THE ADECCO GROUP

Annual Report 2024

Adecco International Financial Services B.V.

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

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Content Annual Report 2024
Adecco International Financial Services B.V.

BOARD OF DIRECTORS' REPORT 2024

General information

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

The Company is a wholly owned subsidiary of Adecco Group AG, Zurich, Switzerland. Adecco Group AG is registered in Switzerland and listed on the SIX Swiss Exchange. The principal activity of the Company is to act as financing company of the Group.

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

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

Financial statements

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

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

Company operations

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

Bonds

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

Amount of Bond	Year issuance	Year maturing	Interest rate	Effective interest rate **	Issuance price
EUR 430,353,000	2016	2024	1.000%	1.163%	99.162%
EUR 300,000,000	2019	2029	1.250%	1.362%	99.446%
NOK 500,000,000 *	2020	2030	2.650%	2.685%	100%
EUR 500,000,000	2021	2028	0.125%	0.290%	99.341%
EUR 500,000,000	2021	2031	0.500%	0.563%	99.912%
EUR 500,000,000	2021	2082	1.000%	1.287%	99.339%
EUR 50,000,000	2022	2034	4.860%	4.919%	100%
EUR 300,000,000	2024	2032	3.400%	3.597%	99.155%

** NOK 500,000,000 equivalent to EUR 42,425,500 as per December 31, 2024 revalued balance.*

*** Effective interest rate incl. capitalized fees*

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

In December 2023, the Company bought back EUR 69,647,000 nominal value at 97.671% of the outstanding 2024 notes which reduced the nominal value of the outstanding principal of the 2024 notes to EUR 430,353,000. This bond matured in December 2024.

With settlement October 8, 2024, the Company issued EUR 300,000,000 fixed rate bond guaranteed by the parent company, Adecco Group AG, due October 8, 2032 (8-year bond). The Company as the issuer has an option to redeem the bond during period commencing three months prior to the maturity date. The interest is paid on the fixed rate bond annually in arrears at a fixed annual rate of 3.400%, the effective interest rate is 3.523%. The issuance fee related to the bond is EUR 1,516,042. The net proceeds, EUR 295,948,958, were used for general financing purposes by the Adecco Group.

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

Loans
Interest income from Adecco Group companies and other financing income amount to EUR 37.6 million in 2024 (2023: EUR 39.1 million), and interest expenses on the issued securities and other financial expenses amount to EUR 37.3 million in 2024 (2023: EUR 36.8 million).

Commercial paper
In August 2010 the Company established a French commercial paper programme ('Negotiable European Commercial Paper - NEU CP'). Under the programme the Company may issue short-term commercial paper up to a maximum amount of EUR 500 million, with maturity per individual paper of a year or less.

The proceeds are used to fund short-term working capital and borrowing requirements within the Adecco Group. The commercial paper is usually issued at a discount and repaid at nominal amount at maturity. The discount represents the interest paid to the investors on the commercial paper. The programme is guaranteed by Adecco Group AG.

In 2024 the Company issued commercial paper for EUR 754 million (2023: EUR 1,087 million) which have been repaid in the same year.

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

The Company shall deposit daily all excess cash with the Pool Leader and can make use of the cash pool in case of a short-term cash need. The cash pool agreement with Adecco Liquidity Services provides a maximum credit facility of EUR 10,000,000.

In December 2024 the Company had a cash surplus on its cash pool account of more than EUR 19.5M EUR as a result of a cash surplus from its bond coupon payments versus interest received on the related granted loans as well as the result on commercial paper and related loans during 2024.

Next to that loans and a bond matured which lead all together to a cash surplus. The Company has invested EUR 19.5M of cash surplus into a loan with Adecco Group AG (interest rate 2.9475%) in December 2024 taking into accounts its cash flow need for 2025.

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

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

Credit worthiness
At the balance sheet date, the Company has assessed the credit worthiness of its loans. This evaluation refers to the ability of the borrower to repay the obligations resulting from the loan agreement, being interest and nominal amount maturity, to the Company. In conducting this assessment, the Company has reviewed several factors, including the borrower's credit history, financial position, and other relevant indicators of financial health and reliability. Based on this thorough assessment, the Company has concluded that there is no risk of default.

Result
The financial result of 2024 decreased with EUR 2.1 million as a result of a decrease of commercial paper expenses as a lower volume of commercial paper has been issued (EUR + 1.3 million), an increase of the bond expenses due to the impact of the leap day in 2024 and the issuance of the bond in 2024 which is partly offset with the bond that matured in 2024 (EUR – 1.2 million), a decrease of the guarantee fees due to other mix of bonds (EUR +0.5 million) and a decrease of the interest result (EUR -2.7 million) linked to another mix of loans.

The general and administrative expenses of 2024 increased by 11.5% mainly linked to inflation, increased (interim) audit expenses offset with less unrecoverable VAT expenses. Overall this results in a profit before tax of EUR 43,209 in 2024 versus a profit before tax of EUR 2,111,263 in 2023. The net profit amounts to EUR 45,663 in 2024 (2023: profit of EUR 450,500).

Ratios
The ratio regarding solvability is 0.5% (2023: 0.5%) and the ratio for liquidity is 307.9% (2023: 104.1%). The movement in the liquidity ratio is linked to the maturity of the 2024 notes and the relates loans.

The solvability is calculated by dividing the total equity (2024: EUR 11.0 million; 2023: EUR 10.9 million) by the total assets (2024: EUR 2,201 million; 2023: EUR 2,379 million). The liquidity is presented on base of the current ratio: the sum of the current assets including cash (2024: EUR 33.4 million; 2023: 505.5 million) is divided by the current liabilities (2024: EUR 10.9 million; 2023: EUR 485.6 million).

Personnel
The Company had no personnel in 2024 (2023: nil), but staff costs are being recharged from Adecco Holding Europe, Netherlands and Adecco Support, Netherlands for board, accounting and legal support where the staff is officially under contract. The internal recharge is reported in the income statement as part of the general and administrative expenses.

Research and development
The Company had no research and development activities in 2024.

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

Audit committee
The Company is not an EU Public Interest Entity (Dutch: Organisatie van Openbaar Belang, OOB), as the bonds are issued on the Londen Stock Exchange, which is a non EU stock exchange. However since the London Stock Exchange is comparable to EU stock exchanges, the Company is in principle obliged to set up an audit committee on the basis of Article 39 of the Directive 2014/56/EU (Audit Directive). An audit committee, meeting the requirements of the Regulation (EU) no. 537/2014 and the Audit Directive has been provided for at the level of the Company's parent Adecco Group AG, Switzerland. This audit committee will also perform the required tasks for the Company. As a result of this, the Company is exempt from this obligation.

Prospective information

Forecast 2025
The financial result for 2025 is expected to increase as the result of 2024 included the bond buy back related loan expenses which matured in 2024 (decrease of interest expenses) while the bond amortization expenses will slightly decrease (partly offset by the bond that matured in 2024, but a new bond has been issued as well in October 2024). The general and administrative expenses are expected to remain stable which will increase the expected total result before taxation for 2025 compared to 2024.

The Company does not expect to perform any research and development activities in 2025. The Company does not plan to do any investments (fixed assets) in 2025.

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

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

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

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

The Company is minimally impacted by market conditions as bonds have fixed interest rates while the cash proceeds of the loans are at an interest rate linked to the bond at arm’s length. The terms and maturity of the loans have been aligned to have the asset-liability test matched and related cash flows aligned. The same is applicable for intercompany loans linked to the commercial papers.

The intercompany loans funded by bonds and commercial papers always yield a margin for the Company because the tenor matches the bond and /or commercial paper and the interest rate is at arm’s length meaning that there is no possibility of a loss on intercompany loans.

If the situation requires, the parent company is willing and has the ability to recapitalize the Company or can implement other measures to support the Company to continue as a going concern.

