THE ADECCO GROUP

TAX TRANSPARENCY REPORT 2023

Making the Future Work for Everyone

Making the Future Work for Everyone

Contents

Making the Future Work for Everyone

Throughout 2023, the Adecco Group has continued to take market share, demonstrate strong performance and create value for both our stakeholders and society.

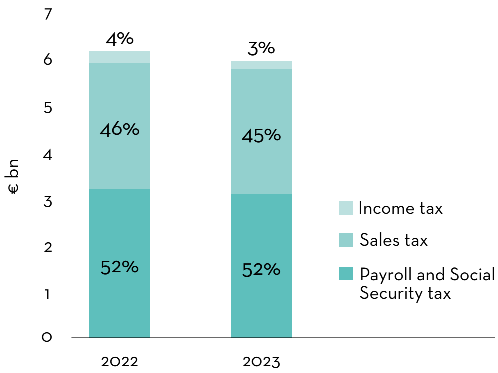
These latest results mean that The Adecco Group has contributed approximately €28bn in taxes over the last five years which go towards powering critical public services across more than 60 countries.

Payroll, social security tax and sales tax continue to be our most significant tax contributions. In this report you will be able to find more details of the taxes we pay, in which countries, as well as our tax principles that we apply to ensure we pay our fair share and operate in the spirit of tax regulations.

In a year marked by economic and geopolitical changes the Adecco Group's purpose "Making the future work for everyone" continues to be more relevant than ever. I take particular pride in the Group's achievements in aiding marginalised and vulnerable members of society, our commitment to transparency in operations, and the dedicated teams working behind the scenes for the betterment of the Group and society.

Coram Williams
Group Chief Financial Officer

Tax paid (€bn)



2023	€6.0bn
2022	€6.2bn
2021	€5.4bn
2020	€4.7bn
2019	€5.8bn
Total	**€28.1bn**

The Adecco Group: Who we are

At the Adecco Group, our purpose – to make the future work for everyone – inspires and connects us all.[1] We enable sustainable and lifelong employability for individuals, deliver digital and engineering solutions to power the Smart Industry transformation and empower organisations to optimise their workforces. The Adecco Group is committed to creating an inclusive culture, fostering sustainable employability, and supporting resilient economies and communities.

2023 At a Glance

38,000
Company-based FTEs (approx.)

180,000
FTEs when including tech experts and bench associates (approx.)

€23,957m
Revenue

€4,969m
Gross profit

€632m
Operating income

€507m
Income before taxes

€6bn
Total tax contributions

GLOBAL BUSINESS UNITS (GBU) AND SERVICE LINES

ADECCO

Adecco is a global leader in workforce solutions, offering flexible placement, permanent placement, outsourcing and managed services across all sectors.

In 2023, the Adecco GBU contributed 77% of Group revenues and 65% of Earnings Before Interest, Tax and Amortisation ("EBITA"). Its largest segments are France and Southern Europe & EEMENA[2].

Service lines: FP PP OC TR

AKKODIS

After the acquisition of AKKA and its combination with Modis in 2022, the GBU of Akkodis powers the Smart Industry transformation globally with digital and engineering services across Consulting, Solutions, Talent and Academy.

Akkodis contributed 15% of Group revenues and 22% of EBITA in 2023.

Service lines: OC FP TR

LHH

LHH helps future-proof organisations and careers by building the right capabilities, delivering talent advisory services and enabling workforce transformation.

In 2023, LHH represented 8% of Group revenues and 13% of EBITA.

Service lines: CT TR PP FP

[1] In this report, the Adecco Group is defined as Adecco Group AG and its consolidated subsidiaries, consistent with the definition used in our Annual Report 2023.
[2] Eastern Europe, Middle East & North Africa

Our Five Service Lines

We report our performance by service line which are summarised below.

FP

Flexible Placement
We place associates with organisations on a temporary basis, providing flexibility to employers and new opportunities to candidates. We manage the entire recruitment process from candidate search and screening, through onboarding and training, to payroll and administration. Associates are employed by the Group while on assignments, which often run consecutively to provide continuous employment. In some countries, associates are employed by the Adecco Group on a permanent basis and seconded to clients.

PP

Permanent Placement
We help employers to recruit talent for permanent roles, securing the skills needed for an organisation's ongoing success. We source candidates, screen CVs, conduct interviews and assessments, and advise hiring managers. We have access to a wide range of talent, including hard-to-reach professionals who are not actively looking for a new job.

CT

Career Transition
We support organisations and their employees through changes that require individuals to transition out of their existing roles. Through our expert coaching and training, we help individuals find new opportunities both within and outside their existing company, ensuring positive outcomes for all. Our LHH Career Transition business is the global leader in its market.

OC

Outsourcing, Consulting & Other Services
We also offer a full spectrum of complementary HR solutions, including: Outsourcing – staffing and managing the entirety of a labour-intensive activity, such as warehouse logistics or IT support; Consulting – providing technical experts for project-related work; Managed Service Programmes ("MSP"s) – managing all parts of the flexible workforce at organisations using a large number of contingent workers; and Recruitment Process Outsourcing ("RPO") – handling the entire hiring process for employers recruiting large numbers of permanent employees.

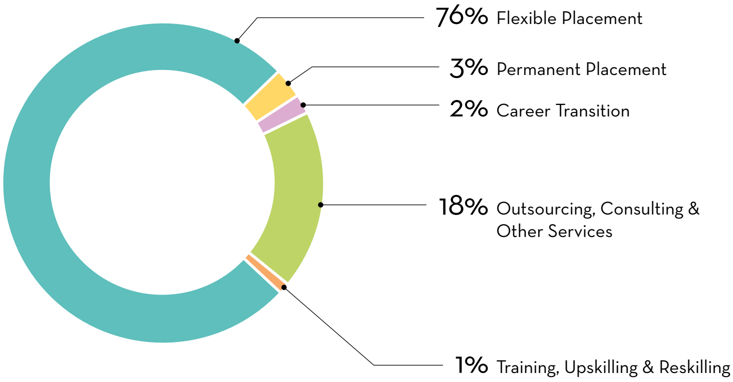
TR

Training, Upskilling & Reskilling
We offer training, up-skilling and re-skilling both as standalone services and in combination with other solutions, such as placements or as part of a broader workforce transformation offering. Adecco is a leading provider of work-based training. Our General Assembly brand is a leader in up-skilling and re-skilling in high-demand digital skills, while our Akkodis Tech Academy offers candidates the opportunity to upskill in technology and digital engineering-related fields to increase their employability and to create a supply of in-demand candidates for our clients.

Our Revenue and Geographical Presence

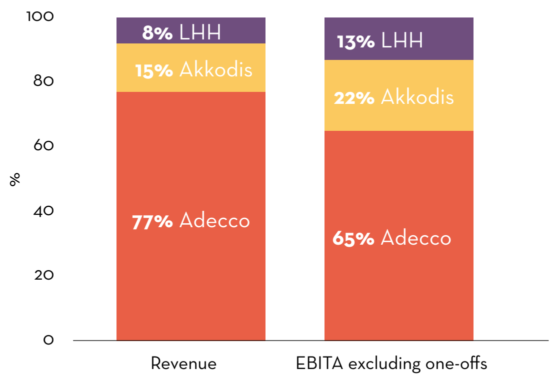
Group revenue by service line

In our Annual Report 2023, revenues are reported by service line. The flexible placement service line makes up more than three quarters of our revenue.



