



ANNUAL REPORT 2001  
*Operational Review*

**Adecco**

Making people successful in a changing world

## **Adecco's Global Advantage People, Bricks and Clicks**

The **30,000 employees** of Adecco Group, operating from almost **6,000 offices in 58 countries**, harness state-of-the-art technology and the broadest range of Staffing, Human Resources and Business services available, to help make hundreds of thousands of Clients and around four million Temporary Associates successful each year.

**Adecco SA** is a Forbes Global 500 company and the worldwide industry leader. Adecco is No.1 or No. 2 in 12 of the world's top 13 staffing markets that account for 95% of industry revenues.

The Group **comprises three Divisions:**

The **Adecco Staffing** Division focuses on flexible staffing solutions for global industries, including such sectors as automotive, banking, electronics, logistics and telecommunications;

the **Ajilon Staffing & Managed Services** Division brings together an unrivalled range of specialized professional staffing and managed services businesses;

the **Career Services & e-Business** Division includes our portfolio of e-recruiting, executive search and outplacement businesses.

Adecco is registered in Switzerland and is listed on the Swiss Exchange (ADEN / trading on Virt-x: 1213860), NYSE (ADO), Euronext Premier Marché (12819). In 2001, it generated revenues of CHF 27.2 billion, up more than 326% since the merger of the Adia and Ecco networks in 1996.

## Table of Contents

Adecco at a Glance	4
Chairmen's Statement	7
CEO Letter	11
Presidents' Message	15
Dynamics of Change	18
Drivers in Legislation	20
Drivers in Technology	23
Drivers in Flexible Workforce Solutions	26
Drivers in Career Development	28
Drivers in Adecco	30
Drivers in Emerging Markets	31
Portfolio of Brands	33
Addresses	34
Directors, Management and Auditors	35

## Adecco at a Glance

- CHF 27.2 billion net service revenues
- CHF 702 million income before amortisation of goodwill, restructuring costs and one-time items
- Over 30,000 Colleagues
- Nearly 700,000 Associates placed on assignment each day
- Over 250,000 Clients worldwide
- Nearly 6,000 offices in 58 countries

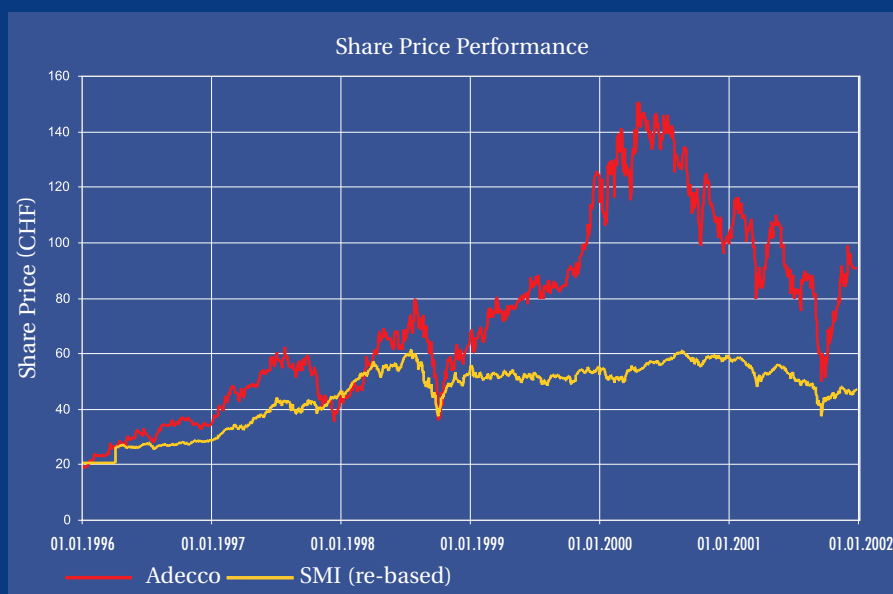
Since its creation in 1996, Adecco has consistently outperformed the SMI, the benchmark for companies trading in the Swiss market.

### Outstanding results in a challenging market

Adecco Group revenues increased by 2% to CHF 27.2 billion, while operating income dropped 5% to CHF 1.2 billion. In local currency, revenues grew 5% and operating income fell 2%, indicating a 3% negative currency impact on Adecco's consolidated results. The company reported income before amortisation of goodwill, restructuring costs and one-time items, of CHF 702 million, down 6% on 2000 figures, a 2% decline in local currency.