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

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

Global conflicts

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

The Company has no direct business with Ukraine nor Russia or Belarus, but the Company might see an indirect impact on its business, including price increases and inflation. In October 2023 the situation in Gaza escalated between the Israeli and Palestinian. The Company has no direct business in Gaza, but like with the Russia-Ukraine conflict the situation can have an indirect impact on the business.

As part of the Adecco Group the Company remains alert for any impact on its direct business in the future related to global conflicts.

Risk management

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

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

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

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

The risk appetite is further clarified in the next section.

Financial risks

Market Risk / Price Risk

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

The Company is minimally impacted by market conditions as bonds have fixed interest rates while the cash proceeds of the loans are at an interest rate linked to the bond at arm's length. The terms and maturity of the loans have been aligned to have the asset-liability test matched and related cash flows aligned. The same is applicable for intercompany loans linked to the commercial papers.

The intercompany loans funded by bonds and commercial papers always yield a margin for the Company because the tenor matches the bond and /or commercial paper and the interest rate is at arm's length meaning that there is no possibility of a loss on intercompany loans.

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

Credit Risk

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

As of December 31, 2024, the credit rating of Adecco Group AG is 'BBB+' (2023: 'BBB+'), by Standard and Poor's and 'Baa1' (2023: 'Baa1') by Moody's. Therefore, the risk of a credit loss on the group lending is limited.

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

Liquidity Risk
Liquidity risk refers to the possibility of not being able to meet own payment obligations in full or when due. The management of the Company believes that the ability to generate cash from operations combined with additional capital resources available is sufficient to support the existing business activities and to meet short and medium-term financial commitments. Next to that there is a back-to-back structure in place which aligns incoming and outgoing cashflows.

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

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

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

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

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

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

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

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

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

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

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

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

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

Internal Control Systems

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

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

Putting controls into practice

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

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

<u>Data protection and cyber security risks</u>

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

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

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

<u>Economic environment risks</u>

Global conflicts

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

The Company has no direct business with Ukraine nor Russia or Belarus, but the Company might see an indirect impact on its business, including price increases and inflation. In October 2023 the situation in Gaza escalated between the Israeli and Palestinian. The Company has no direct business in Gaza, but like with the Russia-Ukraine conflict the situation can have an indirect impact on the business.

As part of the Adecco Group the Company remains alert for any impact on its direct business in the future related to global conflicts.

Corporate Social Responsibility

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

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

Key priorities are:

- Excellence
  Contributing to the positive effects for the stakeholders and society.
- Development of talent (Skills)
  Enhancing prospects for self-development, for everyone.
- Integration
  Equal opportunities in the labor market, for everyone.
- Prevention (Safety)
- Effective health and safety, proper conditions of work for everyone.
- Climate protection
  As part of The Adecco Group, we are committed to a transition that puts people at its center and to reduce our emissions by 50% by 2030 with 2019 as the base year (initial base year was 2018).

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

The Corporate Sustainability Reporting Directive (CSRD) was introduced by the European Union in April 2021 as part of a broader set of measures aimed at advancing sustainable finance and achieving the EU's sustainability goals. CSRD was supposed to be implemented in the EU in four waves starting with the first wave for listed companies with an average number of employees during the fiscal year > 500 to first report in 2025 on 2024 data.

The Company does not fall in the first wave as it is not listed nor does it have an average number of employees during the fiscal year > 500.

The second wave was scheduled on 2025 data to be reported in 2026 for companies that meet two out of three criteria (criteria for large companies as of 2024: total assets above EUR 25 million, net revenue above EUR 50 million and an average number of employees during the fiscal year >250). Even this wave is not being applicable for the Company as it is only meeting one criteria for the year 2024.

The third wave (originally scheduled to first report in 2027 on 2026 data) might be applicable for the Company (meet two out of three criteria (criteria for small and middle-large companies as of 2024: total assets above EUR 450 thousand, net revenue above EUR 900 thousand and an average number of employees during the fiscal year of 10 up to 250).

On 26 February 2025, the European Commission issued its Omnibus package, which sets out proposals for simplification across its sustainability reporting regulations. This include the Corporate Sustainability Reporting Directive (CSRD). Publication of the proposals marks the start of the legislative process.

The proposals will now be subject to negotiations with the European Parliament and Council of the EU. The proposal includes the postponement of the implementation of the second and third wave to first report in 2028 on 2027 data (second wave) and first report in 2029 on 2028 data (third wave).

The Company is part of the Adecco Group and in 2024, the Adecco Group conducted the Group's first comprehensive double materiality assessment, aligning with the requirements of the EU Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS). The Group's assessment on CSRD has been in-dept disclosed in the Annual Report 2024 as published by the Group on their website.

This thorough exercise built on the Group's efforts started in 2023 and examined actual and potential impacts, risks and opportunities across the Group's value chain which includes investors as well which connects to the Company's core business in acting as a finance company for the Group. The Company has not performed their own in-depth assessment as it follows the Group's approach for CSRD and besides the third wave is not applicable either for the financial year 2024.

Management and Supervision Act (Wet Bestuur en Toezicht)

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

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

The current composition of the Board of Directors meets the above mentioned percentages as the Company has 2 men and 2 women in its board. The Company has no employees in 2024. The Company is supported by employees working for other Adecco entities in where there is a balanced mix in women-men in the supporting and managerial positions. The Company tries to achieve the same balances composition for the future.

The members of the Board of Directors did not receive remuneration in 2024 (2023: nil) in their capacity as Board of Directors of the Company.

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

- Vidya Sagar Gannamani, director as of August 28, 2024
- Femke Hellemons, director as of June 1, 2023
- Marissa van der Werf, director as of January 1, 2023
- Coram Williams, director as of June 1, 2020
- Marcel Guinchard, director as of April 1, 2023 up and until July 31, 2024

Responsibility statement of the Board of Directors

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

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

May 9, 2025
The Board of Directors

Vidya Sagar Gannamani	Femke Hellemons
Marissa van der Werf	Coram Williams

FINANCIAL STATEMENTS 2024

Balance sheet

(before proposed appropriation of result)

	Note	Balance sheet as per December 31, 2024 EUR	Balance sheet as per December 31, 2024 EUR	Balance sheet as per December 31, 2023 EUR	Balance sheet as per December 31, 2023 EUR
Non-current assets					
Long-term loans to Group companies	4	2,167,523,010		1,873,690,185	
Total non-current assets			**2,167,523,010**		**1,873,690,185**
Current assets					
Receivables from Group companies	5	32,355,078		504,532,991	
Current account with Group company	6	1,069,836		930,229	
Other receivables		12,468		3,710	
Total current assets			**33,437,382**		**505,466,930**
Cash					
Cash	7	2,118		1,484	
Total cash			**2,118**		**1,484**
Total assets			**2,200,962,510**		**2,379,158,599**
Shareholder's equity					
Share capital	8	2,500,000		2,500,000	
Agio	8	54,009,462		54,009,462	
Other reserves	8	(45,579,789)		(46,030,289)	
Net result	8	45,663		450,500	
Total shareholder's equity			**10,975,336**		**10,929,673**
Provisions					
Deferred Tax Liabilities	9	593,327		862,083	
			593,327		**862,083**
Non-current liabilities					
Long-term liabilities, less current maturities	10	2,178,533,017		1,881,747,038	
Total non-current liabilities			**2,178,533,017**		**1,881,747,038**
Current liabilities					
Long-term liabilities - current portion	11	-		429,740,594	
Payables to Group companies	12	2,154,052		48,739,168	
Interest payables to third parties	13	8,288,254		6,285,710	
Corporate income tax payable	9	123,451		556,749	
Other payables	14	295,073		297,584	
Total current liabilities			**10,860,830**		**485,619,805**
Total shareholder's equity and liabilities			**2,200,962,510**		**2,379,158,599**