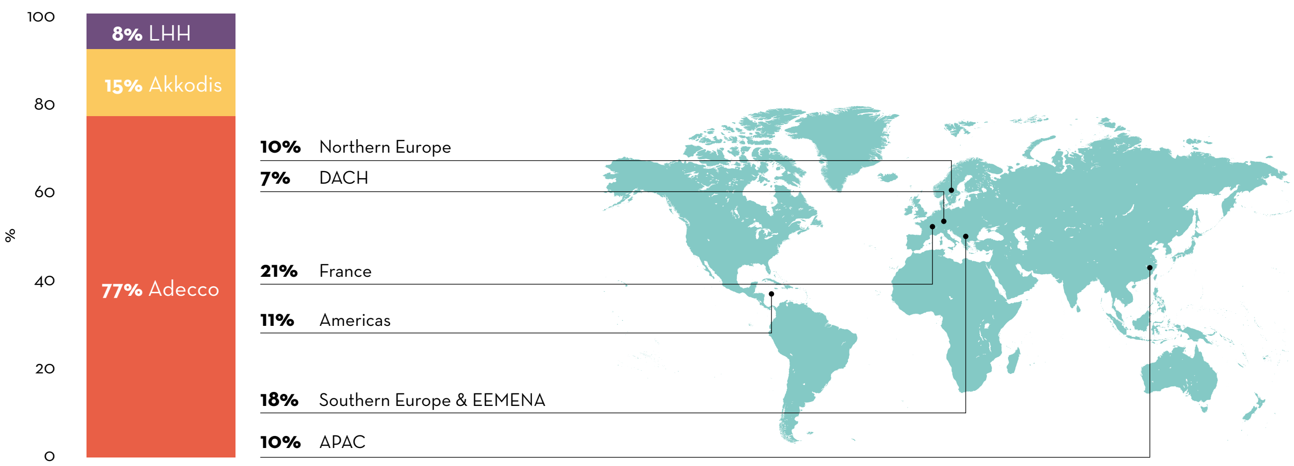
Group revenue and EBITA (excluding one-offs) by segment[1]

The Group reports revenues and Earnings Before Interest, Taxes & Amortisation ("EBITA") before one-offs for Adecco, LHH and Akkodis. Adecco is the largest segment, making up 77% of the Group revenue and 65% of Group EBITA before one-offs.



Our geographical presence

The Group reports revenues and pays tax in the countries where we operate and value is created. You can see in this chart the revenue that is disclosed by segment in our 2023 Group Annual Report. Taken together, the Adecco segments in Europe make up more than half of our revenue. Adecco France is our largest standalone segment by revenue.



[1] Excludes EBITA before One Offs allocated to Corporate

Our History: Roots to the Future

Adecco Group AG is the parent company and head office of the Adecco Group. It is a stock corporation (Aktiengesellschaft) organised under the laws of Switzerland with its registered office in Zürich, Switzerland. Adecco Group AG is listed on the SIX Swiss Exchange (symbol ADEN).

We can trace our roots back to the original Adia business, which was founded in Lausanne, Switzerland, in 1957. Adia expanded throughout Europe during the 1960's through acquisitions, and in the 1970's took a first step overseas.

Today we continue to have significant operations in Switzerland generating unrelated party revenue of around EUR 0.5bn[1] and with more than 7,000 FTEs.

The Ecco Group began in 1964 as a single operation in Lyon, France. By 1995, Ecco had become an international company with branches in 32 countries offering temporary placement, permanent recruitment, limited tenure, fixed-term contracts and the provision of payroll-related services. Ecco was a major personnel service company in Europe and Latin America. It was also the market leader in France.

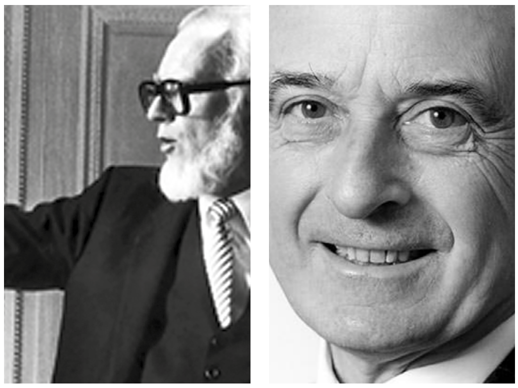
In August 1996, the Adia Group merged with the Ecco Group, with Adia S.A. being the surviving company. In connection with the merger, Adia S.A. changed its name to Adecco S.A. (now known as Adecco Group AG). With the merger of these two multinational providers of staffing services, the Adecco Group became one of the world's largest staffing services companies, operating in 60 countries with leading position in Europe, North America, Asia/Pacific and Latin America.

Starting in January 1997, all offices previously operating under the names Adia or Ecco were renamed Adecco. The rebranding was completed by March 1997.

2021 marked the first year of the Group's new strategy, Future@Work. This vision to transform the business will enable the Adecco Group to meet the demands of a changing world and support the purpose of making the future work for everyone.

In 2022, the Group completed the acquisition of the AKKA Group, a leader in engineering R&D services. AKKA was combined with Modis, the Adecco Group's high-tech services business, to form Akkodis.

1996
Adia + Ecco =
Adecco



Adia is founded 1957 by Henri Lavanchy,
Ecco 1964 by Philippe Foriel Destezet

[1] Unrelated party revenue defined by OECD for Country by Country Reporting

Our Head Office Services: For the Success of the Group

Adecco Group AG plays a pivotal role in the success of the Group. As well as the typical functions provided by a listed parent company, such as governance, strategy and investor relations, the key services provided by the head office include the following:

Management services

To be successful in highly competitive markets, our local businesses focus on their core competencies, i.e. provision of the highest level of services at competitive prices. To best achieve this, our local businesses outsource corporate functions to the head office. Our head office employs highly specialised personnel, develops more efficient organisation models and optimises the allocation of resources.

Trademark development, enhancement, maintenance, protection and exploitation

Branding is important for clients and candidates in the staffing business. Strong trademarks have a competitive advantage and signify better quality standards and procedures. Having well-known brands with a global network allows us to establish sales agreements and alliances with large national & global clients. Clients appreciate a single point of contact with a Group whose global footprint is able to coordinate and implement their projects in all countries. Uniformity of service provision and standardised work procedures are valuable for the Adecco Group. This concept is understood and appreciated by clients. It stands for a guaranteed level of service provision served globally. The continued success of our business and branding also depends in part on our ability to offer attractive conditions and consecutive assignments to attract and retain skilled & qualified candidates.

IT strategy and governance

Our IT strategy model enables the Group to be more responsive and better serve business priorities in the markets. There is clear accountability for meeting business needs and at the same time ensuring strong global IT governance. The global solutions and services are managed efficiently from the head office.

Digital ventures

The Adecco Group believes in the potential of digital. Our head office digital team scours the HR tech landscape for promising ideas and partners. Through a combination of internal ventures, partnerships and targeted M&A, the Group has built a portfolio of digital ventures that leverage the best of HR solutions and the best of tech. They can drive productivity and create innovative new tools that allow us to upgrade existing solutions, expand our reach into addressable markets and create more value for both companies and individuals. Adecco Group AG is responsible for the strategic vision in developing and maintaining these digital ventures for the Group.

Financing

The head office has a centralised treasury function that undertakes various activities including the provision of funding for the local businesses. Adecco Group AG uses its economic power and strength to raise financing from external sources which is then provided to its subsidiaries to fund working capital requirements, acquisition projects and other corporate requirements.

Our Tax Principles

Our purpose is to make the future work for everyone.
We believe that contributing to public finances through paying taxes responsibly is an integral part of achieving our purpose and one of the ways we support the economic and societal development of our markets worldwide.

As a global business, we have established the following tax principles to consistently apply our approach to taxation matters across our organisation. These principles apply to payroll & social security tax, transaction tax (which includes sales tax) and income tax.

1

We comply with all relevant tax laws, regulations and tax reporting requirements in all jurisdictions in which we operate. We file tax returns on time (or within granted extension deadlines) and remit tax payments on time in accordance with local law.

2

We report revenue and pay taxes on profits in the countries where we operate and where value is created, with related party transactions priced in accordance with arm's length principles.

3

We do not engage in artificial tax-driven structures and transactions, but instead seek to comply with both the letter and spirit of applicable tax laws.

4

We seek to achieve favourable tax outcomes for us where a legitimate choice exists.

5

Our relationships with tax authorities are based on trust, mutual respect, transparency, collaboration and compliance.

6

Our tax professionals or external advisors are appropriately qualified, trained and/or experienced.