In 2001 the Group generated substantial cash flows from operating activities in the amount of CHF 1.4 billion, which was to a great extent used to repay debt and to invest in infrastructure. A Eurobond issue in March 2001 further enhanced the Group's debt structure. Net debt (including off-balance sheet financing) decreased by CHF 739 million.

The balance sheet evolved in line with our business growth. Days sales outstanding remained at last year's level, as a result of our strong focus on working capital management. Goodwill was further amortised to CHF 2.3 billion. In June 2001, the Financial Accounting Standards Board issued statements SFAS No. 141 and SFAS No. 142 regarding "Business Combinations" and "Goodwill and Other Intangible Assets". Starting 2002, goodwill and other intangible assets with infinite lives that satisfy an impairment test, will no longer be amortised. This change will have a significant impact in Adecco's accounts, with the elimination of substantial goodwill amortisation charges, which were estimated at CHF 850 million (before tax effect) for 2002.



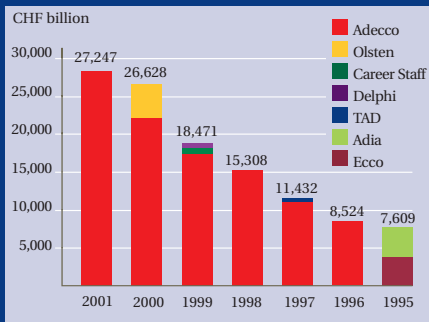
### Selected Financial Highlights

	Year Ended		
	December 30, 2001	December 31, 2000	
<b>Statement of Operations Data:</b>			
Net service revenues	27,247	26,628	
Operating income	1,179	1,237	
Income before amortisation of goodwill, restructuring costs and one-time items	702	746	
<b>Per Share Data:</b>			
Income per share before amortisation of goodwill, restructuring costs and one-time items	Basic	3.77	4.06
	Fully diluted	3.68	3.92
Basic and diluted net loss per share	(2.30)	(2.33)	
Basic and diluted weighted average shares	185,880,663	183,735,340	
Fully diluted shares	192,832,231	192,269,392	
<b>Cash Flow Data:</b>			
Cash flow from operating activities	1,390	23	
Cash flow from investing activities	(528)	(1,306)	
Cash flow from financing activities	(780)	261	
<b>Balance Sheet Data:</b>			
Trade accounts receivables, net	4,636	5,297	
Goodwill, net	2,292	3,091	
Accounts payable and accrued expenses	4,309	4,353	
Net debt (including off-balance sheet financing)	2,600	3,339	
Shareholders' equity	1,787	2,390	

*Income before amortisation of goodwill, restructuring costs and one-time items is not meant to portray net income or cash flow in accordance with US generally-accepted accounting principles. Goodwill amortisation is a non-cash charge to operating income; however, income before amortisation of goodwill, restructuring costs and one-time items does not represent cash available to shareholders. This may not be comparable to similarly entitled items reported by other companies. Adecco amortises its goodwill over five years. The information contained in this report may include forward-looking statements regarding future events or future financial performance of Adecco.*

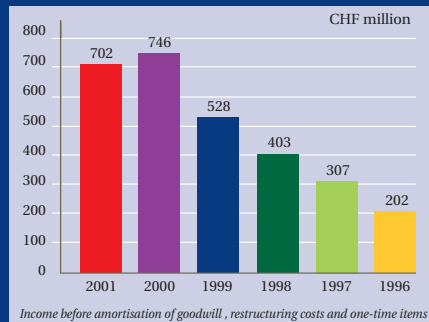
*Such statements are subject to risks and uncertainties and actual events or performance may vary materially from anticipated results. We refer you to documents Adecco files from time to time with the Zurich Stock Exchange, US Securities and Exchange Commission and the New York Stock Exchange for more information.*

## Revenues



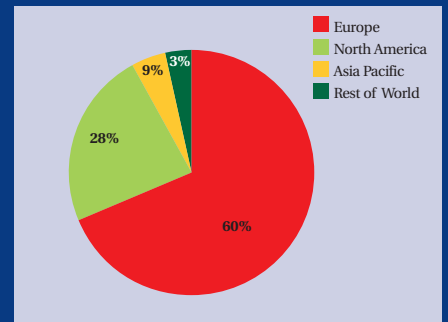
Since its inception, Adecco has delivered an impressive track record of revenue growth above market through a combination of organic development and acquisitions. Its geographic and divisional coverage has enabled this to be sustained even in a contracting global economy, as in 2001.