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

Income statement

	Note	Income statement over the year 2024	Income statement over the year 2023
		EUR	EUR
Financial income	15	37,629,795	39,142,777
Financial expenses	16	(37,322,395)	(36,794,534)
Financial result		**307,400**	**2,348,243**
General and administrative expenses	17	(264,191)	(236,980)
Result before taxation		**43,209**	**2,111,263**
Income taxes	9	2,454	(1,660,763)
Result after taxation		**45,663**	**450,500**

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

Cash flow statement

	Note	Cash flow statement over the year 2024		Cash flow statement over the year 2023	
		EUR	EUR	EUR	EUR
Operating activities					
Operating expenses	*17*	(275,874)		(186,249)	
Interest received	*5/15*	34,703,795		38,495,475	
Interest paid	*12/16*	(23,904,869)		(24,399,063)	
Financing and guarantee fees paid	*12/16*	(8,427,300)		(8,470,954)	
Taxes paid (VAT)	*17*	(23,731)		(18,188)	
Taxes refund (VAT)	*17*	11,333		13,562	
Taxes paid (current income tax)	*9*	(740,271)		(575,978)	
Taxes refund (current income tax)	*9*	40,671		-	
Cash flow generated from operating activities			**1,383,754**		**4,858,605**
Investing activities					
Issuance of loans to Group companies	*4/5*	(919,448,958)		(807,000,000)	
Collection of loans to Group companies	*4/5*	1,098,560,000		823,000,000	
Cash flow generated from / used in investing activities			**179,111,042**		**16,000,000**
Financing activities					
Proceeds from the issuance of long-term liabilities	*10*	296,535,000		-	
Received loans from Group companies	*12*	-		46,293,333	
Repayment of long-term liabilities - current portion	*11*	(430,353,000)		-	
Repayment of loans from Group companies	*12*	(46,293,333)		-	
Issuance of commercial paper		754,000,000		1,087,000,000	
Repayment of commercial paper		(754,000,000)		(1,087,000,000)	
Bond buy back including cancellation (nominal value)	*11*	-		(69,647,000)	
Bond buy back financing fees	*16*	(243,178)		(13,785)	
Bond buy back purchase price vs nominal value	*15*	-		1,622,079	
Cash flow generated from / used in investing activities			**(180,354,511)**		**(21,745,373)**
Net cash flow			**140,285**		**(886,768)**
Exchange rate differences on cash	*15/16*		**(44)**		**(1,807)**
Change in cash items			**140,241**		**(888,575)**
Cash at beginning of year	*7*		1,484		1,354
Cash at end of year	*7*		2,118		1,484
Current account with Group company at beginning of year	*6*		930,229		1,818,934
Current account with Group company at end of year	*6*		1,069,836		930,229
Change in cash items			**140,241**		**(888,575)**

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

Notes to the financial statements

1. General

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

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

The principal activity of the Company is to act as financing company of the Group. The financial statements of the Company have been prepared on May 9, 2025.

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

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

Going concern

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

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

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

The Company is minimally impacted by market conditions as bonds have fixed interest rates while the cash proceeds of the loans are at an interest rate linked to the bond at arm's length. The terms and maturity of the loans have been aligned to have the asset-liability test matched and related cash flows aligned. The same is applicable for intercompany loans linked to the commercial papers.

The intercompany loans funded by bonds and commercial papers always yield a margin for the Company because the tenor matches the bond and /or commercial paper and the interest rate is at arm's length meaning that there is no possibility of a loss on intercompany loans.

If the situation requires, the parent company is willing and has the ability to recapitalize the Company or can implement other measures to support the Company to continue as a going concern.

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

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

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

The Company has no direct business with Ukraine nor Russia or Belarus, but the Company might see an indirect impact on its business, including price increases and inflation. In October 2023 the situation in Gaza escalated between the Israeli and Palestinian. The Company has no direct business in Gaza, but like with the Russia-Ukraine conflict the situation can have an indirect impact on the business.

As part of the Adecco Group the Company remains alert for any impact on its direct business in the future related to global conflicts.

2. Summary of significant accounting policies

The principal accounting policies adopted in preparing the financial statements of the Company are summarized below. These accounting principles have all been applied consistently throughout the year and the preceding year.

a) Basis of presentation

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

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

Valuation of assets and liabilities and the determination of the result take place under the historical cost convention. The balance sheet and income statement contain references. These refer to the disclosures in the financial statements.

An asset is recognized in the balance sheet when it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be measured reliably.

A liability is recognized in the balance sheet when it is expected to result in an outflow of resources embodying economic benefits and the amount of the obligation can be measured reliably.

An asset or liability that is recognized in the balance sheet, remains on the balance sheet if a transaction (with respect to the asset or liability) does not lead to a major change in the economic reality with respect to the asset or liability. Such transactions will not result in the recognition of results.

When assessing whether there is a significant change in the economic circumstances, the economic benefits and risks that are likely to occur in practice are taken into account. The benefits and risks that are not reasonably expected to occur, are not taken in to account in this assessment.

An asset or liability is no longer recognized in the balance sheet when a transaction results in all or substantially all rights to economic benefits and all or substantially all of the risks related to the asset or liability being transferred to a third party. In such cases, the results of the transaction are directly recognised in the profit and loss account, taking into account any provisions related to the transaction.

A financial asset and a financial liability are offset when the entity has a legally enforceable right to set off the financial asset and financial liability and the Company has the firm intention to settle the balance on a net basis, or to settle the asset and the liability simultaneously.

Financial instruments include primary financial instruments (such as receivables, payables, bonds and loans issued). For the value of the primary financial instruments reference is made to the treatment per balance sheet item of the principles of valuation of assets and liabilities.

b) Use of estimates

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

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

If it is necessary in order to provide the true and fair view required under Book 2, article 362, paragraph 1, the nature of these estimates and judgements, including related assumptions, is disclosed in the notes to the relevant financial statement item.

c) Reporting currency

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

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

d) Related parties

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

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

e) Long-term assets

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

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

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

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

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

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

f) Current assets

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

The valuation of the current assets is revised to the present value when present value is lower then valuation based on amortised cost.

g) Cash

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

h) Shareholder's equity

Share capital, comprising of common shares, is classified as equity and is stated as nominal value.

Share premium includes consideration received in excess of the par value on the issuance of share capital. Additional paid-in capital pertains to the amounts received from the parent Company after the issuance of share to ensure to strengthen the equity position of the Company.

i) Long-term liabilities

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

The difference between stated book value and the mature redemption value is accounted for as interest cost in the income statement on the basis of the effective interest rate during the estimated term of the long-term debts. The amounts to be paid more than twelve months after the reporting date are presented as non-current liabilities.

j) Current liabilities

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

k) Current account with Group company – cash pool

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

l) Determination of the result

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

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

m) Income taxes

On 1 July 2022, the Dutch State Secretary of Finance published a decree related to transfer pricing and the interpretation of the arm's-length principle in the Netherlands. This decree is applied on all transactions by the Company unless already covered by an Advanced Pricing Agreement concluded with the Dutch Tax Authorities.

Corporate income tax is calculated in accordance with Dutch income tax regulations and provided based on income earned during the year.

The Company uses the asset and liability method to account for deferred taxes. Under this method, deferred tax assets and liabilities are determined based on temporary differences between the financial reporting and the tax bases of assets and liabilities. Deferred tax assets and liabilities are measured using enacted tax rates and laws that are expected to be in effect when the differences are expected to reverse.

n) Cash flow statement

The cash flow statement has been prepared in accordance with the direct method. Non-cash transactions are excluded from the cashflow statement.

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

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

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

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

3. Risk management

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

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

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

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

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

The risk appetite is further clarified in the section below.

Financial risks

Market Risk / Price Risk

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

The Company is minimally impacted by market conditions as bonds have fixed interest rates while the cash proceeds of the loans are at an interest rate linked to the bond at arm's length. The terms and maturity of the loans have been aligned to have the asset-liability test matched and related cash flows aligned. The same is applicable for intercompany loans linked to the commercial papers.

