital in the business, based on the Group's invested capital and weighted-average cost of capital ("WACC"). Invested capital is defined as total assets, excluding cash and including gross acquired goodwill and other gross acquired intangibles since the introduction of the EVA concept, minus non-interest bearing liabilities. The Company applies a 10% WACC across all its entities, although the actual WACC in the reporting period was lower.

The STIP bonus is calculated by reference to the STIP bonus base, defined as a percentage of the participant's annual base salary. For members of the EC, this percentage ranges between 60% and 120% of base salary. The percentage varies according to the participant's function and responsibilities, and has been determined by the NCC upon proposal of the CEO and of the Chief Human Resources Officer. For members of the EC with geographical responsibility, 35% of the STIP bonus base is allocated based on the EP of the Company and 65% is allocated based on the EP of the relevant geographical segment. For the members of the EC who do not have direct responsibility for a specific geographical segment, the entire STIP will be based on the EP of the Company.

Performance targets stipulate the EP Baseline level, EP Target level and EP Cap level. For performance below EP Baseline level, no bonus is paid. For performance at EP Baseline level, 80% of the STIP bonus base is paid. At EP Target level, 100% of STIP bonus base is paid. At or above EP Cap level, 150% of the STIP bonus base is paid. For performance between EP Baseline and EP Target level, or between EP Target and EP Cap level, bonus is calculated in a linear way. For members of the EC, this results in a cap for the STIP in a range of 90% (150% x 60%) to 180% (150% x 120%) of annual base salary. The AoI set the cap for combined STIP and STIPA for the CEO, the highest paid member of the EC, at 140% of annual base salary ([www.aoi.adecco.com](http://www.aoi.adecco.com)).

<b>EVA Performance</b>	<b>Bonus Payment</b>
< EP Baseline	No bonus
= EP Baseline	80% of bonus base
≥ EP Baseline and ≤ EP Target	Linear between 80% and 100% of bonus base
= EP Target	100% of bonus base
≥ EP Target and ≤ EP Cap	Linear between 100% and 150% of bonus base
> EP Cap	150% of bonus base

As in previous years, the STIP bonus shall be paid in the year following the performance period, reflecting common industry practice. In addition to performance targets, the STIP foresees that the bonus payment is subject to continued employment with the Company. In case of termination of employment and depending on the conditions of such termination, the STIP foresees that the STIP bonus may be reduced or excluded.

To support the achievement of the Group EBITA margin target of above 5.5% in 2015, the STIP has been enhanced with a special one-time cash incentive element (STIPA) limited to the years 2014 and 2015. The STIPA is linked to performance targets that reflect the Company's profitability plans for 2014 and 2015 to deliver a Group EBITA margin of above 5.5% in 2015.

For EC members without regional responsibilities, the 2014 STIPA at target amounts to 20% of the 2014 STIP bonus base. The 2014 STIPA is subject to the achievement of Group EBITA margin targets in both 2014 and 2015. The 2015 STIPA at target shall amount to 30% of the 2015 STIP bonus base and will be subject to the achievement of the Group EBITA margin target of above 5.5% in 2015. The cap for short-term bonus for the CEO, set at 140% of annual base salary, includes the STIPA.

For EC members with regional responsibilities, the 2014 STIPA at target amounts to 35% of the 2014 STIP bonus base. The 2014 STIPA is subject to the achievement of either regional EBITA margin or regional absolute EBITA targets in both 2014 and 2015, meaning that either the achievement of the regional EBITA margin target or the achievement of the regional absolute EBITA target can lead to a bonus pay-out. In case the target has been achieved in 2014 and not in 2015, but the Group EBITA margin target 2015 has been achieved, the 2014 STIPA will be paid (Scenario 2b in the following table). The 2015 STIPA at target shall amount to 45% of the 2015 STIP bonus base and will be subject to the achievement of the 2015 targets.

The targets for the STIPA have been determined by the NCC and are based on the Company's long-term plan including the Group EBITA margin of above 5.5% in 2015.

Any payments under the STIPA will be deferred to 2016.

The following tables illustrate when there would be a respective STIPA payment in 2016:

#### STIPA for Executive Committee members with regional responsibilities

	Scenario 1	Scenario 2a	Scenario 2b	Scenario 3	Scenario 4
Regional EBITA margin target or regional absolute EBITA target 2014	Achieved	Achieved	Achieved	Not achieved	Not achieved
Regional EBITA margin target or regional absolute EBITA target 2015	Achieved	Not achieved	Not achieved	Achieved	Not achieved
Additional target applicable in Scenario 2 only: Group EBITA margin 2015		Not achieved	Achieved		
<b>STIPA pay-out (deferred to 2016)</b>	<b>STIPA 2014 and STIPA 2015</b>	<b>None</b>	<b>STIPA 2014</b>	<b>STIPA 2015</b>	<b>None</b>

#### STIPA for Executive Committee members without regional responsibilities

	Scenario 1	Scenario 2	Scenario 3	Scenario 4
Group EBITA margin target 2014	Achieved	Achieved	Not achieved	Not achieved
Group EBITA margin target 2015	Achieved	Not achieved	Achieved	Not achieved
<b>STIPA pay-out (deferred to 2016)</b>	<b>STIPA 2014 and STIPA 2015</b>	<b>None</b>	<b>STIPA 2015</b>	<b>None</b>

In addition to performance targets, the STIPA foresees that the bonus payment is subject to continued employment with the Company. In case of termination of employment and depending on the conditions of such termination, the STIPA foresees that the bonus payment may be reduced or excluded.