## Profits



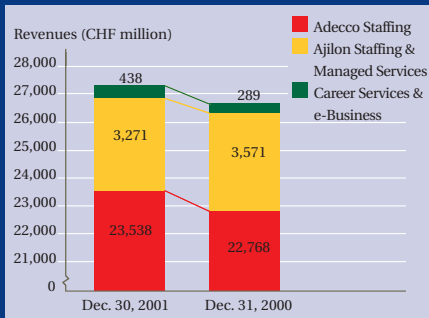
Since its creation in 1996, sustained profitable growth has vindicated Adecco's management decisions and the corporate strategy. Through its ability to manage costs and widespread use of technology, Adecco has built a cost-efficient organization with enhanced earnings capacity, which ensures maximum profit conversion.

## Geographical Distribution



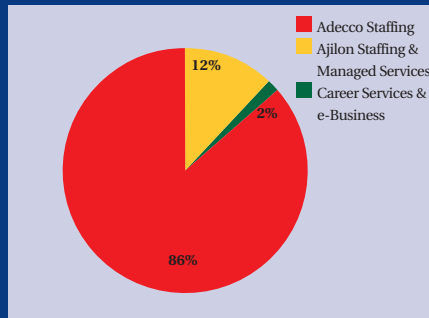
Adecco continues to reinforce its presence in traditional markets and to pioneer the concept of Staffing and Human Resources services in emerging markets. The Group operates in 58 countries and further expansion is underway.

## Segment Performance



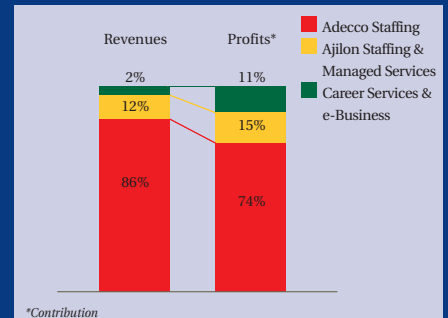
In October 2001, Adecco announced its redefined organizational structure to foster further expansion into human resources and business services. Adecco divisions were formed to build capabilities in mainstream staffing, professional staffing and managed services, career services, e-recruiting and other human resources services.

## Activity Distribution



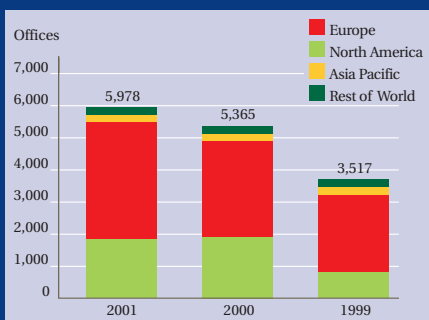
The Group's business portfolio spans generalist, professional/specialist industry sector and career services activities. Adecco's redefined division-based structure will facilitate the company's penetration and development into high growth, high profit areas of business.

## Profit Conversion



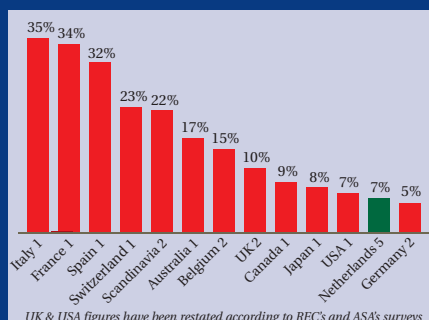
Adecco strives to enhance its business portfolio to achieve an optimum balance amongst its divisions, creating a business mix that maximizes profitability and secures strong volumes, while reducing business volatility.

## Office Network



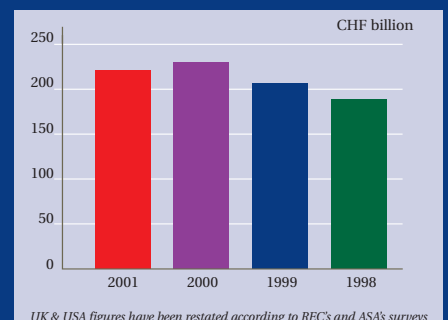
In 2001, Adecco continued to expand branch capacity in growing markets. Adecco's unmatched office network remains one of the pillars of the Group's growth strategy, ensuring widespread market coverage and cost-effective service provision.