Definitions of Taxes and Tax Contributions

Payroll & social security tax

We define **payroll tax** as any tax levied directly on the pay of colleagues, associates and consultants for which a Group company has deduction at source (withholding) or reporting obligations. **Social security tax** is defined as separate levies applied to the pay of colleagues, associates and consultants to cover payments in respect of national insurance, welfare, health, social policies and alike, for which a Group company has employer contributions, deduction at source (withholding) or reporting obligations.

Payroll & social Security tax contributions

Our payroll & social security tax contributions are defined as amounts recorded in the income statement, whether paid to the government or directly to the non-government insurance company. The income statement amount is not materially different to the actual amounts paid in the year, though there may be some small differences as a result of payments falling due after the year end. Amounts are net of any government subsidies or credits. Our tax contributions exclude deductions at source (withholding) that we paid on behalf of our employees.

Transaction tax

We define transaction tax as taxes levied directly on transactions undertaken by an Adecco Group company, for which it has reporting obligations. Examples can include but are not limited to VAT, GST, sales/use tax, stamp duties and capital taxes. There may also be other transaction taxes particular to individual jurisdictions which are also covered by this.

Sales tax contributions

Our sales tax contributions are defined as sales tax, VAT and GST paid by us during the year to the tax authorities. Stamp duties, capital taxes or real estate transfer taxes are excluded as they are not material to the overall tax contributions.

Income tax

We define income tax (also known as direct tax) as domestic and foreign federal (national), state and local (including franchise) taxes based on income. Minimum taxes and withholding taxes are considered income taxes.

Income tax contributions

Our income tax contributions are defined as income taxes paid by us during the year to the tax authorities.

Tax Governance and Risk Management

Our approach
Our approach to tax is embedded throughout our organization. Tax governance and risk is considered at the highest level. The Audit Committee of the Board ("Audit Committee") receives quarterly tax updates from the Group Head of Tax and tax matters are a regular agenda item at their meetings. Under our tax governance framework, we operate a Group-wide tax compliance policy covering transaction tax, payroll & social security tax and income tax. This policy is approved by the Board of Directors. Responsibility for adherence to the policy lies with the Head of Finance of each reporting unit.

Processes for identifying, measuring, managing and reporting key risks are in place throughout the Group and are assessed and monitored under our Group internal control and audit procedures. The Group Internal Audit function's authority is granted by the Board of Directors. Their responsibilities are defined by the Audit Committee. These include determining whether the network of risk management, control and governance processes is adequate and functioning in an effective and efficient manner.

Group Internal Audit report significant issues related to tax processes to the Audit Committee. The Audit Committee receives reports on the status of significant findings, recommendations as well as management's responses and their implementation status. The Audit Committee meets regularly (11 times in 2023).

In addition, as part of the annual closure of our US GAAP consolidated accounts, we ensure all taxes are identified and accounted for.

Our Group Tax team has regular scheduled calls with our reporting unit Heads of Finance and / or Regional Tax Managers, embedding adherence to our tax principles and governance into the culture of our organisation. This includes identification, management and monitoring of tax risks. We have structured agendas to collaboratively discuss the latest developments, share knowledge and best practice and provide training / coaching. These discussions ensure our actions are consistent with our tax principles.

Maintaining the highest standards of ethical conduct and ensuring we meet our legal obligations are central to the Group's sustainable success. In 2023, our new Code of Conduct was officially launched. It sets out our standards for doing business in the right way, by acting with integrity and conducting our business sustainably and responsibly to positively impact society. This commitment extends to our financial transactions, such as our approach to paying taxes.

All Adecco Group colleagues were assigned a new mandatory Code of Conduct e-learning course to complete and were requested to sign a Code of Conduct attestation, confirming that they understand, accept, and comply. Each new colleague joining is automatically enrolled both in the mandatory training and the attestation process as part of their

onboarding. To help every colleague do the right thing when making business decisions, our resource hub helps colleagues and leaders access additional content including links to relevant policies, examples of expected behaviour, and FAQs.

Our Code of Conduct is publicly available and can be found on our website at → adeccogroup.com/our-group/about-us/code-of-conduct.

We encourage and count on our people to raise any concerns they have relating to potentially improper business conduct and report any actual or suspected misconduct through the relevant channels as outlined in the Code of Conduct. Doing so enables us to support the fair and consistent enforcement of our rules and take action to prevent further inappropriate behaviour, ensuring our practices are in line with our values and ambitions for responsible business conduct.

Concerns can be raised through various channels, around the clock, including anonymously. For example, they can be raised through management, our global network of integrity and compliance officers, or our 24-hour reporting tools (hotline and website). For further details, please see the "Leading with integrity and compliance" section of our Annual Report 2023.

Relations with audit, tax and law firms

Our teams have a deep knowledge and expertise in the tax arena. For a better understanding of new tax regulation, complex tax compliance, important projects with a potentially significant tax impact and tax audit / litigation, we may also engage external tax advisors.

We also ensure that external tax advisors are independent from our external financial auditors.

Relations with investors

We focus on providing transparent and consistent information and interactive communication to our investors. We listen to their views concerning taxes, such as transparency and governance, and factor their expectations into our approach. We promptly reply to any specific correspondence from investors to provide them with additional insight into our approach to tax.

Relationship with tax & other public authorities

Our relationships with tax and other public authorities are based on the principles of trust, mutual respect, transparency, collaboration and compliance.

Our approach to tax, including strategy, governance and transparency takes into account the latest views of these organisations.

By communicating in a transparent way, we work towards fostering mutually constructive and open relationships with public authorities and also with the purpose of reducing the risk of challenge and dispute.

We are dedicated to accurate and timely responses to requests from public authorities. We also seek to remove uncertainty and financial risk by entering into tax audit programmes or advanced agreements with tax authorities where necessary. We may provide our opinion when given the opportunity in public consultations in respect to taxation, typically to assist in developing clear effective tax law. Details of our approach to advocacy can be found on our website → adeccogroup.com/our-group/about-us/public-affairs, where we also include the public affairs principles and guidelines. We do not specifically advocate on taxation.

Tax audits and litigation

Tax audits are a common standard procedure that occur periodically. Our local business units communicate internally to the Group Tax department any official communication they receive from local tax authorities initiating tax audits. We collaboratively compile information, drawing on both internal and external expertise, to support our position.
We act in good faith, in a spirit of mutual respect to facilitate the process of tax audits by responding to questions raised and providing information via our local businesses in line with our interpretation of local legislation. We value compliance and transparency while ensuring security and confidentiality of shared documentation.

Defending our interpretation of tax laws may eventually lead to litigation to uphold the best interests of our stakeholders. Litigation is the last resort should a dispute arise between us and the tax authorities. It usually arises from law ambiguity in terms of content or intent, differences in tax law interpretation and / or developments in case law.

In these cases, country specific judicial systems and their corresponding steps for tax litigation are carefully consulted and adhered to. We prepare detailed documentation coupled with supporting evidence that will enable us to defend our position drawing on our internal knowledge and external expertise for the whole duration of the judicial process.

For matters that are covered by a tax treaty between countries, we may pursue a Mutual Agreement Procedure ("MAP") where available under the articles of the treaty. This applies where the actions of one or both countries result in taxation not in accordance with the treaty. The aim of the MAP is to have the respective tax authorities come together to try to eliminate double taxation.

Transfer Pricing for Intra-Group Services

Intra-Group services
An intra-Group service is between Group affiliates. For the Adecco Group, it consists mainly of services, financing arrangements and rights to intellectual property (hereinafter referred together as "services").

The Group arranges for a wide scope of services to be available to its businesses around the world, in particular administrative, technical, and financial services. The cost of providing such services may be pooled initially at the parent level, at designated Group members ("service centre"), or other Group members. It is in the interests of the Group to provide intra-Group services efficiently, minimising costs and leveraging knowledge where possible.

The Group attracts multinational clients that operate in many jurisdictions. These clients appreciate that the Group has a global footprint and we provide uniform standardised work procedures in how we serve them globally. Often, these clients wish to contract with a single Group entity to supply services globally, which requires intra-Group services to be performed.