Performance targets for the STIP and STIPA are both market- and commercially-sensitive and as such are considered confidential. Hence, the Company will disclose *ex post* the degree to which performance was achieved (refer to end of section 5.1.2 "Executive Committee's compensation").

### 3.3.4 Long-term incentive plan

#### 3.3.4.1 Introduction

The LTIP is a share-based incentive plan consisting of Performance Share awards and restricted share unit awards ("RSU awards"). Performance Share awards contain an undertaking to deliver a number of Adecco S.A. shares to the participants of the plan after the end of the performance period (end of performance period for awards granted in 2014: December 31, 2016), but at the earliest on March 15, 2017, provided and to the extent that certain employment conditions and performance targets are met (i.e. in case the awards vest). RSU awards contain an undertaking to deliver a number of Adecco S.A. shares to the participants of the plan linked to the satisfaction of certain employment conditions. Performance Share awards and RSU awards were granted in 2014 to all members of the EC.

To strengthen the alignment between pay and performance, the proportion of Performance Share awards has been increased in 2014 to 60% of the LTIP target base amount, while the proportion of RSU awards has been reduced to 40%. The Performance Share awards are split into EBITA margin awards, EPS awards and relative Total Shareholder Return ("TSR") awards (refer to section 3.3.4.2 "Performance Share awards").

The LTIP target base is defined as a percentage of the participant's annual base salary. For members of the EC, this percentage ranges between 75% and 150% of the base salary. The percentage varies according to the participant's function and responsibilities, and has been determined by the NCC upon proposal of the CEO and of the Chief Human Resources Officer. In 2013 this range was 60% to 120%. The increase reflects the lower weighting of RSU awards, the extension of their vesting period and the removal of the additional TSR awards (refer to Remuneration Report 2013, section 3.3.4.2 "Performance Share awards").

To determine the number of share awards to be granted under the LTIP, the three-year average daily closing price of the Adecco S.A. share is used. However, the share price used for the allocation cannot deviate by more than 20% from the share price at grant.

Performance targets for Performance Share awards are both market- and commercially-sensitive and as such are considered confidential. Hence, the Company will disclose *ex post* the degree to which performance was achieved (refer to section 5.6 "Historical vesting information on Performance Share awards").

The LTIP is subject to certain reclaim provisions in case benefits were acquired by involvement in fraudulent behaviour or intentional misconduct.

### 3.3.4.2 Performance Share awards

To further improve the link between pay and performance and to maintain the alignment of management and shareholders' interests, the metrics for the performance targets have been revised. For 2010 to 2013, absolute and relative TSR were the two metrics used as performance targets for the Performance Share awards. These metrics align the interests of management and shareholders, but they can also have some drawbacks. Share prices of companies in highly cyclical industries like Adecco often reflect investors' expectations of future results rather than the actual results delivered, thus creating a potential tension between TSR awards and pay for results. Furthermore, share prices are impacted not only by financial performance but also by the multiples/discount rates used by investors. For Adecco, EC members have minimal influence over such elements and therefore this limits the incentivising power of the TSR components of variable remuneration.

In light of these considerations, performance targets for Performance Share awards have been modified to include a combination of financial performance- and market-based metrics. Vesting for 40% of the Performance Share awards will be according to the average adjusted Group EBITA margin ("EBITA margin awards"), vesting for another 40% will be according to adjusted Group diluted EPS ("EPS awards"), and vesting for the remaining 20% will be according to relative TSR performance ("relative TSR awards").

Whether and to what extent the performance targets have been achieved will be measured at the end of a performance period of three years. Any performance adjustments for extraordinary items have to be approved by the NCC. The awards vest accordingly (for the awards granted in 2014: not before March 15, 2017). Those awards that do not vest due to lack of fulfilment lapse immediately.

The plan foresees that participants, who terminate their employment with the Company at their own will, and those who receive notice of termination for cause before the end of the performance period, will no longer be entitled to the vesting of the awards. In case of termination by the employer without cause, a time-weighted pro-rata portion of the unvested Performance Share awards will vest at the regular vesting date depending on the level of target achievement.

The maximum number of Performance Share awards under the LTIP that may vest in favour of the members of the EC after the end of the performance period is limited to the number of Performance Share awards granted.

#### EBITA margin awards

EBITA margin awards comprise 40% of the Performance Share awards, with vesting subject to performance against a target of average adjusted Group EBITA margin for 2014 to 2016. The adjusted EBITA margin of the Adecco Group is the EBITA as a percentage of revenues adjusted for: restructuring and integration costs; and income or expenses relating to years prior to 2014 impacting revenues and/or EBITA, if material. EBITA refers to operating income before amortisation of intangible assets and impairment of goodwill and intangible assets. In case of significant acquisitions and/or divestitures, targets may be adjusted.

For EBITA margin awards, the plan stipulates Baseline and Target levels of average adjusted Group EBITA margin for 2014 to 2016. The Baseline level is set at 4.4%; the Target level is set equal to the average adjusted EBITA margin for 2014 to 2016 in the Company's five-year plan at the time of grant. For performance below the Baseline level, no EBITA margin awards shall vest. For performance at the Baseline level, 25% of the EBITA margin awards granted shall vest. For performance at the Target level, 100% of the EBITA margin awards granted shall vest. For performance between Baseline and Target levels, the number of awards vesting will be calculated linearly. No additional awards shall vest for performance above the Target level.