## Market Share



Each year, Adecco strengthens its leadership positions in the main market places around the globe, improving market share and rankings. The Group nowadays ranks number 1 or number 2 in 12 of the 13 largest markets in the world and has an estimated 12% global market share.

## Market Size



Despite the market contraction experienced during the 2001 economic recession, market growth is expected to resume fueled by the economic recovery, changes in labour legislation and market deregulation, thus increasing the relevance of the staffing industry in the global economy.





Each day, Adecco connects more people to more jobs than any other company in the world.



*Klaus J. Jacobs  
Chairman*

*Philippe Foriel-Destezet  
Vice Chairman*

## Redefining Work

### Success in a challenging environment

2001 was one of the toughest years faced by companies, globally, in more than a decade.

It is, therefore, a great credit to all the people at Adecco that we can report very significant progress over the past year. Adecco, yet again, has clearly outperformed its sector.

We have increased our market share in all key markets, consolidated our position as the world's leading Human Resources Solutions-provider and demonstrated real organic growth as the benefits of our market-leader strategy have become even more evident.

Not least, we have significantly refined and strengthened our organizational structure and the balance of Adecco's Brand Portfolio. Our new structure ensures that, as the economic cycle becomes more favourable, we will be perfectly positioned to satisfy fully Clients' evolving needs and to deliver still greater shareholder value in the future.





## The Global Opportunity: the global labour market

There are few, if any, other industries in the world which offer comparable strategic growth potential to that which Adecco leads: The global world of work!

Every day, billions of people 'work'.  
Literally, billions of people 'produce'.  
Literally, billions of people are 'employed'.  
And, today, more and more people want to work on their own terms and on a 'flexible' basis.

Already the global Human Resources Solutions industry encompassing assessment, search and placement – including temporary staffing – generates in excess of an estimated \$400 billion revenues per annum. Yet such revenues are soon likely to be dwarfed.

There are several key dynamics observable today indicating that the 'world of work' is fundamentally and irreversibly changing: Lifestyle trends. Corporate harmonisation. Deregulation.

At Adecco, we see the effects of such dynamics leading to a fundamental 'Redefinition of Work'.

As the global market-leader, one of Adecco's key goals is to play a major role in accelerating that redefinition, positively and constructively, and helping to reshape the global labour market productively for both people and companies.