The intercompany loans funded by bonds and commercial papers always yield a margin for the Company because the tenor matches the bond and /or commercial paper and the interest rate is at arm's length meaning that there is no possibility of a loss on intercompany loans.

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

Credit Risk

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

As of December 31, 2024, the credit rating of Adecco Group AG is 'BBB+' (2023: 'BBB+'), by Standard and Poor's and 'Baa1' (2023: 'Baa1') by Moody's, which is considered to be 'strong investment grade' by the market. Therefore, the risk of a credit loss on the group lending is limited.

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

Liquidity Risk
Liquidity risk refers to the possibility of not being able to meet own payment obligations in full or when due. The management of the Company believes that the ability to generate cash from operations combined with additional capital resources available is sufficient to support the existing business activities and to meet short and medium-term financial commitments. Next to that there is a back-to-back structure in place which aligns incoming and outgoing cashflows.

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

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

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

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

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

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

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

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

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

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

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

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

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

Internal Control Systems

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

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

Putting controls into practice

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

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

Data protection and cyber security risks

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

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

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

Economic environment risks

Global conflicts

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

The Company has no direct business with Ukraine nor Russia or Belarus, but the Company might see an indirect impact on its business, including price increases and inflation. In October 2023 the situation in Gaza escalated between the Israeli and Palestinian. The Company has no direct business in Gaza, but like with the Russia-Ukraine conflict the situation can have an indirect impact on the business.

As part of the Adecco Group the Company remains alert for any impact on its direct business in the future related to global conflicts.

4. Long-term loans to Group companies

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

Group Company	Interest rate	Maturity	01-01-2024 Opening balance EUR	Additions EUR	Redemption / Transfers EUR	FX revaluations EUR	31-12-2024 Closing balance EUR
Adecco Group AG, Switzerland	1.897%	2029	83,751,069	-	-	-	83,751,069
Adecco Group AG, Switzerland *	2.800%	2030	44,414,356	-	-	(2,116,133)	42,298,223
Adecco Group AG, Switzerland	5.020%	2034	49,772,000	-	-	-	49,772,000
Adecco Group AG, Switzerland	3.728%	2032	-	295,948,958	-	-	295,948,958
Adecco Refinancing B.V., The Netherlands	1.486%	2029	212,061,931	-	-	-	212,061,931
Akkodis Belgium Holding BV, Belgium **	1.679%	2027	74,747,967	-	-	-	74,747,967
Akkodis Belgium Holding BV, Belgium **	0.671%	2028	75,029,119	-	-	-	75,029,119
Akkodis Belgium Holding BV, Belgium **	0.996%	2031	75,435,923	-	-	-	75,435,923
Akkodis Group AG, Switzerland ***	1.679%	2027	417,687,499	-	-	-	417,687,499
Akkodis Group AG, Switzerland ***	0.671%	2028	419,258,562	-	-	-	419,258,562
Akkodis Group AG, Switzerland ***	0.996%	2031	421,531,759	-	-	-	421,531,759
Long-term loans to Group companies			**1,873,690,185**	**295,948,958**	**-**	**(2,116,133)**	**2,167,523,010**

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

*** Entity name changed in 2024 from Modis Investment BV, Belgium to Akkodis Belgium Holding BV, Belgium.*

**** Entity name changed in 2023 from Modis International AG, Switzerland to Akkodis Group AG, Switzerland.*

Group Company	Interest rate	Maturity	01-01-2023 Opening balance EUR	Additions EUR	Redemption / Transfers EUR	FX revaluations EUR	31-12-2023 Closing balance EUR
Adecco Refinancing B.V., The Netherlands ****	1.597%	2024	167,154,000	-	(167,154,000)	-	-
Adecco Refinancing B.V., The Netherlands ****	1.431%	2024	199,867,000	-	(199,867,000)	-	-
Adecco Refinancing B.V., The Netherlands ****	1.676%	2024	127,539,000	-	(127,539,000)	-	-
Adecco Group AG, Switzerland	3.292%	2024	16,000,000	-	(16,000,000)	-	-
Adecco Group AG, Switzerland	1.897%	2029	83,751,069	-	-	-	83,751,069
Adecco Group AG, Switzerland *	2.800%	2030	47,479,134	-	-	(3,064,778)	44,414,356
Adecco Group AG, Switzerland	5.020%	2034	49,772,000	-	-	-	49,772,000
Adecco Refinancing B.V., The Netherlands	1.486%	2029	212,061,931	-	-	-	212,061,931
Akkodis Belgium Holding BV, Belgium **	1.679%	2027	74,747,967	-	-	-	74,747,967
Akkodis Belgium Holding BV, Belgium **	0.671%	2028	75,029,119	-	-	-	75,029,119
Akkodis Belgium Holding BV, Belgium **	0.996%	2031	75,435,923	-	-	-	75,435,923
Akkodis Group AG, Switzerland ***	1.679%	2027	417,687,499	-	-	-	417,687,499
Akkodis Group AG, Switzerland ***	0.671%	2028	419,258,562	-	-	-	419,258,562
Akkodis Group AG, Switzerland ***	0.996%	2031	421,531,759	-	-	-	421,531,759
Long-term loans to Group companies			**2,387,314,963**	**-**	**(510,560,000)**	**(3,064,778)**	**1,873,690,185**

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

*** Entity name changed in 2024 from Modis Investment BV, Belgium to Akkodis Belgium Holding BV, Belgium.*

**** Entity name changed in 2023 from Modis International AG, Switzerland to Akkodis Group AG, Switzerland.*

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

5. Receivables from Group companies

The receivables from Group companies can be detailed as follows:

	31-12-2024 EUR	31-12-2023 EUR
Short-term loans to Group companies - reclassed from long-term loans *	-	494,560,000
Short-term loans to Group companies - issued in current year	19,500,000	-
Interest receivables from Group companies	12,855,078	9,972,991
Receivables from Group companies	**32,355,078**	**504,532,991**

** The loans with Adecco Refinancing B.V., The Netherlands have become short-term loans in 2023 as they matured in 2024.*

The short term loans to Group companies for 2024 relate to a loan with Adecco Group AG for EUR 19,500,000 and has an interest rate of 2.948% and will mature in December 2025.

The short-term loans to Group companies for 2023 relate to three loans with Adecco Refinancing that have been reclassed from long-term loans to short-term loans as the loans will matured in 2024. The first loan of EUR 167,154,000 has an interest rate of 1.597%, the second loan of EUR 127,539,000 has an interest rate of 1.676% and the third loan of EUR 199,867,000 has an interest rate of 1.431%.

The maturity of all current receivables is within one year.

6. Current account with Group company

The current account with Group company is EUR 1,069,836 for 2024 (2023: EUR 930,229) and relates to the cash pool agreement with Adecco Liquidity Services AG, Switzerland. This cash pool agreement has a maximum credit facility of EUR 10,000,000 which means that the current account with Group company can also be a liability. For both 2024 and 2023 this is not the case. The maturity of all current receivables is within one year.

7. Cash

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

8. Shareholder's equity

The authorized share capital amounts to EUR 12,500,000 divided into 12,500 shares, each with a nominal value of EUR 1,000. As of December 31, 2024, there were 2,500 shares registered and fully paid in.

Shareholder's equity 2024	**Share capital EUR**	**Agio EUR**	**Other reserves EUR**	**Net result EUR**	**Total EUR**
Shareholder's equity January 1, 2024	2,500,000	54,009,462	(46,030,289)	-	10,479,173
Result after taxation	-	-	450,500	45,663	496,163
Shareholder's equity December 31, 2024	**2,500,000**	**54,009,462**	**(45,579,789)**	**45,663**	**10,975,336**

Shareholder's equity 2023	**Share capital EUR**	**Agio EUR**	**Other reserves EUR**	**Net result EUR**	**Total EUR**
Shareholder's equity January 1, 2023	2,500,000	54,009,462	(46,030,289)	-	10,479,173
Result after taxation	-	-	-	450,500	450,500
Shareholder's equity December 31, 2023	**2,500,000**	**54,009,462**	**(46,030,289)**	**450,500**	**10,929,673**

The financial statements have been prepared before proposed appropriation of result. A proposal will be made at the General Meeting of Shareholders to add the result to the other reserves.