Average adjusted EBITA margin	Award vesting
< Baseline	0%
≥ Baseline and ≤ Target	Linear between 25% and 100%
> Target	100% (maximum)

#### EPS awards

EPS awards comprise 40% of the Performance Share awards, with vesting subject to performance against a target adjusted diluted EPS for 2016. The adjusted diluted EPS of the Adecco Group is the diluted EPS adjusted for: restructuring and integration costs, net of income tax; income or expenses relating to prior years impacting net income attributable to Adecco shareholders, if material; and impairment of goodwill and intangible assets, net of income tax.

For EPS awards, the plan stipulates Baseline and Target levels of adjusted diluted EPS for 2016. The Baseline is set equal to EUR 2.91; the Target level is set equal to the 2016 adjusted diluted EPS in the Company's five-year plan at the time of grant. For performance below or at Baseline level, no EPS awards shall vest. For performance at the Target level, 100% of the EPS awards granted shall vest. For performance between Baseline and Target levels, the number of awards vesting will be calculated linearly. No additional awards shall vest for performance above the Target level.

Adjusted diluted EPS	Award vesting
< Baseline	0%
≥ Baseline and ≤ Target	Linear between 0% and 100%
> Target	100% (maximum)

#### Relative TSR awards

Relative TSR awards comprise 20% of the Performance Share awards, with vesting subject to performance against a targeted level of relative TSR over the performance period. This shall be calculated as the difference between the Adecco S.A. TSR and the weighted-average TSR over the performance period of a predefined peer group ("Peer TSR"). The 2013 peer group was reviewed and revised to ensure continued relevance. The peer group for 2014 comprised the following 18 companies: Amadeus Fire, Brunel International, Hays, Kelly Services, Kforce, Manpower Group, Meitec, Michael Page International, On Assignment, Randstad Holding, Robert Half International, Robert Walters, Skilled Group, SThree, Synergie Groupe, Temp Holdings, TrueBlue and USG People.

For relative TSR awards the plan stipulates Baseline and Target levels of relative TSR. The Baseline level is set as Adecco S.A. TSR being equal to the Peer TSR; the Target is set at the Adecco S.A. TSR exceeding by 5 percentage points the Peer TSR. For performance below or at Baseline level, no relative TSR awards shall vest. For performance at the Target level, 100% of the relative TSR awards granted shall vest. For performance between Baseline and Target levels, the number of awards vesting is calculated linearly. No additional awards shall vest for performance above the Target level.

Relative TSR performance	Award vesting
< Peer TSR (Baseline)	0%
≥ Peer TSR and ≤ Peer TSR +5%	Linear between 0% and 100%
> Peer TSR +5% (Target)	100%

### 3.3.4.3 RSU awards

RSU awards are considered by the Board as an important tool for retaining key personnel, especially in a highly cyclical business like the Company's, and they are widely used both in the staffing industry and in Switzerland. Nonetheless, effective for award grants from 2014 onwards, the RSU award component of the LTIP has been modified in two ways. First, the proportion of RSU awards within the LTIP has been reduced from 65% to 40%, thus further strengthening the alignment of pay and performance. Second, RSU awards shall vest in a single tranche after three years (cliff-vesting). This is instead of vesting annually in equal proportions over a period of three years (staggered vesting), as applicable for RSU awards granted in 2010 to 2013. This extension of the vesting period will enhance the effectiveness of RSU awards in retaining key personnel and better reflects current market practices.

The vesting of RSU awards is subject to employment conditions. Provided that the employment relationship continues, RSU awards will cliff-vest after a period of three years following the date of grant.

The plan foresees that participants who terminate their employment with the Company at their own will, and those who receive notice of termination for cause before a vesting date, will no longer be entitled to the vesting of the RSU awards. In case of termination by the employer without cause, a time-weighted pro-rata portion of RSU awards will vest at the regular vesting date.

The maximum number of RSU awards under the LTIP that may vest in favour of the members of the EC is limited to the number of RSU awards granted.

## 4. Remuneration outlook

### 4.1 Introduction

For 2015, the compensation philosophy as valid for the previous years, as well as the remuneration principles as applied in 2014, shall be continued, with minor amendments as disclosed in detail below. At the 2015 AGM, based on the Ordinance (refer to section 1. "General introduction") and the Aol (Art. 14<sup>bis</sup>, [www.aoi.adecco.com](http://www.aoi.adecco.com)) shareholders will be asked to approve the maximum compensation of the Board from AGM 2015 to AGM 2016 and the maximum compensation of the EC for 2016.

### 4.2 Board of Directors' compensation for the office period AGM 2015 to AGM 2016

Board members are elected by the shareholders from AGM to AGM; as a consequence, the compensation for the office period also runs from AGM to AGM. Based on the Ordinance (refer to section 1. "General introduction") and the Aol as approved by the shareholders at the AGM 2014 (Art. 14<sup>bis</sup>, [www.aoi.adecco.com](http://www.aoi.adecco.com)), shareholders will be asked to approve the maximum amount of compensation for the Board for the next period of office at the AGM 2015, i.e. for the period from AGM 2015 to AGM 2016.