Arm's length pricing
Group pricing is in-line with the arm's length principle, meaning the price charged between two related parties should be the same as the price charged between two unrelated parties.

Pricing methodology
The two key transfer pricing methods widely applied are:

→ Comparable Uncontrolled Price ("CUP") method: compares price for services between affiliates to price charged with or between unrelated parties; and

→ Transactional Net Margin Method ("TNMM"): compares net profit margin (relative to costs) of an affiliate with net profit margins realised by unrelated parties from similar arrangements.

Economic analysis
The service provider must be able to demonstrate that intercompany services are correctly priced by providing support to the transfer pricing method applied:

→ CUP – internal and/or external comparable benchmarks.
→ TNMM – cost basis, allocation key, mark-up percentage (comparable benchmarks to support mark-up).

Substantiation
Both service provider and recipient must be able to demonstrate that intercompany services have been rendered by the service provider and used and received for the benefit of the service recipient.

Documentation
Our transfer pricing documentation provides details of intra-Group services, which are documents required for compliance and/or tax audit/litigation.

Our documentation:

→ describes the Group's activities and intra-Group pricing policy
→ describes the local entity's activities
→ describes functions performed, assets used/owned, and risks undertaken
→ provides a list of intra-Group services
→ sets out economic analysis to demonstrate that pricing is arm's length (local benchmarking studies are carried out at local level if required by local rules)
→ describes examples of benefits of the relevant intra-Group services rendered and
→ includes legal agreements which formalise intra-Group services.

Our Tax Contributions: More than €28bn over the Past Five Years

2023

€6bn

total tax contribution

The previously outlined tax principles and governance ensure we make the appropriate tax contributions to the respective local governments.

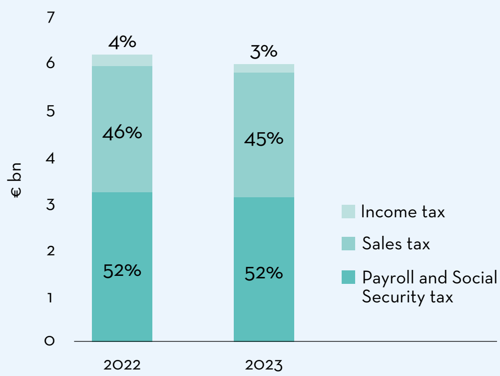
The composition of a business' tax contributions varies from business to business depending on the industry the business operates in and its particular fact pattern. At the Adecco Group, our tax contributions are comprised of different categories of tax: payroll & social security tax, sales tax and income tax.

Over the past five years we contributed over EUR 28bn in payroll & social security tax, sales tax and income tax.

In 2023, our contribution was EUR 6bn. This is broadly in line with 2022, which was impacted by additional payments that were deferred from earlier years under government COVID-19 pandemic relief measures and changes to the Euro foreign exchange rates. The trend since 2020 of increasing tax contributions reflects the organic growth in revenues post COVID-19 pandemic, and the acquisition of the AKKA Group in 2022.

On the following pages, we have identified the key drivers of tax contributions for our business as a global leader in talent and technology expertise for each tax category.

Tax paid (€bn)



2023	€6.0bn
2022	€6.2bn
2021	€5.4bn
2020	€4.7bn
2019	€5.8bn
Total	**€28.1bn**

Key Drivers

Payroll & social security tax

Salary payments are our most significant cost because our flexible placement service line is our largest business, generating 76% of revenue in 2023.

Payroll and social security tax due from the employer (excluding deductions at source that are paid on behalf of colleagues, associates and consultants) are typically based on salaries. As a result of the number of associates, and the total salary costs, our largest category of tax contribution is payroll & social security tax. The amount contributed in 2023, excluding the contributions from our joint ventures, is EUR 3.2bn.

2,000,000+
Associates on assignment every day, including in our joint ventures

474,000
Associates provided with flexible employment every day, excluding joint ventures

38,000
Company based FTEs

180,000
FTEs when including tech experts and bench associates

Sales tax

Most of our sales are to other businesses in the same respective country. We report revenue and costs in all the countries where we operate and, in countries where sales tax is applicable, it is applied to our revenue when we invoice our customers for the services we have provided.

In most sales tax regimes, such as for Value Added Tax ("VAT"), the sales tax payable to the local government is determined as the net amount of sales tax charged on customer revenue and sales tax paid on supplier costs. As we do not incur sales tax on our most significant cost, salaries, our sales tax on revenue is much more than the sales tax we pay on our costs, resulting in a high net payment. Sales tax is one of our largest tax contributions. We contributed EUR 2.7bn in 2023.

€23,957m
Revenue

100,000+
Clients

Income tax

Our gross profit is significantly less than our revenue once the salary costs from the flexible placement service line are taken into account. We then deduct other costs of doing business and arrive at our income before tax amount. This figure is the basis on which taxable profits are determined by applying the relevant tax laws and rates.

Our income tax contribution is therefore significantly less than our other tax contributions. Income tax contributions make up less than 3% of total contributions in 2023. This is because the tax rate is applied to a smaller taxable base amount than the payroll & social security tax and sales tax. We contributed EUR 0.15bn of income tax in 2023.

€507m
Income before taxes

Income Tax ETR

Income tax continues to be a hot topic for society and local governments. Global initiatives, such as the OECD/G20 Inclusive Framework on Base Erosion and Profit Shifting, are designed to ensure large multinational businesses pay their fair share of income tax in the appropriate countries where they operate.

Effective tax rate ("ETR") is a measure of the income tax expense relative to income before taxes, using the figures from the income statement in the annual accounts. This can be used as a way of comparing the tax contributions between businesses, industries and periods of time.

Our global effective tax rate[1] including discrete items is 36% in 2023, 24% in 2022 and 22% in 2021. The ETR is affected by discrete items which may occur but are not consistent from year to year. The most significant impact is from changes to valuation allowances on deferred tax assets.

Our ETR excluding discrete items is 34% in 2023, 36% in 2022 and 28% in 2021. The ETR excluding discrete items is impacted year to year by changes to the earnings mix to and from higher taxed jurisdictions. It is also affected by the relative weight of the French business tax which is based on revenue and not on net income.

ETR (cash tax basis)
We have also calculated our ETR using income tax contributed in the year which we refer to as ETR (cash tax basis). We prefer this version of the ETR as it directly relates to the actual contributions received by the respective governments rather than the amount expensed in the income statement of the annual accounts. Our ETR (cash tax basis) is consistently above the most commonly recognised minimum tax rates (see chart).

The ETR (cash tax basis) varies from year to year, mainly due to the timing of payments and refunds of overpayments. Payments made in any given year may not relate to that respective tax year as the final tax liability is not determined until the tax return is filed, which can be in the next tax year. Payments in advance are often required based on estimations of the final tax liability, based on prior year taxable profits for example. This may also result in under or overpayments that are then paid after the final tax return has been filed.

The ETR (cash tax basis) in 2023 is 29%, 50% in 2022 and 26% in 2021. The high rates in 2022 are a result of tax payments being based on prior year profits. Lower profits in 2022 also has the effect of increasing the ETR (cash tax basis). Tax payments across these years were EUR 146m in 2023, EUR 227m in 2022 and EUR 195m in 2021.

Effective tax rate (cash tax basis)

[1] **Adjustments to income before tax** – The ETR for the Adecco Group and our peer Group is calculated after adjusting income before taxes for any impairments of goodwill in the income statements, respectively. These impairments reduce the income before tax amounts and therefore increase the ETR unless they are adjusted to remove their impact.

[2] **Peer Group** – We used Randstad and Manpower as a peer Group.

[3] **US GILTI rate** – The US GILTI tax is a tax on global intangible low-taxed income. It is intended to prevent erosion of the U.S. tax base by discouraging multinational companies from shifting their profits from the U.S. to foreign jurisdictions with tax rates below U.S. rates. We have used the current rate of up to 13.125% for our comparison.