9. Taxes

Income taxes

The total current income tax payable as of December 31, 2024 is EUR 123,451 (2023: EUR 556,749) and the total tax income in the income statement is EUR 2,454 (2023: EUR 1,600,763 tax expense). As the preliminary tax assessment was lower than the year end calculation the Company has an income tax payable of EUR 123,451 at December 31, 2024 (2023: EUR 556,749).

The current tax expense for the year 2024 amounts to EUR 266,304 (2023: EUR 812,898) and the deferred tax benefit amounts to EUR 268,756 (2023: EUR 281,792) which gives a total tax income for the year 2024 of EUR 2,452 (2023: EUR 531,106 tax expenses) resulting in a Effective Tax Rate of -5,67% (2023: 25.16%).

The total tax income in 2024 of EUR 2,454 (2023: 1,660,763 tax expenses) includes current tax results prior year of EUR 2 (2023: EUR 14,218) as a result of the final tax declaration 2023-2022 as well as prior year deferred tax of EUR 1,143,875 for 2023.

Effective Tax Rate (ETR)	**2024** **EUR**	**2024** **ETR %**
Result before taxation	43,209	
Tax on result for the current year on result up and until EUR 200,000	38,000	87.94%
Tax on result for the current year on result above EUR 200,000	(40,452)	-93.62%
Income taxes current year	**(2,452)**	**-5.67%**

This negative ETR of 5.67% seems odd, but is caused by the temporary differences which are valued at 25.8% tax rate while the current tax rate has a first bracket of 19% on the first EUR 200 thousand taxable result. If both the current and deferred tax were applied against 25.8%, the current tax expense would amount to EUR 280 thousand and the deferred tax benefit would be EUR 269 thousand. The total tax expense would be EUR 11 thousand, which is 25.8% of the commercial result. However, on the current tax the lower bracket of 19% is applied, whilst this is not done on the deferred tax mutation. This is the reason for the low and negative ETR.

On 1 July 2022, the Dutch State Secretary of Finance published a decree related to transfer pricing and the interpretation of the arm's-length principle in the Netherlands. This decree is applied on all transactions by the Company unless already covered by an Advanced Pricing Agreement concluded with the Dutch Tax Authorities. This leads to a temporary difference which has been reflected in the balance sheet as a deferred tax liability.

See below overview from commercial result to taxable result resulting in the income taxes as presented in the income statement.

Commercial result to taxable result - Income taxes			**2024** **EUR**	**2023** **EUR**
Result before taxation			43,209	2,111,263
Temporary difference			1,041,691	1,092,217
Taxable result			1,084,900	3,203,480
	Tax rate 2024	*Tax rate 2023*		
Tax on EUR 0 - EUR 200,000	*19.0%*	*19.0%*	(38,000)	(38,000)
Tax on amount above EUR 200,000	*25.8%*	*25.8%*	(228,304)	(774,898)
			(266,304)	(812,898)
Total current income taxes			(266,302)	(798,680)
Total deferred Income taxes			268,756	(862,083)
Income taxes			**2,454**	**(1,660,763)**

Pillar Two

The Pillar Two legislation is effective for tax years beginning in January 2024. Pillar Two legislation has been enacted or substantively enacted in a number of jurisdictions the Company operates. The OECD Inclusive Framework has established temporary provisions to facilitate the transition by allowing groups to avoid a full calculation of the top-up-tax liability during the initial years.

These provisions, known as the Transitional Safe Harbours (TSH), are primarily based on a Qualified Country-by-Country Report (CbCR). Following an assessment conducted by the Group, it has been determined that the Netherlands qualifies for the TSH in 2024. As a result, no top-up tax liability is anticipated for the year.

10. Long-term liabilities

The long-term liabilities can be detailed as follows:

	Interest rate	Maturity	01-01-2024 Opening balance	Issuance (+) Transfer to current (-)	Amorization	FX revaluations	31-12-2024 Closing balance
			EUR	EUR	EUR	EUR	EUR
Nominal value bond issued 2019 300M EUR	1.250%	2029	300,000,000	-	-	-	300,000,000
Issuance costs and discount			(1,831,760)	-	311,136	-	(1,520,624)
Nominal value bond issued 2020 500M NOK *	2.650%	2030	44,548,000	-	-	(2,122,500)	42,425,500
Issuance costs *			(129,167)	-	19,392	-	(109,775)
Nominal value bond issued 2021 500M EUR	0.125%	2028	500,000,000	-	-	-	500,000,000
Issuance costs and discount			(3,855,809)	-	816,048	-	(3,039,761)
Nominal value bond issued 2021 500M EUR	0.500%	2031	500,000,000	-	-	-	500,000,000
Issuance costs and discount			(2,342,447)	-	303,240	-	(2,039,207)
Nominal value bond issued 2021 500M EUR	1.000%	2082	500,000,000	-	-	-	500,000,000
Issuance costs and discount			(4,435,572)	-	1,375,368	-	(3,060,204)
Nominal value bond issued 2022 50M EUR	4.860%	2034	50,000,000	-	-	-	50,000,000
Issuance costs			(206,207)	-	18,996	-	(187,211)
Nominal value bond issued 2024 300M EUR	3.400%	2032	-	300,000,000	-	-	300,000,000
Issuance costs and discount			-	(4,051,042)	115,341	-	(3,935,701)
Long-term liabilities, less current maturities			**1,881,747,038**	**295,948,958**	**2,959,521**	**(2,122,500)**	**2,178,533,017**

* *2020 Bond is stated in NOK and is impacted by the foreign exchange rate. This revaluation is included in the data as per year-end 2024. The issuance costs are stated and charged in EUR so not impacted by the foreign exchange rate. There is no discount on both the 2020 bond and the 2022 bond.*

	2023	2024	31-12-2023 Closing balance	31-12-2024 Closing balance
			EUR	EUR
Due within 1 year (reported at disclosure 11)	2024	2025	-	-
Due after 1 up and until 5 years	2025-2028	2026-2029	496,144,191	795,439,615
Due after 5 years	2029 and after	2030 and after	1,385,602,847	1,383,093,402
Long-term liabilities, less current maturities			**1,881,747,038**	**2,178,533,017**

	Interest rate	Maturity	01-01-2023 Opening balance	Issuance (+) Transfer to current (-)	Amorization	FX revaluations	31-12-2023 Closing balance
			EUR	EUR	EUR	EUR	EUR
Nominal value bond issued 2016 500M EUR	1.000%	2024	500,000,000	(500,000,000)	-	-	-
Issuance costs and discount			(1,487,776)	1,487,776	-	-	-
Nominal value bond issued 2019 300M EUR	1.250%	2029	300,000,000	-	-	-	300,000,000
Issuance costs and discount			(2,142,896)	-	311,136	-	(1,831,760)
Nominal value bond issued 2020 500M NOK *	2.650%	2030	47,622,000	-	-	(3,074,000)	44,548,000
Issuance costs *			(148,559)	-	19,392	-	(129,167)
Nominal value bond issued 2021 500M EUR	0.125%	2028	500,000,000	-	-	-	500,000,000
Issuance costs and discount			(4,671,857)	-	816,048	-	(3,855,809)
Nominal value bond issued 2021 500M EUR	0.500%	2031	500,000,000	-	-	-	500,000,000
Issuance costs and discount			(2,645,687)	-	303,240	-	(2,342,447)
Nominal value bond issued 2021 500M EUR	1.000%	2082	500,000,000	-	-	-	500,000,000
Issuance costs and discount			(5,810,940)	-	1,375,368	-	(4,435,572)
Nominal value bond issued 2022 50M EUR	4.860%	2034	50,000,000	-	-	-	50,000,000
Issuance costs			(225,203)	-	18,996	-	(206,207)
Long-term liabilities, less current maturities			**2,380,489,082**	**(498,512,224)**	**2,844,180**	**(3,074,000)**	**1,881,747,038**

* *2020 Bond is stated in NOK and is impacted by the foreign exchange rate. This revaluation is included in the data as per year-end 2023. The issuance costs are stated and charged in EUR so not impacted by the foreign exchange rate. There is no discount on both the 2020 bond and the 2022 bond.*

The long-term liabilities that are due within one year (if applicable) are presented as current portion of long-term debt in the next disclosure note. All bonds are listed at the London Stock Exchange, United Kingdom.