For the office period from AGM 2015 to AGM 2016, the Board's compensation follows the same principles as for the office period from AGM 2014 to AGM 2015 (refer to section 3.2 "Board of Directors' compensation"). The corresponding amount is reflected in the proposal to the AGM 2015.

### 4.3 Executive Committee's compensation 2015

For some members of the EC, the compensation levels for 2015 were increased, taking into account, amongst other elements, market conditions and findings of the 2014 compensation benchmark study (refer to section 2.2 "Determination of remuneration principals and compensation"). Some adjustments of compensation levels were due to the revision of employment contracts related to new provisions in Swiss law.

#### 4.3.1 Base salary

For 2015, the same principles as in 2014 apply for base salary (refer to section 3.3.1 "Base Salary").

#### 4.3.2 Social contributions, pension plan dues, and fringe benefits

For 2015, the same principles as in 2014 apply for social contributions, pension plan dues, and fringe benefits (refer to section 3.3.2 "Social contributions, pension plan dues, and fringe benefits").

#### 4.3.3 Short-term incentive plan

For 2015, the same principles as in 2014 apply for the STIP (refer to section 3.3.3 "Short-term incentive plan").

For EC members without regional responsibilities, the STIPA at target shall amount to 30% of the 2015 STIP bonus base, and will be subject to the achievement of the Group EBITA margin target of above 5.5% in 2015.

For EC members with regional responsibilities, the STIPA at target shall amount to 45% of the 2015 STIP bonus base, and will be subject to the achievement of the 2015 targets.

#### 4.3.4 Long-term incentive plan

For 2015, the same principles as in 2014 apply for the LTIP (refer to section 3.3.4 "Long-term incentive plan").

For EBITA margin awards, the plan stipulates Baseline and Target levels of average adjusted Group EBITA margin for 2015 to 2017. The Baseline level is set at 4.8%; the Target level is set equal to the average adjusted EBITA margin for 2015 to 2017 in the Company's five-year plan at the time of grant.

For EPS awards, the plan stipulates Baseline and Target levels of adjusted diluted EPS for 2017. The Baseline is set equal to EUR 3.55; the Target level is set equal to the 2017 adjusted diluted EPS in the Company's five-year plan at the time of grant.

For the TSR awards, there were no modifications to the Baseline and to the Target levels.

#### 4.3.5 Executive Committee compensation potential – overview

	Element	CEO	Total EC <sup>3</sup>
Total compensation in relation to base salary (excluding benefits <sup>1</sup> )	LTIP performance	Target 90%	Target 65%
	LTIP RSU	Target 60%	Target 44%
	STIP <sup>2</sup>	Target 120%	Target 110%
		Cap 140%	Cap 145%
	Base Salary	100%	100%

<sup>1</sup> Benefits include social contributions, pension plan dues, and fringe benefits, such as benefits in kind.

<sup>2</sup> The STIP includes the STIPA, which is the one-time cash incentive element applicable only for the years 2014 and 2015 to support the achievement of the 2015 Group EBITA margin target of above 5.5%. If fully achieved, the 2015 STIPA would amount to a total of CHF 2.5 million for 12 members of the EC and would only be paid out in 2016.

<sup>3</sup> The percentages indicated for Total EC reflect the consolidation of the different bonus bases defined for the individual EC members: Individual entitlements to LTIP in relation to base salary and individual STIP bonus base.

For 2015, the members of the EC will receive an aggregated base salary of CHF 9.0 million and benefits such as social contributions and pension plan dues of approximately CHF 4.0 million (social contributions are estimated at target). For members of the EC, STIP (including STIPA) at target will amount to CHF 10.0 million and at maximum will amount to CHF 13.1 million. For members of the EC, LTIP at target will amount to CHF 9.9 million (12 members), which is also the maximum. This amount is based on a value at grant calculation, taking into account that the share allocation price is CHF 64.16 while the share price for valuation purposes at grant is based on the share price of March 16, 2015 of CHF 80.20, and a dividend discount of 9.5%. For the aforementioned amounts, the same exchange rates are used as for the 2014 remuneration information. For 2015, the total compensation at target for the entire EC amounts to CHF 32.9 million, and at maximum amounts to CHF 36.4 million.

#### 4.3.6 CEO compensation potential – overview

For 2015, the CEO will receive a base salary of CHF 1.8 million and benefits such as social contributions and pension plan dues of approximately CHF 0.9 million (social contributions are estimated at target). The CEO’s STIP (including STIPA) at target will amount to CHF 2.2 million and at maximum will amount to CHF 2.5 million. The CEO’s LTIP at target will amount to CHF 2.8 million, which is also the maximum. This amount is based on a value at grant calculation, taking into account that the share allocation price is CHF 64.16 while the share price for valuation purposes at grant is based on the share price of March 16, 2015 of CHF 80.20, and a dividend discount of 9.5%. For 2015, the CEO’s total compensation at maximum level will amount to CHF 8.0 million.

#### CEO compensation potential 2015

in CHF millions



<sup>1</sup> Includes STIPA for 2015.

<sup>2</sup> Benefits include social contributions (estimates), pension plan dues, and fringe benefits, such as benefits in kind.