[4] **US alternative minimum tax** – The Inflation Reduction Act imposes an alternative minimum tax of 15% on businesses in the US satisfying income thresholds. We have shown the agreed 15% minimum tax rate in the ETR chart for reference purposes. However, the tax is applied to the income in the financial statements after a unique set of adjustments to the accounting figures reported and is not directly comparable as it deviates from the standard ETR methodology.

[5] **Minimum global tax rate** – The OECD has published the Global Anti-Base Erosion Model Rules (the "GloBE rules"). We have shown the agreed 15% minimum tax rate in the ETR chart for reference purposes. However, the GloBE ETR calculation requires a unique set of adjustments to the accounting figures reported and is not directly comparable as it deviates from the standard ETR methodology.

Contributions by Region

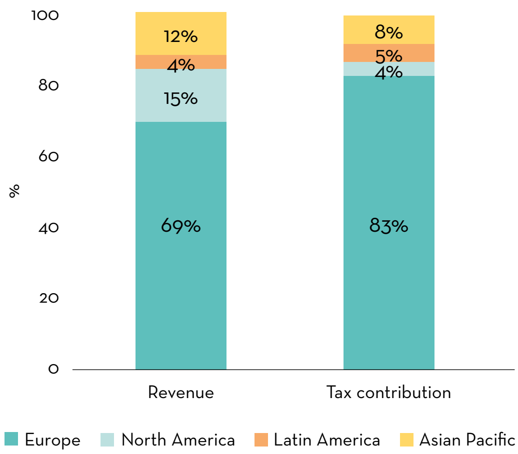
Our total 2023 tax contribution is EUR 6bn. This is comprised 52% from payroll and social security tax, 45% from sales tax, and 3% from income tax. The chart shows revenue and the total tax contribution by region[1].

We are committed to paying tax in the jurisdiction in which value is created in accordance with the arm's length principle. Most of our tax contributions were in Europe, our largest market, and are aligned with the relative size of our geographical footprint.

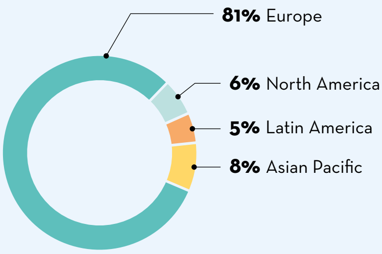
An exception is France, which is responsible for 24% of revenue[1] but accounts for 37% of our total tax contribution. France has a large flexible placement service line which, taken together with the French tax rates for sales tax and payroll & social security tax, results in a high portion of total tax contributions relative to other regions.

In the US, sales tax varies by State. Most US States do not apply sales tax on services. Therefore, the total tax contribution in North America is relatively lower than in Europe.

Revenue and tax contributions by region[1]

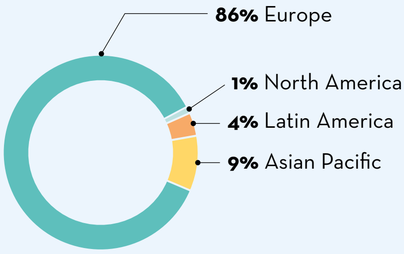


Payroll and social security tax contribution by region[2]



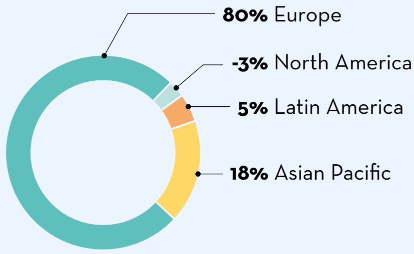
Europe is the largest contributor overall of payroll & social security tax, aligned with the relative size of our geographical footprint. France is the single largest contributor, which is consistent with Adecco France being our largest segment by revenue and having a large flexible placement service line.

Sales tax contribution by region[2]



Sales tax in the US is enacted at a State level. Most US States do not apply sales tax on services. Therefore, North America makes up a relatively small portion of the total sales tax. Similar to payroll and social security tax, France is the single largest contributor due to its large flexible placement service line.

Income tax contribution by region[2]



Europe is the largest contributor overall of income tax, aligned with the relative size of our geographical footprint. North America is negative 3% in 2023 because it received net refunds of tax. These refunds are a result of prior year overpayments in the US and the offset of tax losses against prior year taxable profits in Canada.

[1] Revenue based on data in the Country-by-Country Report. Figures for Europe also include Middle East and Africa due to the small relative business footprint in these regions.
[2] Figures for Europe also include Middle East and Africa.

Other Relevant Tax Developments

Global minimum tax

The OECD Global Anti-Base Erosion Model Rules (the "GloBE" rules) introduce a new global tax system with a unique set of rules that co-exist with current local tax systems for the largest multi-national Groups. The GloBE rules provide for a coordinated system of taxation that imposes a top-up tax on profits arising in a jurisdiction whenever the GloBE effective tax rate is below the minimum 15% rate. This rate is determined by applying specific adjustments required by the GloBE rules and is applied on a country basis rather than legal entity basis.

The combination of new complex rules, new data requirements, limited guidance and inconsistent country legislative timelines results in significant challenges for businesses. As a response to the implementation challenges, the OECD published Transitional Safe Harbours as a short-term measure to exclude a Group's operations in lower-risk or higher-tax countries from the compliance obligation of preparing full GloBE calculations. They apply for three years (2024 to 2026) and are based mainly on the more readily available Country-by-Country Report. We expect the Transitional Safe Harbours to apply for most of the countries where we operate.

Switzerland has implemented from 1 January 2024 a national top-up tax for Swiss businesses that are part of multinational Groups within the scope of the GloBE rules. Many countries including the US, China and India are yet to enact the rules and other countries, including Singapore and Hong Kong, are only adopting them from 1 January 2025. The EU Directive requires most countries in the EU to start to apply the GloBE rules from 2024.

The Group reports revenues, employs significant numbers of FTEs and pays tax in the countries where we operate and value is created. We do not engage in artificial tax-driven structures and transactions. Most of the countries where we operate profits are taxed above the GloBE minimum effective tax rate. The impact to our income tax contributions will become clearer once further details of the local country implementation become available. However, we do not expect the impact to significantly increase our total tax contributions.

Public Country-by-Country Reporting

The OECD's 2015 Base Erosion and Profit Shifting ("BEPS") Action Plan 13 included the Country-by-Country Report ("CbCR"). The report was intended as a high-level risk assessment tool for the tax authorities. As a result, large multinational Groups provide annual reports to the tax authorities of the key elements of the financial statements by jurisdiction. For financial years beginning after 21 June 2024 (i.e. financial year 2025 for the Adecco Group), public reporting of specific parts of the CbCR is also mandated in an EU Directive for the largest sized multinational enterprises.

Romania has adopted the EU Directive early and we will comply with this for financial year 2023. Australia has also published a draft public CbCR law for consultation.

We have been publishing the key parts of our CbCR as part of our Tax Transparency Report since 2021. Further details for 2023 can be found in the 2023 Country-by-Country Report section of this report.

Reallocation of taxing rights

The OECD produced draft rules to reallocate and tax part of the profits of the "largest and most profitable multinational enterprises" in the countries where they are selling, even if there is no physical presence. This is intended to bring the tax system up to date for the digital age. The portion to be taxed in other countries has been agreed at 25% of the profit exceeding a 10% margin. A Multilateral Convention was published by the OECD in October 2023 and work on reaching agreement between countries is ongoing.

We do not expect this proposal to be applicable to our Group as we have significant presence in the markets we operate, we recognise revenue and pay tax in these countries, and our margins do not exceed the 10% threshold.

Swiss tax reform

Following a long running dispute between the EU and Switzerland about some of the Swiss cantonal tax regimes, Switzerland undertook a tax reform to align with OECD standards. The reformed regime took effect from 1 January 2020. Some of the key aims of the tax reform were to secure the long-term fiscal attractiveness of Switzerland, guarantee international acceptance and raise sufficient tax revenues.

Our businesses in Switzerland are ordinarily taxed at the Swiss federal, cantonal and communal tax rates. Adecco Group AG is taxed as an ordinary company, subject to the transition rules of the tax reform.