## Lifestyle trends

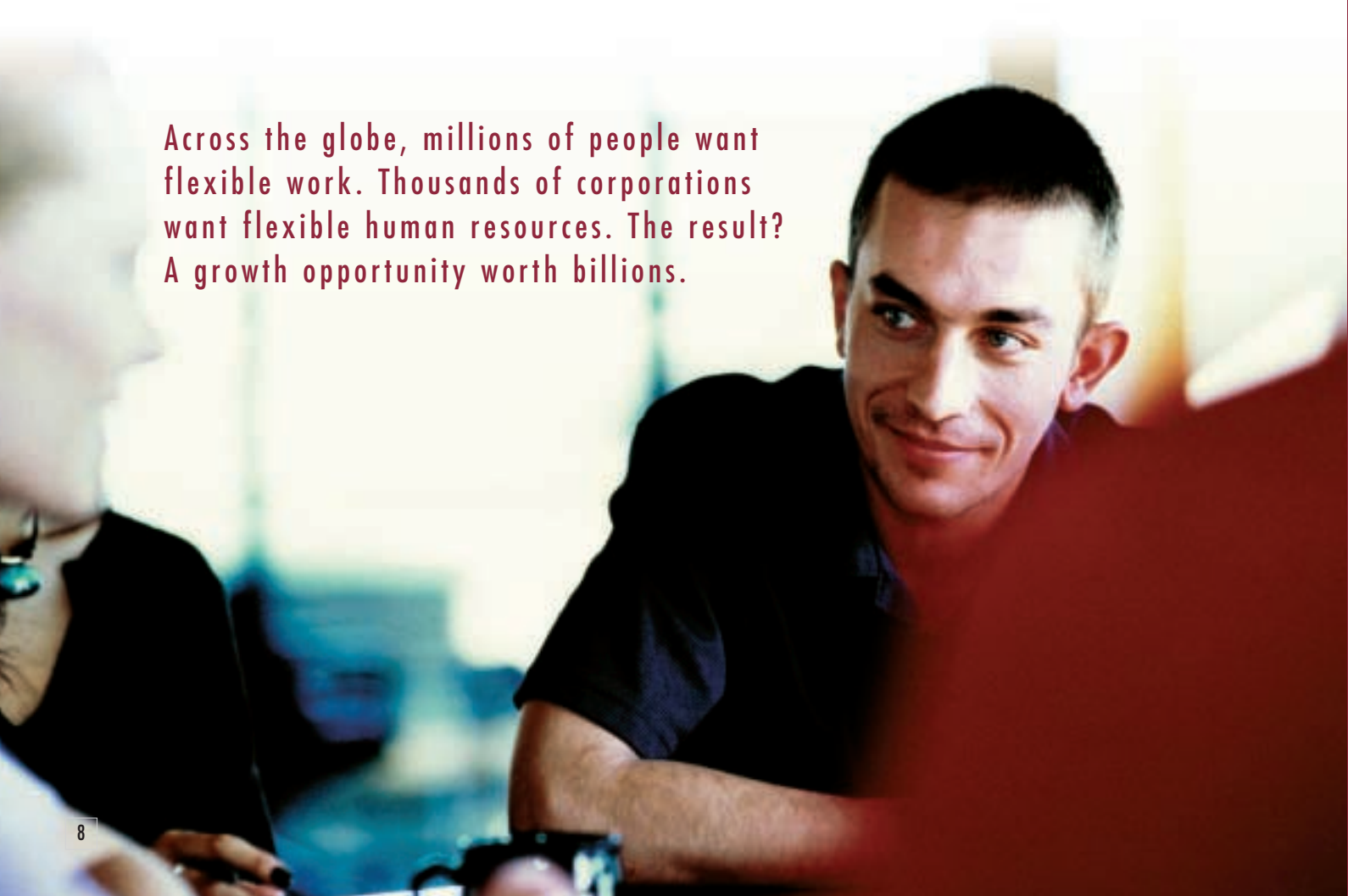
Our mission at Adecco centres on delivering productivity improvements to our Clients by partnering with individual Temporary Associates to help them be truly successful in today's changing world of work.

But today, more than in any other era of human evolution, millions of talented people, young and old, are themselves 'Redefining Work' in very personal ways on a daily basis.

For increasing numbers of skilled people, 'industrial-age' models of the relationship between employer and employee are now outdated, outmoded and simply 'out of step' with their own work, career and lifestyle aspirations.

People are becoming true 'entrepreneurs' in terms of their working practices and lifestyle preferences.

Across the globe, millions of people want flexible work. Thousands of corporations want flexible human resources. The result? A growth opportunity worth billions.





For all those people seeking to find the work / life balance right for them Adecco's role is to help them each fulfil their individual potential in ways most consistent with their own goals.

### Corporate harmonisation

Daily, more and more major international and 'global' companies are embracing the 'just in skills, just in time' Human Resources Solutions model to enhance productivity and gain competitive advantage.

By integrating real 'flexibility' into their workforce and human resources strategies they are looking to respond, more productively and more cost-effectively, to the changing dynamics of their own industries at local, regional and global levels.

Client Companies are looking to harmonise proven 'best demonstrated practices' in the Human Resources Solutions arena, across geographies and across job functions, wherever they operate.

Operating in some 58 countries worldwide, Adecco is ideally positioned to deliver to its Clients a standard of 'service excellence' combining Global quality standards applied at the Local market level, wherever needed. This makes the Adecco Group the ideal source for a broad range of Human Resources services for today's leading human resources management professionals.

### Deregulation

As the trend amongst both Client Companies and individuals to embrace the benefits of 'workforce flexibility' accelerates, Governments too must become more involved in the task of 'Redefining Work'.

Old regulations, relics of an industrial era, inconsistent with the realities of today's global market place, serve neither the interests of the State, of the individual, of companies or unions nor, indeed, of society at large.