## 5. Details of compensation elements

### 5.1 Compensation and shareholding of members of the Board of Directors and the Executive Committee

The amounts indicated in this paragraph include fees, salaries, bonuses and compensation in kind (according to market value at time of conferral). For the fiscal year 2014, the members of the Board were compensated in cash and with Adecco S.A. shares. For the fiscal year 2013, the members of the Board were compensated in cash, and the Chairman was partially compensated with Adecco S.A. shares. The amount conferred to the members of the Board for the fiscal year 2014 amounted to CHF 4.5 million. For the fiscal year 2014, the total of all compensation conferred to all members of the EC, including bonus entitlements for 2014 due for payment in 2015 (and 2016 for STIPA), and awards granted in 2014 under the LTIP, at grant date fair value, amounted to CHF 33.0 million. Not included are bonus payments due for 2013 but made during 2014 as this information was disclosed in 2013.

Individual compensation and shareholding for 2014 and 2013 are shown in the following tables:

### 5.1.1 Board of Directors' compensation and shareholding

#### For the year 2014

<i>in CHF (except shares)</i>	Compensation period in 2014	Net compensation for term served <sup>1</sup>	Social contributions <sup>2</sup>	Shareholding as of December 31, 2014 <sup>3</sup>
<b>Name and function</b>				
Rolf Dörig, Chairman	since Jan.	1,511,493 <sup>4</sup>	248,998	50,432
Andreas Jacobs, Vice-Chairman	since Jan.	450,000		1,631
Dominique-Jean Chertier	since Jan.	300,000		8,088
Alexander Gut	since Jan.	424,579	60,040	14,831
Didier Lamouche	since Jan.	282,801	40,532	1,088
Thomas O'Neill	since Jan.	333,371	40,054	7,269
David Prince	since Jan.	289,178	50,585	6,627
Wanda Rapaczynski	since Jan.	450,000		9,331
<b>Subtotal</b>		<b>4,041,422</b>	<b>440,209</b>	
<b>Total</b>			<b>4,481,631</b>	<b>99,297</b>

<sup>1</sup> CHF 1,134,741 of the total net compensation was paid with Adecco S.A. shares. CHF 1,025,000 of the total net compensation was paid with 14,858 Adecco S.A. shares at a rounded average price of CHF 69.00 per share. In addition, under the 2013/2014 fee plan, CHF 109,741 of the total net compensation was paid with 1,477 Adecco S.A. shares at a price of CHF 74.30 per share to the Chairman.

<sup>2</sup> Directors' and Company's social contributions required by law. No pension plan dues have been paid.

<sup>3</sup> Indicating the number of registered shares held, with a par value of CHF 1 each. The members of the Board and of the EC are required to disclose to the Company direct or indirect purchases and sales of equity related securities of Adecco S.A.

<sup>4</sup> CHF 484,741 of the total net compensation was paid with 6,909 Adecco S.A. shares as follows: CHF 109,741 was paid with 1,477 Adecco S.A. shares at a price of CHF 74.30 per share, and CHF 375,000 was paid with 5,432 Adecco S.A. shares at a rounded average price of CHF 69.00 per share.

## For the year 2013

<i>in CHF (except shares)</i>	Compensation period in 2013	Net compensation for term served	Social contributions <sup>1</sup>	Shareholding as of December 31, 2013 <sup>2</sup>
<b>Name and function</b>				
Rolf Dörig, Chairman	since Jan.	1,823,585 <sup>3</sup>	241,526	53,009
Andreas Jacobs, Vice-Chairman	since Jan.	450,000		754,591 <sup>4</sup>
Dominique-Jean Chertier	since Jan.	300,000		7,000
Alexander Gut	since Jan.	424,224	59,923	13,200
Didier Lamouche	since Jan.	282,114	41,353	
Thomas O'Neill	since Jan.	332,640	40,918	6,000
David Prince	since Jan.	289,349	50,507	5,539
Wanda Rapaczynski	since Jan.	450,000		7,700
<b>Subtotal</b>		<b>4,351,912</b>	<b>434,227</b>	
<b>Total</b>			<b>4,786,139</b>	<b>847,039</b>

<sup>1</sup> Directors' and Company's social contributions required by law. No pension plan dues have been paid.

<sup>2</sup> Indicating the number of registered shares held, with a par value of CHF 1 each. The members of the Board and of the EC are required to disclose to the Company direct or indirect purchases and sales of equity related securities of Adecco S.A.

<sup>3</sup> CHF 323,585 of the total net compensation was paid with Adecco S.A. shares (6,009 shares at a price of CHF 53.85 per share).

<sup>4</sup> Refer to Corporate Governance Report, section 1.2 "Significant shareholders" and Note 5 "Significant shareholders" to Adecco S.A. (Holding Company) financial statements regarding shares held by a group of which Andreas Jacobs is a member.

Compared to the year 2013, the Chairman's compensation has decreased, and for the other Board members the amounts of compensation remained unchanged.