Bond 2016-2024
With settlement December 2, 2016, the Company issued EUR 500,000,000 fixed rate bond guaranteed by the parent company, due December 2, 2024 (8-year bond). The interest is paid on the fixed rate bond annually in arrears at a fixed annual rate of 1.000%, the effective interest rate is 1.163% (incl. capitalized fees). The issuance fee related to the bond is EUR 471,810. The net proceeds, EUR 494,560,000, were partially used for the bond buyback program of the Adecco Group.

The 2016 bond matured in December 2024 and has therefore been reclassed to current portion of long-term debt in the 2023 financial statements. The original nominal value of the bond was EUR 500,000,000. As per December 8, 2023 the Company has performed a bond buy back on its own bond for EUR 69,647,000 including cancellation resulting in a remaining nominal value on the 2016 bond of EUR 430,353,000. The bond buy back has been financed with available cash within the Company in combination with a loan from Adecco Group AG.

Bond 2019-2029
With settlement May 20, 2019, the Company issued EUR 300,000,000 fixed rate bond guaranteed by the parent company, due November 20, 2029 (10.5-year bond). The Company as the issuer has an option to redeem the bond during period commencing three months prior to the maturity date.

The interest is paid on the fixed rate bond annually in arrears at a fixed annual rate of 1.250%, the effective interest rate is 1.362% (incl. capitalized fees). The issuance fee related to the bond is EUR 1,605,000. The net proceeds, EUR 297,438,000, were partially used for the bond buyback program of the Adecco Group and for general financing purposes.

Bond 2020-2030
With settlement May 29, 2020, the Company issued a senior unsecured fixed rate bond denominated in NOK in a private placement for NOK 500,000,000 (equivalent to EUR 42,425,500 as per December 31, 2024 revalued balance; EUR 44,548,000 as per December 31, 2023 revalued balance). The bond is guaranteed by Adecco Group AG, the parent company and will mature on August 29, 2030.

The interest is paid on the fixed rate bond annually on August 29 in arrears at a fixed annual rate of 2.650% (starting from 2021 with a coupon of NOK 16,562,500 in 2021 and NOK 13,250,000 thereafter), the effective interest rate is 2.685% (incl. capitalized fees). The issuance fee related to the bond is NOK 1,500,000. The net proceeds, NOK 498,500,000 (equivalent to EUR 42,298,224 as per December 31, 2024 revalued balance; equivalent to EUR 44,414,356 as per December 31, 2023 revalued balance), were used for general financing purposes of the Adecco Group.

Bond 2021-2028
With settlement September 21, 2021, the Company issued EUR 500,000,000 fixed rate bond guaranteed by the parent company, due September 21, 2028 (7-year bond). The Company as the issuer has an option to redeem the bond during period commencing three months prior to the maturity date.

The interest is paid on the fixed rate bond annually in arrears at a fixed annual rate of 0.125%, the effective interest rate is 0.290% (incl. capitalized fees). The issuance fee related to the bond is EUR 2,417,318. The net proceeds, EUR 494,287,682, were used for acquisition performed by the Adecco Group.

Bond 2021-2031
With settlement September 21, 2021, the Company issued EUR 500,000,000 fixed rate bond guaranteed by the parent company, due September 21, 2031 (10-year bond). The Company as the issuer has an option to redeem the bond during period commencing three months prior to the maturity date.

The interest is paid on the fixed rate bond annually in arrears at a fixed annual rate of 0.500%, the effective interest rate is 0.563% (incl. capitalized fees). The issuance fee related to the bond is EUR 2,592,318. The net proceeds, EUR 496,967,682, were used for acquisition performed by the Adecco Group.

Bond 2021-2082
With settlement September 21, 2021, the Company issued EUR 500,000,000 hybrid bond guaranteed by the parent company, due March 21, 2082 (60.5-year bond with first reset date at 5.5 years in March 2027). The Company as the issuer has an option to redeem the bond during period commencing three months prior to the first reset date.

The interest on the hybrid bond will be paid annually on March 21 (short first coupon date March 21, 2022) in arrears at a fixed annual rate of 1.000% for the first 5.5 years up to the first reset date, the effective interest rate is 1.287% (incl. capitalized fees). The issuance fee related to the bond is EUR 4,259,534. The net proceeds, EUR 492,435,466, were used for acquisition performed by the Adecco Group.

Bond 2022-2034
With settlement November 7, 2022, the Company issued a senior unsecured fixed rate bond in a private placement for EUR 50,000,000. The bond is guaranteed by Adecco Group AG, the parent company and will mature on November 7, 2034.

The interest is paid on the fixed rate bond annually on November 7 in arrears at a fixed annual rate of 4.860%,, the effective interest rate is 4.919% (incl. capitalized fees). The issuance fee related to the bond is EUR 228,000. The net proceeds, EUR 49,772,000, were used for general financing purposes by the Adecco Group.

Bond 2024-2032
With settlement October 8, 2024, the Company issued EUR 300,000,000 fixed rate bond guaranteed by the parent company, Adecco Group AG, due October 8, 2032 (8-year bond). The Company as the issuer has an option to redeem the bond during period commencing three months prior to the maturity date.

The interest is paid on the fixed rate bond annually in arrears at a fixed annual rate of 3.400%, the effective interest rate is 3.597% (incl. capitalized fees). The issuance fee related to the bond is EUR 1,516,042. The net proceeds, EUR 295,948,958, were used for general financing purposes by the Adecco Group.

11. Long-term liabilities – current portion

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

	Interest rate	Maturity	31-12-2024 EUR	31-12-2023 EUR
Nominal value bond issued 2016 430M EUR	1.000%	2024	-	430,353,000
Issuance costs and discount			-	(612,406)
Current portion of long-term debt			**-**	**429,740,594**

The 2016 bond matured in December 2024 and has therefore been reclassed to current portion of long-term debt in the 2023 financial statements. The original nominal value of the bond was EUR 500,000,000. As per December 8, 2023 the Company has performed a bond buy back on its own bond for EUR 69,647,000 including cancellation resulting in a remaining nominal value on the 2016 bond of EUR 430,353,000. The bond buy back has been financed with available cash within the Company in combination with a loan from Adecco Group AG.

12. Payables to Group companies

The payables to Group companies can be detailed as follows:

	31-12-2024 EUR	31-12-2023 EUR
Short-term loans from Group companies	-	46,293,333
Interest payables to Group companies	-	108,573
Other payables to Group companies	2,154,052	2,337,262
Payables to Group companies	**2,154,052**	**48,739,168**

There is no short-term loan to Group companies as per December 2024 nor an interest payables to Group companies.

The short-term loans from Group companies as per December 31, 2023 of EUR 46,293,333 relate to the loan with Adecco Group AG, Switzerland which has an interest rate of 3.518%. The Company has used this loan in combination with available cash within the Company for the bond buy back transaction in December 2023. The loan matured on the bond maturity date in December 2024.

The interest payables to Group companies as per December 31, 2023 of EUR 108,573 relate to the interest accrued and not yet paid on the above mentioned loan.