Workforce Regulations should be designed to empower people, not to restrict and frustrate their legitimate work-related aspirations. Neither should they provide artificial protection for obsolete working practices.

Thus, Adecco is actively engaged in discussions with governments, legislators and unions to provoke and to support regulatory change designed to allow all parties to benefit from the easier adoption of 'flexible workforce practices'.

This has already led, in Germany, to the implementation of a pilot programme to help reduce youth unemployment and to provide a skills-training and development programme for those who would otherwise, through no fault of their own, be a net liability rather than a net asset to the national economy.

At the other end of the demographic scale we are exploring with governments how better to accommodate and to satisfy the aspirations of older, highly experienced, members of the community who often wish to return to work but who are, currently, economically penalised for doing so by outdated labour, pension or tax regulations.

### An organizational strategy for growth

Adecco is committed to delivering the most comprehensive, relevant, range of Human Resources Solutions for both Clients and temporary Associates alike, wherever we operate in the world.

There was a time in the not too distant past when the idea of 'flexible' or 'temporary' working equated to the idea of replacing 'absentee' workers.

Today, that idea couldn't be further from reality.

Of course 'absentee workers' still need replacing. But, today's human resources management professionals demand a much wider range of 'flexible workforce' solutions across every functional area and every corner of their organizations.

Accordingly, we have refined our organizational structure and rationalised our Brand portfolio to ensure we can fully satisfy the demands of today's and tomorrow's market place. Providing the broad range of Human Resources Solutions which Clients now demand.

We will now be strongly represented in each of the most important sectors of the total market place:

Mainstream Staffing; Managed Services; Professional Staffing; Career Services, e-Recruiting and other Human Resources services.

As we look confidently to the future, as we embrace our own responsibilities in helping 'Redefine Work', let us close by thanking all of our Clients, temporary Associates, Shareholders and all of the Colleagues in Adecco, for their continued loyalty and support.



*Klaus J. Jacobs*  
Chairman



*Philippe Foriel-Destezet*  
Vice Chairman

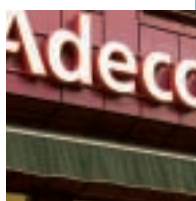








Throughout the world,  
30,000 Adecco people are  
using technology of all kinds  
to make people successful.



*John Bowmer*  
*Chief Executive Officer*

## Showing our Mettle as Market Leader

### **To our Clients, Colleagues, Associates and Shareholders**

Without a doubt in 2001, Adecco faced the most challenging and uncertain economic conditions since its formation in 1996. The second half was particularly tough, as the USA, the world's largest staffing market, slipped into recession.

Yet 2001 was a year of substantial progress and as market leader, we have truly shown our mettle. We capitalized upon our global leadership and improved our competitive position, increasing our share in nearly every major market.

Moreover, we continued to invest in industry leading service enhancements that move us closer to our Clients and temporary Associates; harnessing the web; extending our branch network and global service capability. We also reorganized our management team in order to increase our customer focus and enter and create new high growth areas of business.

Clearly, we are ideally positioned and eager to benefit disproportionately from the anticipated upturn in the economy. Indeed, the long-term prospects for Adecco are outstanding, as we continue to build an unrivalled portfolio of human resources and business services essential to companies and individuals in the rapidly changing world of work. As industry leader, we will also continue to support the responsible deregulation of our industry, so the forces of growth can be fully unleashed and the benefits for the economy and society realized.



### Strong management delivers results

Results for the full year of 2001 showed a revenue increase of 2% to CHF 27.2 billion. This led to a decrease in operating income of 5% to CHF 1.2 billion. Operating margin dropped 30 basis points to 4.3%. Income before amortisation of goodwill was CHF 702 million, down from prior year by 6%.

Growing countries helped to offset declining markets and kept sales and profit volatility within a manageable range. Among the growing countries was Japan, where we have moved into a market leadership position from third place essentially through organic growth. Revenues in Japan were up 34% for the year in local currency. The counter-cyclical businesses in our portfolio, such as Lee Hecht Harrison, performed extremely well and mitigated the drop in operating income and margins. Nowadays, Career Services account for over 10% of our operating profit. Growth in Latin America was particularly pleasing as we achieved an increase of 24% in revenues over prior year in these increasingly important and challenging markets.