## 5.1.2 Executive Committee's compensation

### For the year 2014

in CHF	Patrick De Maeseneire, CEO <sup>1</sup>	Total Executive Committee <sup>2</sup>
Gross cash compensation <sup>3</sup> :		
• Base salary	1,800,000	8,964,673
• Annual bonus <sup>4</sup>	2,202,916	9,207,311
Compensation in kind <sup>5</sup>	324,257	1,273,089
Other <sup>6</sup>		160,949
Share awards granted in 2014 under the long-term incentive plan (LTIP) <sup>7</sup> :		
• EBITA margin awards	733,028	2,531,224
• EPS awards	733,028	2,531,224
• Relative TSR awards	151,739	524,013
• RSU awards	1,221,713	4,218,795
Social contributions:		
• Old age insurance/pensions and other <sup>8</sup>	540,653	2,890,233
• Additional health/accident insurance	13,103	112,863
• On LTIP awards granted in 2014, potentially vesting in later periods, estimated (based on closing price at grant) <sup>9</sup>	225,063	548,162
<b>Total conferred</b>	<b>7,945,500</b>	<b>32,962,536</b>

1 Highest conferred individual compensation in 2014.

2 In 2014, the EC consisted of Patrick De Maeseneire, Dominik de Daniel, Alain Dehaze, Robert P. (Bob) Crouch, Peter Searle, Andreas Dinges, Christophe Duchatellier, Martin Alonso, Federico Vione, Enrique Sanchez, Sergio Picarelli and Mark De Smedt (all since January 2014). Notice periods of up to 12 months apply. For certain members of the EC, based on mandatory foreign law or pre-existing contractual commitments, additional payments may become due in case of termination. For certain members of the EC, compensation related to non-compete obligations after termination of their employment agreement might be due.

3 Including employee's social contributions.

4 Includes STIPA of CHF 360,000 for the CEO, and CHF 1,546,532 for the total EC, and includes a cash payment to one EC member, agreed in 2012, payable in March 2015.

5 Car allowance for private use, car lease financed by the Company, membership fees, housing allowance, relocation, education, health insurance, representation allowance, pension plan dues formerly disclosed under social contributions.

6 Cash payments one EC member received under the contract for his previous function.

7 Value in CHF of Adecco S.A. shares awarded in 2014 under the LTIP 2014 (grant date: March 16, 2014).

Valuation of the share awards granted:

- The grant date values of the EBITA margin awards and of the EPS awards are calculated based on the closing price of the Adecco S.A. share on the day of grant less a discount of 9.5% which takes into consideration that EBITA margin awards and EPS awards are not entitled to dividends during the vesting period. An additional discount of 11% is applied to the value of EBITA margin awards and EPS awards granted to the French participants, related to a 2-year post-vesting restriction on sale of shares by the participants.
- The grant date values of the relative TSR awards are calculated based on the closing price of the Adecco S.A. share on the day of grant multiplied by the respective probability factors. These factors reflect the likelihood that the respective TSR targets will be met at the end of the performance period. The probability factor of 0.41 for relative TSR awards has been determined using a binomial model. A discount of 9.5% is applied which takes into consideration that relative TSR awards are not entitled to dividends during the vesting period. An additional discount of 11% is applied to the value of relative TSR awards granted to the French participants, related to a 2-year post-vesting restriction on sale of shares by the participants.
- The grant date fair value of the RSU awards is equal to the closing price of the Adecco S.A. share on the day of grant less a 9.5% discount which takes into consideration that RSU awards are not entitled to dividends during the vesting period. An additional discount of 11% is applied to the value of RSU awards granted to the French participants, related to a 2-year post-vesting restriction on sale of shares.
- The per-share value of awards granted in 2014 amounts to CHF 66.11 and CHF 58.84 for RSU awards, CHF 27.37 and CHF 24.36 for relative TSR awards, CHF 66.11 and CHF 58.84 for EBITA margin awards, and CHF 66.11 and CHF 58.84 for EPS awards (lower values: French participants).

8 Including employer's social contributions (i) CHF 363,614 on LTIP awards granted in previous periods and vested in 2014 and (ii) social contributions on LTIP grant 2014 for one EC member as they became due at grant date.

9 Not included are social contributions on LTIP grant 2014 for one EC member as they became due at grant date.

## For the year 2013

in CHF	Patrick De Maeseneire, CEO <sup>1</sup>	Total Executive Committee <sup>2</sup>
Gross cash compensation <sup>3</sup> :		
• Base salary	1,800,000	8,964,108
• Annual bonus	1,710,000	7,210,398
Compensation in kind <sup>4</sup>	124,950	818,997
Other		88,831
Share awards granted in 2013 under the long-term incentive plan (LTIP) <sup>6</sup> :		
• RSU awards	1,415,892	5,050,804
• Relative TSR awards	150,966	513,571
• Absolute TSR awards	122,726	417,503
• Additional TSR awards	75,483	256,777
Social contributions:		
• Old age insurance/pensions and other <sup>5</sup>	627,500	2,304,806
• Additional health/accident insurance	44,793	171,918
<b>Total conferred</b>	<b>6,072,310</b>	<b>25,797,713</b>

<sup>1</sup> Highest conferred individual compensation in 2013.

<sup>2</sup> In 2013, the EC consisted of Patrick De Maeseneire, Dominik de Daniel, Alain Dehaze, Robert P. (Bob) Crouch, Peter Searle, Andreas Dinges, Christophe Duchatellier, Martín Alonso, Federico Vione, Enrique Sanchez, Sergio Picarelli, and Christian Vasino (all since January 2013). Notice periods of up to 12 months apply. For certain members of the EC, based on mandatory foreign law or pre-existing contractual commitments, additional payments may become due in case of termination. For certain members of the EC, compensation related to non-compete obligations after termination of their employment agreement might be due.