The other payables to Group companies as per December 31, 2024 of EUR 2,154,052 (2023: EUR 2,337,262) relate to the accrued guarantee fee that the Company needs to pay to Adecco Group AG, Switzerland who acts as the guarantor for the bond holders.

The maturity of all payables to Group companies is within one year.

13. Interest payables to third parties

The interest payables to third parties of EUR 8,288,254 (2023: EUR 6,285,710) relates to the interest accrued and not yet paid on the fixed rate bonds (coupon). The amount of interest payables to third parties increased due to another mix of bonds (bond matured in 2024 and a new bond has been issued) which is net resulting in a higher accrued interest amount. The coupon on the bonds is each year paid in March, August, September, October and November. The maturity of interest payables to third parties is within one year.

14. Other payables

The amount of other payables 2024 is EUR 295,075 and relates to accrued expenses on (interim) audit 2024 fees and for issuance fees for the bond issued in October 2024 for which not all invoices have yet been received in 2024. The amount of other payables 2023 is EUR 297,584 and relates to accrued expenses on tax consultancy services, (interim) audit 2023 fees and bond buy back fees (banking- and legal fees). The maturity of other payables is within one year.

15. Financial income

The financial income can be detailed as follows:

	2024 EUR	2023 EUR
Interest income from Group companies	37,625,481	37,513,495
Other financing income *	-	1,622,079
Interest and similar income	-	-
Foreign exchange gain	4,314	7,203
Financial income	**37,629,795**	**39,142,777**

** For 2023 the other financing income relates to the bond buy back @ 97.671%.*

16. Financial expenses

The financial expenses can be detailed as follows:

	2024 EUR	2023 EUR
Amortization discount and fees	(3,571,927)	(3,719,550)
Other financing fees *	(428,370)	(685,467)
Interest and similar expenses	(31,800,660)	(32,280,867)
Interest expense from Group companies	(1,521,438)	(108,650)
Financial expenses	**(37,322,395)**	**(36,794,534)**

** The other financing fees relate to general costs for financial instruments which are not part of the costs at issuance of the financial instrument as well as fees related to the bond buy back (2023: EUR 265,773).*

17. General and administrative expenses

The general and administrative expenses of 2024 (EUR 264,191) increased by 11.5% compared to 2023 mainly linked to inflation, increased (interim) audit expenses offset with less unrecoverable VAT expenses.

18. Employees

The Company had no personnel in 2024 (2023: nil), but staff costs are being recharged from Adecco Holding Europe, Netherlands and Adecco Support, Netherlands for board (2024: EUR 67,536 and 2023: EUR 70,194), accounting and legal support where the staff is officially under contract. This internal recharge is reported in the income statement as part of the general and administrative expenses.

19. Related party transactions

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

a) Loans granted to Group companies are EUR 2,167,523,011 (2023: EUR 1,873,690,185). The related accrued interest receivables are EUR 12,855,078 (2023: EUR 9,972,991) and are disclosed in notes 4 and 5. In note 6 the current account with Group company (cash pool) is disclosed for an amount of EUR 1,069,836 asset (2023: EUR 930,229 asset). In 2024, the management has assessed that no impairment loss needs to be recognized during the year (2023: nil).
b) As of December 31, 2024, the balance of loans obtained from Group companies is nil (2023: EUR 46,293,333 with an accrued interest payable of EUR 108,573). This is disclosed in note 12.
c) As of December 31, 2024, the balance of other payables to Group companies is EUR 2,154,052 (2023: EUR 2,337,262) and is disclosed in note 12. The amount relates to the guarantee fees to be paid to Adecco Group AG, Switzerland.
d) Interest income from Group companies (financial income) is EUR 37,625,481 (2023: EUR 37,513,495) and is disclosed in note 15.
e) In 2024, a guarantee fee (financial expenses) of EUR 7,485,667 (2023: EUR 7,977,286) is charged by Adecco Group AG, Switzerland for the underwriting of the bonds. This is disclosed in note 16 in the interest and similar expenses.
f) Interest expense from Group companies (financial expenses) is EUR 1,521,438 (2023: 108,650) and is disclosed in note 16.
g) Recharged staff and office expenses from Group companies is EUR 113,100 (2023: EUR 113,166) and is disclosed in note 17.

20. Fair value non-derivative financial instruments

The following table shows the carrying value and the fair value of non-derivative financial instruments as of December 31, 2024 and 2023.

	31-12-2024 EUR	31-12-2024 EUR	31-12-2023 EUR	31-12-2023 EUR
	Carrying value	*Fair value*	*Carrying value*	*Fair value*
Non-current assets				
Long-term loans to Group companies	2,167,523,010	2,020,020,399	1,873,690,185	1,712,019,269
Current assets				
Short-term loans to Group companies	19,500,000	19,556,424	494,560,000	486,067,315
Interest receivables from Group companies	12,855,078	12,855,078	9,972,991	9,972,991
Current account with Group company	1,069,836	1,069,836	930,229	930,229
Other receivables	12,468	12,468	3,710	3,710
Cash	2,118	2,118	1,484	1,484
Non-current liabilities				
Long-term debt, less current maturities	2,178,533,017	1,999,704,733	1,881,747,038	1,666,065,939
Deferred Tax Liabilities	593,327	593,327	862,083	862,083
Current liabilities				
Long-term liabilities - current portion	-	-	429,740,594	419,878,208
Short-term loans from Group companies	-	-	46,293,333	46,348,450
Interest payables to Group companies	-	-	108,573	108,573
Interest payables to third parties	8,288,254	8,288,254	6,285,710	6,285,710
Other payables to Group companies	2,154,052	2,154,052	2,337,262	2,337,262
Other payables	295,073	295,073	297,584	297,584

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

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

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

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

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

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

21. (Non-) Audit fees and tax related services fees

The following fees were expensed for (non-) audit and tax related services:

	2024 EUR	2023 EUR
Audit of the financial statements	62,500	49,500
Other audit fees	-	-
Tax-related advisory and compliance services	40,878	45,047
Other non-audit fees	-	-
Total	**103,378**	**94,547**

The fees mentioned in the table for the audit of the financial statements 2024 EUR 62,500 (2023: EUR 49,500) relate to the total fees for the audit of the financial statements 2024 (2023), irrespective of whether the activities have been performed during the financial year 2024 (2023).

22. Remuneration of the Board of Directors

The members of the Board of Directors did not receive remuneration in 2024 (2023: nil) in their capacity as Directors of the Company.

23. Cross border listings

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

24. Subsequent events after balance sheet date

Between the balance sheet date and the date of approval of the financial statements 2024 the Company issued commercial papers for a nominal value of EUR 560 million of which EUR 145 million is open per May 9, 2025 (to mature in Q2 2025). Related to this short-term loans to Group companies have been issued following the maturity date and interest rate of the commercial papers including a renumeration for the Company.

May 9, 2025
The Board of Directors

Vidya Sagar Gannamani

Femke Hellemons

Marissa van der Werf

Coram Williams

OTHER INFORMATION

Appropriation of result

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

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

The net result of the year 2023 (EUR 450,500) has been transferred to the other reserves in 2024 based upon the decision of the General Meeting of Shareholders as taken in 2024.

Auditor's report

See next page.

Independent auditor's report

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

Report on the audit of the financial statements 2024 included in the annual report

Our opinion

We have audited the financial statements 2024 of Adecco International Financial Services B.V. based in Zaltbommel.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Adecco International Financial Services B.V. as at 31 December 2024 and of its result for 2024 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements comprise:
- the balance sheet as at 31 December 2024;
- the income statement for 2024; and
- the notes comprising a summary of the accounting policies and other explanatory information.