### Business review

Adecco's strategy has focused on becoming No. 1 or 2 in the top staffing markets around the world. We have largely achieved this goal in the Adecco brand. We are the market leader or in second position in 12 out of the top 13 markets. We continue to believe that market leaders will outperform the industry, in both good times and bad.

While market leadership in our core staffing business remains critical to our success, Adecco has the opportunity to accelerate its growth by expanding into Human Resources and Business Services. A re-organization along business lines to facilitate this strategy was announced in October. These new business lines will operate globally and are focused on building Adecco's capabilities in Mainstream Staffing, Professional Staffing, Managed Services, Career Services, e-Recruiting and other human resources services. We have appointed three presidents to lead these business lines, all from within the Adecco organization. This new structure will allow us to continue fast growth in our core staffing business, while concurrently extending the scope of our company. It will also enhance our ability to provide a broad range of services beyond traditional staffing to our Clients.

**Adecco is the No.1 company in 8, and No. 2 in 4, of the top 13 markets that account for 95 % of the world staffing market.**



Excellent technology remains one of the lynchpins of Adecco's success. During the past year, we continued to make huge strides in the development of our Internet and technology capabilities. Despite the bursting of the dot com bubble, the Internet is now more important to our business than ever. We are getting down to the nub of this technology – allowing instant access to information - anytime, anywhere it is needed. We continue to strive to have the Internet available on all desktops in the company, and will have Internet access in over 95% of our offices by July 2002. Over the past three years, we have invested nearly CHF 1 billion in our technology initiatives, integrating the web into our business and developing new web-based businesses. Our vision of delivering our business on a browser is coming ever closer to realization.

Nowhere has this integration of the Internet with our core branch business been more dramatic than in Italy. Adecco.it, the world's first fully web-enabled recruitment and staffing system grew from strength to strength, generating over 300,000 applicants by the end of 2001 and making a substantial contribution to our revenues in Italy. It is fully integrated to allow Clients to manage the entire staffing process on-line, while giving job seekers a quick and powerful job search tool. We are on schedule to launch similar systems throughout Europe – capitalizing upon the success of the pilot initiative in Italy.

To ensure that we respond to market conditions, we continue to implement sensible cost control measures. However, we remain committed to maintaining our branch network. This year we added 12% more branches while some competitors were contracting. We now have nearly 6,000 branches in total, spanning 58 countries. Our experience shows that maintaining branches during a downturn is critical to improving market share when business revives.

As the market leader, Adecco strongly promotes legislation that encourages flexible work. Countries with flexible labour markets have shown they can reduce unemployment and increase productivity, thus providing real benefits to workers as well as Client organizations and society in general. The benefits to organizations and individuals of more liberal flexible work

regulations have been demonstrated in Spain, Italy and Japan, where temporary work laws have been eased in the last five years.

The positive role of our industry in society is there for all to see, with reduced unemployment, more flexible career choices and increased productivity. Since the laws in Spain were liberalized five years ago, the Spanish staffing market has grown dramatically to nearly CHF 3 billion. As the country becomes more accustomed to the use of staffing services, the market could potentially be worth CHF 6 billion. Italy is developing the same way as Spain, though perhaps even more rapidly. Staffing was legalized in January 1998, at which time Adecco had few branches in Italy. We have since opened over 500 branches and today the country accounts for CHF 1.2 billion of business.

Most recently, the Japanese temporary staffing market has grown nearly 20% year on year since the Temporary Dispatch Law was modified in December 1999, injecting new flexibility into the economy and providing additional options for both individuals and corporations. We remain convinced that there is great potential to grow our business in those places that have yet to fully adopt laws encouraging the use of flexible work. We strongly endorse legislation that provides protection for workers without restrictions on the use of flexible work. It is good for our industry, temporary Associates and the wider society.

Adecco will continue to contribute to setting the labour market agenda. We also realize that supporting research into leading edge business theory, practice and education is a key role of industry leaders. To help in that mission, Adecco recently announced the creation of a fully endowed chair, funded with £2 million, at the London Business School. The holder of the chair will both teach and lead research into areas such as labour markets and their segmentation, education finance, labour mobility and migration, social capital and other related issues. Through endowment of this chair we will help enhance the world's understanding of these important issues, build Adecco's knowledge base and most importantly contribute to the education and development of the business leaders of tomorrow.