<sup>3</sup> Including employee's social contributions.

<sup>4</sup> Car allowance for private use, car lease financed by the Company, membership fees, housing allowance, relocation, education, health insurance, representation allowance.

<sup>5</sup> Employer's social contributions including on LTIP awards where applicable.

<sup>6</sup> Value in CHF of Adecco S.A. shares awarded in 2013 under the LTIP 2013 (grant date: March 16, 2013).

Valuation of the share awards granted:

- The grant date fair value of the restricted share unit awards ("RSU awards") is equal to the closing price of the Adecco S.A. share on the day of grant less a 6.5% discount which takes into consideration that RSU awards are not entitled to dividends during the vesting period. An additional discount of 11% is applied to the value of RSU awards granted to the French participants, related to a 2-year post-vesting restriction on sale of shares.
- The grant date values of the total shareholder return awards ("TSR awards") are calculated based on the closing price of the Adecco S.A. share on the day of grant multiplied by the respective probability factors. These factors reflect the likelihood that the respective TSR targets will be met at the end of the performance period. The probability factors of 0.40, 0.32, and 0.20 for relative, absolute, and additional TSR awards, respectively, have been determined using a binomial model. A discount of 6.5% is applied which takes into consideration that TSR awards are not entitled to dividends during the vesting period. An additional discount of 11% is applied to the value of TSR awards granted to the French participants, related to a 2-year post-vesting restriction on sale of shares by the participants.
- The per-share value of awards granted in 2013 amounts to CHF 44.81 and CHF 50.35 for RSU awards, CHF 17.75 and CHF 19.94 for relative TSR awards, CHF 14.43 and CHF 16.21 for absolute TSR awards, and CHF 8.87 and CHF 9.97 for additional TSR awards (lower values: French participants).

For 2014, the CEO has reached 102% of the STIP bonus base, and the other members of the EC have reached between 89% and 118% of the STIP bonus base (not including STIPA). For 2014, the variable portion of cash compensation (annual bonus including STIPA potential) to the CEO amounted to 122% and for the other members of the EC ranged between 60% and 147% of the base salary. If fully achieved, the 2014 STIPA would have amounted to CHF 1.9 million for the 12 members of the EC. Taking into account the 2014 results, such potential has been reduced to CHF 1.5 million, still subject to the achievement of the STIPA 2015 targets, with payment due in 2016 only. The Remuneration Report for the year 2015 will provide further details.

The variable portion of compensation consisting of share awards granted in 2014 (at values as indicated in the previous table, not taking into account social contributions) to the CEO amounted to 158% and for the other members of the EC ranged between 79% and 131% of the base salary.

The main difference in compensation between 2014 and 2013 relates to LTIP (refer to section 3.3.4 "Long-term incentive plan"). Furthermore, bonus achievements were higher in 2014.

## 5.2 Compensation of former members of Governing Bodies (Board of Directors, Executive Committee, closely linked parties)

No compensation payments were made to former members of Governing Bodies in relation to their former offices. Mandatory employer social contributions paid in 2014 on share awards vested in 2014 for former members of the EC amounted to CHF 47,478.

## 5.3 Shares allocated to Governing Bodies

In 2014, part of the compensation of the Board members was paid in Adecco S.A. shares (refer to the table in section 5.1.1 "Board of Directors' compensation and shareholding") and under the LTIP, share awards were allocated to the members of the EC (refer to the table in section 5.1.2 "Executive Committee's compensation"). No further Adecco S.A. shares were allocated to current or former members of Governing Bodies.

## 5.4 Share ownerships of Governing Bodies

As of December 31, 2014, the members of the Board, including related parties, reported to hold 99,297 shares. For the individual share ownerships of the members of the Board, refer to the table in section 5.1.1 "Board of Directors' compensation and shareholding".

The members of the EC, including related parties, reported share ownership as indicated in the following table:

Share ownership as of December 31 <sup>1</sup>	Patrick De Maese-neire	Dominik de Daniel	Alain Dehaze	Robert P. (Bob) Crouch	Peter Searle	Andreas Dinges	Christophe Duchatellier <sup>2</sup>	Mark De Smedt <sup>3</sup>	Marfin Alonso	Federico Vione	Enrique Sanchez	Sergio Picarelli	Christian Vasino <sup>4</sup>	Total
2014	60,000	32,463	14,670	2,037	2,000	3,611	2,894	2,500	3,266	2,220	5,043	10,650	n.a.	141,354
2013	80,000	40,359	6,212			10,501	894	n.a.	2,055		4,176	14,477	17,942	176,616

<sup>1</sup> Indicating the number of registered shares held, with a par value of CHF 1 each.

<sup>2</sup> Became a member of the EC in 2013.

<sup>3</sup> Became a member of the EC in 2014.

<sup>4</sup> Member of the EC until December 31, 2013.

The members of the Board and of the EC are required to disclose to the Company direct or indirect purchases and sales of equity-related securities in accordance with the requirements of the SIX Swiss Exchange.

## 5.5 Stock options and share awards held by and granted to Governing Bodies

### 5.5.1 Stock options

There are no stock options outstanding as of December 31, 2014.