Basis for our opinion

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

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

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

Information in support of our opinion

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

Materiality
Based on our professional judgement we determined the materiality for the financial statements as a whole at € 22,000,000. The materiality is calculated as 1% of the total assets, which we consider to be the principal considerations for users of the financial statements in assessing the financial performance of the Company. We have also taken into account misstatements and/or possible misstatements that in our opinion are material for the users of the financial statements for qualitative reasons.

We agreed with the Board of Directors that misstatements in excess of € 1,100,000 , which are identified during the audit, would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

Audit approach going concern
The financial statements are prepared on the basis of the going concern assumption, which assumes that Adecco International Financial Services B.V. will continue to operate as a going concern for the foreseeable future. As explained in the section 'Going concern' on page 19 of the financial statements, the Board of Directors has carried out a going concern assessment and has not identified any events or circumstances that may cause reasonable doubt on the entity's ability to continue as a going concern (hereinafter: 'going concern risks').

Our procedures to evaluate the going concern assessment of the Board of Directors include:
- considered whether the board's going concern assessment contains all relevant information that we have knowledge of and inquired the board on key assumptions and estimates;
- reviewing management's plans and financial forecast to identify any mismatches in the timing of cash flows related to the financial instruments that would lead to liquidity gaps;
- determining the impact of the results of the audit procedures performed on the valuation of loans granted to related parties on the ability of the Company to repay the related financial obligation;
- considering that parent company guarantees all of the bonds issued by the Company and provided a comfort letter to the Company, we analysed the consolidated financial statements of the parent company for any indicators of financial distress by reviewing any significant changes in the financial position, key ratios and cash flows;
- we examined relevant news articles and publicly available information on macroeconomic updates, industry developments and company-specific events that would have potential adverse effect on the performance and financial position of the Company. Obtained information from the board about its knowledge of going concern risks beyond the period of the going concern assessment carried out by the board.

Our audit procedures indicated that the going concern assumption used by the board is appropriate and no going concern risks have been identified.

Audit approach fraud risks and non-compliance with laws and regulations

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

We refer to section "Reporting and Non-Compliance risks (fraud and irregularities)" on page 9 of Board of Directors' report and page 26 of the financial statements in which among other is described the Company has put in place internal controls like a four eye principle control on payment authorization and approvals as well as only dealing with reputable banks that comply with laws and regulations on money laundering and terrorist financing.

We evaluated the design and relevant aspects of the system of internal control and in particular the fraud risk assessment, as well as among others the code of conduct of Adecco Group including the whistle blower procedures and incident registration. We evaluated the design and the implementation of internal controls designed to mitigate fraud risks. We have communicated deficiencies in internal control in writing to management.
As part of our process of identifying risks of material misstatements of the financial statements due to fraud, we evaluated fraud risk factors with respect to fraudulent financial reporting, misappropriation of assets and bribery and corruption. We evaluated whether these fraud risk factors indicate that a risk of material misstatement due fraud is present.

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

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

The fraud risks identified by us and the specific procedures performed are as follows:

MANAGEMENT OVERRIDE OF CONTROL	
Description:	Management is in a unique position to perpetrate fraud because management is able to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Therefore, in all our audits, we pay attention to the risk of management override of controls for: ▶ journal entries and other adjustments made throughout the year and during the course of preparing the financial statements; ▶ estimates and estimation processes; ▶ significant transactions outside the ordinary course of business. In this context, we paid particular attention to a possible misstatement relating to important judgment areas and significant accounting estimates related to the valuation of the loans, issued to group companies as disclosed in Note 4 of the financial statements.
Our audit approach and observations:	We: ▶ evaluated the design and existence of internal control measures in the processes for generating and processing journal entries and making

	estimates, assuming a risk of management override of controls of that process; ▶ assessed the process surrounding the preparation of financial statements; ▶ selected journal entries based on risk criteria, such as manual journal entries. We performed audit procedures on these journal entries, in which we also paid attention to significant transactions outside the ordinary course of business; ▶ investigated all manual journal entries for interest income above our clearly trivial threshold. We have determined that the amounts of the journals reconcile to the amounts as included in the signed loan contracts with the counterparty. Additionally we verified that the actual cashflows over the bank for interest income reconciles to the contract details; ▶ performed audit procedures on significant estimates, which mainly consists of the valuation of the loans issued to group companies as disclosed in Note 4 of the financial statements. We also refer to our procedures regarding the valuation of loans as included in the key audit matter.

THE RISK OF FRAUDULENT FINANCIAL REPORTING DUE TO MANUAL REVENUE POSTINGS	
Description:	Based on our professional standards, we recognize an presumed fraud risk regarding revenue recognition. Based on our risk analysis, we do acknowledge an increased (fraud) risk in manual revenue postings
Our audit approach and observations:	The company has only one type of simple revenue-generating transactions where the amounts are easily traceable to the underlying contracts. ▶ We have analyzed all manual journal entries for interest income above our threshold. We determined all these journals for the interest income reconcile with the amounts according to the contract details of the loans. Our audit procedures did not reveal any specific indications of fraud or suspicions of fraud in respect of management override of controls, potentially resulting in material misstatements.

Our key audit matters

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

INCORRECT VALUATION OF LOANS AND RECEIVABLES TO GROUP COMPANIES	
Description:	The Company is exposed to credit risk on loans to group companies. We considered the valuation of these loans as a key audit matter due to the size

	of the portfolio and due to the fact that non-performance on the loans may lead to impairment losses that have a negative impact on the income statement. Judgement arises in the assessment whether there is objective evidence that a loan is impaired and in the determination of the impairment loss. The bonds are being guaranteed by Adecco Group AG (which are related to the loans to Group companies.) Based on the impairment assessment performed by the Board of Directors, the Board of Directors concluded that no objective evidence exists that a loan is impaired and as a result no impairment loss was recognized.
Our audit approach:	Our audit procedures in relation to the valuation of the loans included: ▶ an examination of the impairment analysis methodology applied by the Board of Directors and consistency of the methodology applied per counterparty; ▶ inspecting the loan agreements entered into between the company and the loan counter parties; ▶ inspecting the agreement with guarantor Adecco Group AG; ▶ inspecting the financial statements as per 31 December 2024 of Adecco Group AG; ▶ inspecting the Q3 2024 and Q4 2024 quarterly reports of Adecco Group AG; ▶ inspecting the financial statements as per 31 December 2024 of Akkodis Group AG; ▶ inspecting the comfort letter from Adecco Group AG; ▶ an analysis of the completeness of the identified impairment triggers by challenging the fair values determined by the Board of Directors; ▶ reviewing news articles on Google, Bloomberg and Reuters of the loan counter parties; ▶ evaluating the information derived from credit rating agencies: Moody's and S&P; ▶ reviewing the market values of the outstanding bonds; ▶ Searching and evaluating the information for investors on the website of Adecco Group AG; ▶ evaluating the stock price development of Adecco Group AG; ▶ discussing the recent developments in the financial position and the cash flows of Adecco Group AG with the Board of Directors; ▶ assessing the adequacy of disclosures in the financial statements related to the loans issued to Adecco Group AG.

Report on the other information included in the annual report

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

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

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

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

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

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

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

Report on other legal and regulatory requirements

Engagement

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

No prohibited non-audit services

We have not provided prohibited non-audit services as referred to in Article 5(1) of the EU Regulation on specific requirements regarding statutory audit of public-interest entities.

Description of responsibilities regarding the financial statements

Responsibilities of Board of Directors for the financial statements

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

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

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

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

Our responsibilities for the audit of the financial statements

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

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material misstatements, whether due to fraud or error during our audit.

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

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

- identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors;
- concluding on the appropriateness of the Board of Directors use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern;
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

In this respect we also submit an additional report to the audit committee in accordance with Article 11 of the EU Regulation on specific requirements regarding statutory audit of public-interest entities. The information included in this additional report is consistent with our audit opinion in this auditor's report.

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

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

Amstelveen, 9 May 2025
For and on behalf of BDO Audit & Assurance B.V.,

Sgd.

W. J. P. Hoeve RA

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