Acquisition of the AKKA Group

The acquisition of AKKA was completed in 2022. Combining the AKKA and Modis businesses creates the global number two player in the engineering research and development services market, and a powerful platform from which the business can drive future Smart Industry leadership.

The inclusion of AKKA into the Adecco Group increases the tax contributions of the Group for 2022 onwards.

Our Activities in Non-Cooperative Jurisdictions

The EU list of non-cooperative jurisdictions for tax purposes is part of the EU's approach to reduce tax avoidance and harmful tax practices. Non-EU countries are assessed by the EU Code of Conduct Group on their tax transparency, fair taxation and implementation of the OECD BEPS action plan.

The EU has been updating periodically (twice a year) two lists. The first is the so-called "blacklist" of jurisdictions which are deemed non-cooperative. The second is the "grey list" of jurisdictions that do not yet comply with all good tax governance standards but have committed to implementing reforms.

Although we do not operate in any blacklisted countries, we do have business operations in six countries that fall under the EU grey list: Hong Kong, Malaysia, Qatar, Thailand, Turkey and Vietnam[1]. Out of these six countries, Hong Kong, Qatar and Thailand were recently removed from the grey list by the EU. We report revenues and pay taxes in the countries where we operate and where value is created according to arm's length principles. We do not engage in artificial tax-driven structures and transactions. Our presence in these countries represents 1.5% of our total revenues and our activities in these jurisdictions are for business purposes, as summarized in the table.

	Hong Kong	Malaysia	Qatar
Overview of the Group's main activities	→ Temporary workforce solutions → Permanent recruitment → Outsourcing	→ Temporary workforce solutions → Permanent recruitment, selection, and outsourcing → Group IT support services	→ Consulting and engineering services
EU status	Removed from the grey list as of February 2024. Hong Kong fulfilled its commitments by amending the foreign source income exemption regime, which did not initially meet the 'fair taxation' criteria.	Malaysia has been granted with an extension deadline to comply with the abolition of its harmful foreign-sourced income exemption by adapting its legislation as regards the treatment of capital gains.	Removed from the grey list as of October 2023. Qatar fulfilled its commitments by amending the foreign source income exemption regime, which did not initially meet the 'fair taxation' criteria.

	Thailand	Turkey	Vietnam
Overview of the Group's main activities	→ Temporary workforce solutions → Permanent recruitment → Payroll administration → People development, training, upskilling and re-skilling	→ Consulting and engineering services → Temporary workforce solutions → Other activities which comprise recruitment and selection and outsourcing	→ Permanent recruitment → Payroll administration → Outsourcing → HR solutions and consulting services
EU status	Removed from the grey list as of October 2023 as Thailand fulfilled its commitments by implementing the country-by-country minimum reporting standard of taxes paid.	Turkey is expected to comply with the automatic exchange of information requirements with all EU Member States to be removed from the grey list.	Vietnam has committed to implement the CbCR minimum standard and to activate CbCR exchange relationships before 31 August 2024.

[1] Following a consistent approach with the forthcoming entry into force of the EU public CbCR, we considered all countries that are on the EU's grey list for the last two consecutive years.

Our Activities in Low Income Tax Jurisdictions

We are a global business, operating in over 60 countries. We pay taxes at various rates determined by the respective local governments. In some cases, these governments offer exemptions or near-zero rates to attract investment. We are present in a small number of countries (below) that fall into this scenario. Our activities in these jurisdictions are for business purposes.

As set out in our tax principles on page 9, we do not engage in artificial tax-driven structures and transactions, but instead seek to comply with both letter and spirit of applicable tax laws.

We report revenues and pay taxes in the countries where we operate and where value is created according to arm's length principles.

Philippines

In the Philippines, our revenue[1] is EUR 4.8m, income before tax[1] is EUR 0.3m and there are 220 FTEs in 2023. Our activities in the Philippines are mainly process outsourcing services.

The Philippines Economic Zones Authority ("PEZA") is the Philippine government agency responsible for promoting investments and granting incentives to service facilities inside selected geographical areas throughout the country designated as PEZA Special Economic Zones, legislated for in the Philippines Special Economic Zone Act of 1995.

Our business qualified under the PEZA registration for a corporate income tax holiday (full exemption) subject to compliance with certain criteria. Upon expiry of the holiday period in 2020, a 5% special tax on gross income applied. In response to the impact of the COVID-19 pandemic, further legislation was enacted by the Philippine Congress and the incentive criteria was adjusted for the post-pandemic business environment. As a result, the 5% special tax on gross income is extended for a 10-year period for our business operations.

United Arab Emirates ("UAE")

In 2023, we have revenue[1] of EUR 98.2m, income before tax[1] of EUR 5.6m and 1,738 FTEs in our UAE businesses. The activities of the Group in the UAE are mainly:

- → Consulting and engineering services
- → Temporary employee services which comprise general and professional staffing; and
- → Other activities which comprise recruitment and selection, and outsourcing.

The UAE has enacted a new corporate income tax regime applying to financial years beginning on or after 1 June 2023. The new standard corporate income tax rate is 9%, with a rate of 0% for taxable income not exceeding AED375,000 and for Qualifying Free Zone Persons with respect to their Qualifying Income. We do not expect to benefit from any of the exemptions and the new tax regime will apply to our businesses from 2024 onwards.

Monaco

Our business in Monaco has revenue[1] of EUR 11.1m, income before tax[1] of EUR 0.1m and 243 FTEs. The activities of the Group in the Monaco are mainly:

- → Temporary employee services which comprise general and professional staffing

Monaco does not have a general corporate income tax.

[1] Revenue and income before tax defined by OECD for Country-by-Country Reporting.

2023 Country-By-Country Report

Publicly reporting on the Group's country-by-country tax contributions is at the heart of tax transparency and something we have been doing since 2021. It promotes trust in our tax practices by enabling stakeholders to make more informed judgements about our tax positions.

Our purpose is to make the future work for everyone. How we achieve our profits and pay our taxes matters. Taxes are crucial sources of government revenue and are central to the fiscal policy and macroeconomic stability of countries.

They are acknowledged by the UN to play a vital role in achieving the Sustainable Development Goals. They are also a key mechanism by which organizations contribute to the economies of the countries in which they operate, as government revenues support public infrastructure and services.

The OECD's 2015 Base Erosion and Profit Shifting ("BEPS") Action Plan 13 included the Country-by-Country Report ("CbCR"). The report was intended as a high-level risk assessment tool for the tax authorities. As a result, large multinational Groups provide annual reports to the tax authorities of the key elements of the financial statements by jurisdiction.

The full data set required for our 2023 CbCR Table is included on the following pages. The basis for this financial information is governed by the OECD BEPS Action Plan 13. In some cases, this leads to differences to the data reported under US GAAP in our annual report. The notes following the table explain the basis for the table data in more detail. We have improved the report for 2023 by including our associates and consultants in the number of FTEs we report. This gives a more complete picture of our Group.

Sales tax and payroll & social security tax are by far the most significant tax contributions for our business as previously mentioned. We have therefore also included these as additional data in the table.