### 5.5.2 Share awards

#### Awards granted 2014

Share awards held as of December 31, 2014 granted on March 16, 2014 under the LTIP:

December 31, 2014 <sup>1</sup>	RSU awards	EBITA/EPS/TSR awards <sup>2</sup>	Total
Patrick De Maeseneire	18,480	27,720	46,200
Total EC <sup>3</sup>	61,118	91,676	152,794

#### Awards granted 2013

Share awards held as of December 31, 2014 and December 31, 2013 granted on March 16, 2013 under the LTIP:

December 31, 2014 <sup>1</sup>	RSU awards	TSR awards <sup>4</sup>	Total
Patrick De Maeseneire	18,747	22,713	41,460
Total EC	63,041	68,217	131,258

December 31, 2013 <sup>1</sup>	RSU awards	TSR awards <sup>4</sup>	Total
Patrick De Maeseneire	28,121	22,713	50,834
Total EC	94,168	72,303	166,471

#### Awards granted 2012

Share awards held as of December 31, 2014 and December 31, 2013 granted on March 16, 2012 under the LTIP:

December 31, 2014 <sup>1</sup>	RSU awards	TSR awards <sup>4</sup>	Total
Patrick De Maeseneire	10,226	24,780	35,006
Total EC	24,799	63,651	88,450

December 31, 2013 <sup>1</sup>	RSU awards	TSR awards <sup>4</sup>	Total
Patrick De Maeseneire	20,452	24,780	45,232
Total EC	59,891	68,013	127,904

<sup>1</sup> Held, as of the date indicated, by members of the EC in office on December 31, 2014. The share awards granted to a member of the EC whose awards were forfeited in 2014 are not included.

<sup>2</sup> Split into EBITA margin awards (40%), EPS awards (40%) and relative TSR awards (20%).

<sup>3</sup> Not included are awards granted to one member of the EC whose entitlement to the awards ended in 2014.

<sup>4</sup> Split into relative, absolute, and additional TSR awards (one third each).

### Awards granted 2011

No share awards granted in 2011 were outstanding as of December 31, 2014.

Share awards held as of December 31, 2013 granted on March 16, 2011 under the LTIP:

December 31, 2013 <sup>1</sup>	RSU awards	TSR awards <sup>2</sup>	Total
Patrick De Maeseneire	7,327	17,757	25,084
Total EC	19,196	44,898	64,094

<sup>1</sup> Held, as of the date indicated, by members of the EC in office on December 31, 2014. The share awards granted to a member of the EC whose awards were forfeited in 2014 are not included.

<sup>2</sup> Split into relative, absolute, and additional TSR awards (one third each).

### 5.6 Historical vesting information on Performance Share awards

Performance Share awards vested as a percentage of awards outstanding is as follows:

in %

Grant year	Vesting year	TSR Relative	Absolute <sup>1</sup>	Additional <sup>1</sup>	EPS <sup>2</sup>	EBITA <sup>2</sup>
2010	2013	0	0	0	n.a.	n.a.
2011	2014	0	83	0	n.a.	n.a.
2012	2015	0	100	0	n.a.	n.a.
2013	2016	pending <sup>3</sup>	pending <sup>3</sup>	pending <sup>3</sup>	n.a.	n.a.
2014	2017	pending <sup>3</sup>	n.a.	n.a.	pending <sup>3</sup>	pending <sup>3</sup>

<sup>1</sup> Until grant 2014.

<sup>2</sup> Introduced as of grant 2014.

<sup>3</sup> Performance periods are still running. Numbers will be available after the end of the respective performance period.

### 5.7 Additional fees and remuneration of Governing Bodies

No member of the Board and of the EC has received any additional honorariums in 2014.

### 5.8 Loans granted to Governing Bodies

In 2014, the Company did not grant any guarantees, loans, advances or credits to members of the Board or to members of the EC, including closely linked parties.

# Report of the Statutory Auditor on the Remuneration Report to the General Meeting of Adecco S.A., Chésereux

We have audited section 5 “Details of compensation elements” in the accompanying remuneration report dated 19 March 2015 of Adecco S.A. for the year ended 31 December 2014.

## *Responsibility of the Board of Directors*

The Board of Directors is responsible for the preparation and overall fair presentation of the remuneration report in accordance with Swiss law and the Ordinance against Excessive Compensation in Stock Exchange Listed Companies (Ordinance). The Board of Directors is also responsible for designing the remuneration system and defining individual remuneration packages.

## *Auditor’s responsibility*

Our responsibility is to express an opinion on the accompanying remuneration report. We conducted our audit in accordance with Swiss Auditing Standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the remuneration report complies with Swiss law and articles 14 – 16 of the Ordinance.

An audit involves performing procedures to obtain audit evidence on the disclosures made in the remuneration report with regard to compensation, loans and credits in accordance with articles 14 – 16 of the Ordinance. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatements in the remuneration report, whether due to fraud or error. This audit also includes evaluating the reasonableness of the methods applied to value components of remuneration, as well as assessing the overall presentation of the remuneration report.

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

## *Opinion*

In our opinion, the remuneration report dated 19 March 2015 for the year ended 31 December 2014 of Adecco S.A. complies with Swiss law and articles 14 – 16 of the Ordinance.

Ernst & Young Ltd



André Schaub  
Licensed audit expert  
(Auditor in charge)

Zurich, Switzerland  
19 March 2015



Bruno Chiomento  
Licensed audit expert