2023 Country-By-Country Report

Tax Jurisdiction	Total Unrelated Party Revenue	Total Related Party Revenue	Total Revenue	Profit (loss) Before Income Tax	Income Tax Paid (on cash basis)	Income Tax Accrued Current Year	Payroll & Social Security Tax Contribution	Sales Tax Contribution	Stated Capital	Accumulated Earnings	Number of Employees	Tangible Assets other than Cash and Cash Equivalents
Algeria	0	0	0	37,052	0	9,548	0	0	0	37,051	0	0
Andorra	1,512,099	0	1,512,099	162,592	20,622	17,516	162,368	64,697	40,012	125,518	73	5,476
Argentina	172,889,239	0	172,889,239	-9,515,866	3,715,706	782,356	23,227,944	12,625,024	26,921,343	47,403,506	6,305	5,275,163
Australia	496,551,827	17,788,281	514,340,108	4,113,857	1,244,949	5,222,573	29,819,779	38,086,405	241,254,220	-432,848,058	5,754	35,645,028
Austria	88,445,631	1,200	88,446,831	-679,692	-71,442	28,725	17,725,720	15,908,017	3,020,517	-6,378,826	1,622	624,547
Belgium	520,043,200	103,787,286	623,830,486	17,441,249	3,487,300	7,391,074	83,287,080	100,223,527	29,204,305	-460,152,301	9,394	8,137,327
Brazil	122,588,893	548,814	123,137,706	563,661	-358,060	1,433,537	22,527,111	4,477,506	7,328,301	-46,850,478	7,969	1,851,551
Bulgaria	47,783,892	7,487,379	55,271,271	921,743	250,988	69,475	5,369,526	4,635,768	109,748	1,664,900	2,573	1,014,151
Canada	344,417,059	48,682	344,465,741	-7,421,086	-2,936,023	-1,030,422	10,751,115	25,043,185	81,149,890	11,120,236	4,407	1,171,723
Chile	147,946,032	2,267,188	150,213,220	1,311,785	110,770	528,588	3,650,054	27,265,601	21,543,578	32,847,188	7,234	1,860,363
China	30,046,296	9,563,450	39,609,745	-2,007,814	498,894	530,855	5,004,898	1,244,186	30,132,484	-5,056,156	624	2,263,238
Colombia	211,249,352	0	211,249,352	2,126,475	1,122,381	1,377,371	45,293,195	8,567,283	112,448	8,919,373	18,687	1,751,004
Czech Republic	59,163,321	39,840,311	99,003,631	2,344,046	414,674	453,147	16,361,481	5,663,659	1,467,065	56,414,399	1,866	7,292,298
Denmark	18,648,446	239,047	18,887,494	1,030,827	159,248	199,825	28,303	2,747,820	373,215	3,132,547	78	44,369
Ecuador	16,596,718	0	16,596,718	-89,228	0	266,279	2,979,530	228,139	116,201	-239,585	315	83,756
Finland	85,030,000	0	85,030,000	-4,449,922	-318,077	-10,282	2,759,206	17,448,944	55,605	6,608,015	1,996	845,062
France	5,829,947,421	418,859,401	6,248,806,823	86,661,812	31,636,706	37,547,699	1,087,805,539	1,113,900,271	860,034,663	903,835,564	121,215	211,297,756
Germany	1,827,793,534	120,987,002	1,948,780,536	-71,223,038	7,643,164	1,072,701	252,533,855	300,939,461	1,878,393,981	-2,980,808,944	22,309	58,937,878
Greece	65,541,545	0	65,541,545	588,544	191,376	187,027	10,622,775	12,326,034	2,026,766	5,362,849	2,275	370,576
Hong Kong	82,601,030	3,279,541	85,880,570	-4,300,995	-31,054	584,757	2,176,770	0	24,582,114	108,380,151	2,905	1,211,136
Hungary	32,752,295	422,997	33,175,292	-1,018,724	695,836	842,240	3,059,132	7,172,969	950,219	-2,347,684	1,310	285,161
India	185,505,803	15,425,008	200,930,811	1,077,018	772,049	118,883	2,195,814	27,689,166	383,156	3,825,378	36,745	2,588,216
Indonesia	458,345	0	458,345	58,477	0	15,555	4,632	48,746	147,059	282,997	7	3,157
Ireland	31,965,971	2,906,929	34,872,900	2,970,439	209,556	320,887	2,373,984	4,032,000	8,075,360	1,146,728	545	198,458
Italy	2,661,117,113	93,997,013	2,755,114,126	116,810,399	34,508,164	35,980,849	499,386,452	99,424,656	4,579,200	1,244,140,811	57,481	33,694,880
Japan	1,657,147,157	0	1,657,147,157	69,777,977	20,101,050	17,883,443	174,798,525	130,145,106	134,305,942	6,743,816	47,560	23,498,489
Korea, Republic of	58,802,455	0	58,802,455	-414,379	-29,847	-0	4,352,900	4,947,816	7,065,830	-340,921	728	436,304
Luxembourg	33,634,477	102,384	33,736,861	-4,972,242	-6,044	47,496	3,128,199	4,528,000	-65,326,713	46,791,025	604	590,659
Macau	2,745,982	0	2,745,982	164,661	0	0	312	0	102,789	-11,679	4	12,125
Malaysia	22,290,003	3,578,362	25,868,365	-445,757	30,917	117,563	2,533,519	1,129,711	9,010,223	-3,770,773	2,197	201,262
Malta	10,000	0	10,000	-38,750	0	-13,563	0	0	30,000	-248,642	0	0

2023 Country-By-Country Report

Tax Jurisdiction	Total Unrelated Party Revenue	Total Related Party Revenue	Total Revenue	Profit (loss) Before Income Tax	Income Tax Paid (on cash basis)	Income Tax Accrued Current Year	Payroll & Social Security Tax Contribution	Sales Tax Contribution	Stated Capital	Accumulated Earnings	Number of Employees	Tangible Assets other than Cash and Cash Equivalents
Mexico	222,494,782	10,938,966	233,433,748	1,868,147	1,424,018	3,058,851	42,206,138	31,165,952	16,039,916	10,914,252	275	2,221,455
Monaco	11,069,648	0	11,069,648	148,386	0	0	2,975,113	1,998,064	152,500	1,061,986	243	27,862
Morocco	1,351,881	7,534,282	8,886,162	336,394	50,516	442,620	1,038,736	31,848	162,641	478,779	300	2,131,592
Netherlands	358,166,083	100,456,016	458,622,098	-7,315,572	648,201	819,424	45,487,324	62,821,091	25,314,573	770,017,609	5,260	4,929,371
New Zealand	45,709,519	853	45,710,371	-2,701,907	2,897	-2,710	944,937	5,259,896	7,358,309	-6,913,715	1,093	651,888
Norway[1]	268,279,683	140,878,304	409,157,986	87,746,086	0	-1,452	27,100,573	47,864,264	42,614,596	88,576,499	3,823	3,035,923
Peru	123,274,581	705,127	123,979,708	837,866	1,129,304	1,533,975	12,550,587	17,956,503	8,842,476	2,644,079	2,066	2,998,617
Philippines	32,504	4,758,303	4,790,807	334,781	0	62,886	11,268	0	147,123	493,755	220	140,413
Poland	207,008,720	1,825,848	208,834,568	-722,147	2,880,197	2,163,639	28,898,877	43,101,139	4,268,717	21,111,826	9,020	2,924,969
Portugal	174,760,753	0	174,760,753	4,752,412	1,262,058	1,551,717	28,420,193	38,385,271	1,925,000	15,944,754	6,681	1,396,510
Puerto Rico	38,652,871	0	38,652,871	-116,414	-59	464	3,258,799	518,903	1,687	-15,159,931	1,362	314,404
Qatar	617,299	863,854	1,481,154	11,460	24,156	3,907	0	0	12,156	178,996	17	3,423
Romania	83,187,462	8,372,446	91,559,908	182,451	162,093	90,303	2,628,731	13,220,672	212,813	8,783,133	4,160	1,155,287
Saudi Arabia	0	0	0	-16,445	0	0	0	0	122,306	318,845	0	0
Serbia	31,204,635	0	31,204,635	147,752	21,367	7,085	2,584,173	3,611,349	574,756	2,979,037	1,333	158,082
Singapore	140,306,301	19,015,166	159,321,467	7,765,496	2,341,260	1,782,797	9,197,205	10,644,518	4,853,711	5,588,964	2,243	2,125,537
Slovakia	-0	11,401	11,401	-13,586	0	0	0	0	0	0	0	0
Slovenia	39,814,328	61,559	39,875,887	234,031	-113,537	58,648	4,303,109	8,217,894	387,236	3,403,534	1,450	358,162
Spain	1,202,077,724	65,142,354	1,267,220,077	27,240,032	2,748,857	7,264,727	262,778,798	206,817,723	15,267,571	368,112,307	27,397	16,852,964
Sweden	299,009,217	74,774,549	373,783,766	11,589,888	2,475,923	3,925,383	49,902,443	55,572,682	405,065	33,400,364	3,898	2,443,674
Switzerland	497,169,936	611,836,518	1,109,006,454	249,739,774	29,458,713	45,659,266	55,937,003	31,444,373	17,942,862	7,667,991,199	7,720	9,764,632
Taiwan	102,739,026	0	102,739,026	4,451,898	879,642	1,340,239	4,111,741	4,949,393	882,700	3,559,232	3,607	1,507,234
Thailand	186,641,295	4,516,683	191,157,978	1,944,312	618,777	604,998	4,290,933	12,477,908	2,930,393	27,030,085	18,744	1,231,720
Tunisia	13,206,059	263,008	13,469,068	660,561	186,779	140,546	2,058,689	1,432,045	530,767	2,937,264	2,588	87,101
Turkey	92,373,597	93,879	92,467,476	-309,753	12,001	594,016	11,988,532	2,148,393	426,644	8,786,801	4,213	283,126
United Arab Emirates	98,197,801	0	98,197,801	5,551,636	0	0	2,365,655	3,643,947	24,234	30,354,909	1,738	193,772
United Kingdom	1,601,434,875	18,047,752	1,619,482,628	-7,541,342	-1,768,791	-45,511	53,218,718	149,274,142	596,594,404	931,318,791	23,160	19,379,548
Uruguay	5,483,447	0	5,483,447	93,588	-4,048	36,559	536,829	10,211,278	226,320	1,213,831	180	13,531
USA	3,303,063,780	173,328,419	3,476,392,198	21,666,571	-876,343	5,805,423	188,044,673	1,099,523	31,992,133	3,506,591,475	43,119	82,130,699
Vietnam	26,080,843	0	26,080,843	467,170	100,752	114,035	2,215,245	2,173,669	2,881,338	-504,114	71	140,812

[1] Total Related Party Revenue and Profit (loss) Before Income Tax for Norway include a one-off income of approximately €100m from an intra-group sale of shares as part of the legal entity integration of the AKKA Group.

Notes on information shown in our table

Entities, countries and activities
A list of the major consolidated subsidiaries of the Group, their type (Holding, Operating, Services or Financial) and their respective countries are included in our Annual Report 2023, available on our website.

Currency
The reporting currency of our Group is Euro and the financial data shown in this report are in Euro unless otherwise indicated. The operations of the Group are conducted in various countries around the world and are reported in the applicable foreign currencies (functional currency). Financial information is translated from the applicable functional currency to the Euro. Income expenses and cash flows are translated at average exchange rates prevailing during the fiscal year or at transaction exchange rates. Assets and liabilities are translated at fiscal year-end exchange rates.

General description of data sources
The ERP system is the main data source for constituent entities of the Adecco Group to report their financial data on a monthly basis. The financial statements are consolidated and prepared in accordance with US Generally Accepted Accounting Principles ("US GAAP"). The tax package is the tool implemented by the Group for tax accounting reporting purposes. Constituent entities of the Group submit their tax related information using this tool, after validated tax amounts are booked into the ERP system.

Tax Jurisdiction	Total Unrelated Party Revenue	Total Related Party Revenue	Total Revenue	Profit (loss) Before Income Tax	Income Tax Paid (on cash basis)	Income Tax Accrued Current Year	Payroll & Social Security Tax Contribution	Sales Tax Contribution	Stated Capital	Accumulated Earnings	Number of Employees	Tangible Assets other than Cash and Cash Equivalents

Total unrelated party revenue
The revenue reported is the sum of sales, operating and non-operating income, other financial income and external interest income of all constituent entities of the Group resident for tax purposes in the relevant tax jurisdiction. The source of this information is the ERP system.

Total related party revenue
The revenue reported is the sum of inter-company operating income, interest income, financial income, royalties and corporate cost of all constituent entities resident for tax purposes in the relevant tax jurisdiction. Dividends are not included. Gains on intra-Group share transfers are included to align the report with the public CbCR requirements in the EU Directive and the OECD Pillar 2 global minimum tax transitional safe harbour rules. Such gains were excluded in prior year reports. The source of this information is the ERP system. Where we have more than one entity reporting in a single ERP system, the revenue for these entities may be reported on a consolidated basis.

Profit (Loss) before income tax
The amount reported is the sum of the profit (loss) before income tax of all constituent entities resident for tax purposes in the relevant tax jurisdiction. Dividends received from other constituent entities are not included in the profit (loss) before income tax. Gains and losses on intra-Group share transfers are included to align the report with the public CbCR requirements in the EU Directive and the OECD Pillar 2 global minimum tax transitional safe harbour rules. Such gains and losses were excluded in prior year reports. The source of this information is the ERP system. Where we have more than one entity reporting in a single ERP system, the Profit (Loss) before income tax may be reported by these entities on a consolidated basis.

Income tax paid (on cash basis)
The amount reported is the sum of cash paid for income and withholding taxes of all constituent entities resident for tax purposes in the relevant tax jurisdiction. The source of this information is the ERP system and tax package. The cash paid relates to cash movement in the current year such as payments, refunds, taxes withheld by customers and payments relating to risk reserves. The withholding taxes includes cash payments relating to intercompany charges such as trademark royalties and management services etc. R&D tax credits that are claimed and paid to us for R&D activities are netted against the taxes paid if they are accounted for in the tax line under US GAAP.

Income tax accrued (current year)
The amount reported is the sum of tax provisions (accrued tax expenses) of all constituent entities resident for tax purposes in the relevant tax jurisdiction. Deferred taxes and provisions for uncertain tax liabilities such as risk reserves, discrete events and prior year adjustments are excluded, thus the amount reported only reflects tax expenses in the current year. The source of this information is the ERP system and tax package.

Payroll and social security tax contributions
See page 10 for the relevant definitions.

Sales tax contributions
See page 10 for the relevant definitions.

Accumulated earnings
The amount reported is the sum of retained earnings of prior years, dividends paid for the current year and net income attributed to shareholders of all constituent entities resident for tax purposes in the relevant tax jurisdiction. The source of this information is ERP system. Where we have more than one entity reporting in a single ERP system, earnings may be reported by these entities on a consolidated basis.

Stated capital
The amount reported is the sum of the par value or stated value of preferred and common stocks of the company issued and outstanding capital of all constituent entities resident for tax purposes in the relevant tax jurisdiction. The source of this information is the ERP system.

Number of employees
The amount represents the total number of employees on a full-time equivalent ("FTE") basis of all constituent entities resident for tax purpose in the relevant tax jurisdiction. This includes internal colleagues, associates and consultants (in prior year reports the latter two categories were excluded due to the challenges of collecting this data). The average FTE for December is used for colleagues and yearly averages are used for consultants and associates provided with flexible employment. Since majority investments of constituent entities in external parties (ownerships of 50% to less than 100%) are fully financially consolidated, the number of employees shown in Table 1 also includes the total number of employees of the majority investments in external parties. The source of this information is the ERP system and other reporting systems.

Tangible assets other than cash and cash equivalents
The amount represents the sum of net book values of tangible assets. This may include land, buildings, furniture, fixtures and office equipment, leasehold improvements, computer and other equipment and accumulated depreciation of all constituent entities resident for tax purposes in the relevant tax jurisdiction. The source of this information is the ERP system.

THE ADECCO GROUP

Addresses and Publisher
Registered office
Adecco Group AG
Bellerivestrasse 30
CH-8008 Zürich

Contact details
Adecco Group AG
Bellerivestrasse 30
CH-8008 Zürich
T +41 44 878 88 88

The Adecco Group Investor Relations
investor.relations@adeccogroup.com
adeccogroup.com/investors

The Adecco Group Press Office
media@adeccogroup.com

The Adecco Group on the web
adeccogroup.com
facebook.com/theadeccogroup
instagram.com/adeccogroup
linkedin.com/company/theadeccogroup
twitter.com/adeccogroup
youtube.com/user/AdeccoGroup

Published by The Adecco Group
May 2024