## Outlook for the future

While the outlook for our business in the first half of 2002 is difficult, we remain convinced that the medium- and long-term outlook is as bright as ever. Thousands of organizations and the nearly four million individuals we place in jobs each year have grown to see the importance of flexible work with Adecco. Clearly, Adecco is the best-positioned company in the industry to ensure they meet their goals. Moreover, we are now beginning to move into new areas of human resources services to further extend our reach and capacity to serve our Clients. I want to thank our 30,000 Colleagues for their efforts as we continue to transform the company. I am gratified by their dedication and the continued confidence placed in us by Clients, temporary Associates and Shareholders. I assure you that all of us at Adecco will do our utmost to deliver excellence as we move into the new year.

*John Bowmer*  
Chief Executive Officer







Adecco: 30,000 entrepreneurs seizing opportunities daily to build shareholder value.



*From left to right: Patrick de Maeseneire, Jérôme Caille, Felix Weber, Bernard Morel, Luis Sánchez de León*

## Organizational and Management Strength

In October 2001, Adecco Group redefined its organizational structure in order to aggressively develop existing business and extend the scope of the company. Adecco Group will increasingly be recognised not just as a staffing company, but as a Human Resources and Business Services organization, as it continues to lead industry developments.

These new divisions will operate globally and are focused on building Adecco's capabilities in Mainstream Staffing, Professional Staffing, Managed Services, Career Services, e-Recruiting and other human resources services. Three presidents - all from within the Adecco organization - were appointed to lead these divisions in addition to a Chief Sales & Marketing.

This new structure enhances Adecco's ability to provide a broad range of services beyond traditional staffing.

**Jérôme Caille**, as President, leads the Adecco Staffing Division worldwide.

**Patrick De Maeseneire**, as President, heads the Ajilon Staffing & Managed Services Division and mid-market permanent placement business with its operations in North America and Europe.

**Bernard Morel** is President of Career Services & e-Business, including e-recruiting, executive search, outplacement and related services.

**Luis Sánchez de León**, Chief Sales & Marketing, is responsible for leveraging Marketing, Sales and investment opportunities and synergies across the business lines.

**Felix Weber** in addition to his role as CFO, is leading various strategic initiatives within the Group.



*Jérôme Caille,  
Adecco  
Staffing Division*

In 2001, we established the new Adecco Staffing Division. We are committed to making our people successful by training and developing the skills and building on the passion of every one of our 30,000 Colleagues, so that they may successfully guide the professional careers of our 700,000 daily Associates. Thus, helping to significantly increase the flexibility, productivity and competitiveness of our 250,000 Clients worldwide.

We will continue to grow our network organically by maintaining a local focus, identifying new business opportunities through a continued process of Client and Candidate segmentation and providing the best services in our industry.

The leadership skills of our Branch Managers are key to building sales locally and to providing the highest quality temporary and permanent recruitment services to our customers across a wide range of both traditional and new industries. Our Adecco University will provide the training and development programmes to build on the expertise of our local branch teams. In turn, they will deliver tailored workforce management solutions to our Clients and personalised coaching to our Candidates.

Using the industry's largest and most comprehensive Candidate database, we will translate the power of the worldwide web and the latest technologies in e-recruitment and Associate management, as well as ordering, contracting and time collection, to make our processes more efficient, effective and user-friendly for both Clients and Candidates alike.

Through strong international management and the sharing of best practice, we will ensure that our national, regional and local teams receive the strategic guidance, ideas and practical support necessary for Adecco to become the ultimate reference point for employment.

By building on our entrepreneurial culture and constantly innovating new services, we shall continue to build shareholder value and drive global market growth in this industry.

*Jérôme Caille*



**A management team  
utterly focused upon  
realizing Adecco's  
full global potential.**



*The new management structure is in place, defined to exploit Adecco Group's synergies with clearly defined goals and areas of responsibility. From left to right: Felix Weber, Patrick De Maeseneire, Luis Sánchez de León, John Bowmer, Klaus J. Jacobs, Philippe Foriel-Destezet, Bernard Morel, Jérôme Caille.*





*Patrick De Maeseineire, Ajilon Staffing & Managed Services Division*

In two of the fastest growing, higher margin areas of our industry, Ajilon Staffing & Managed Services, the Adecco Group has created a global powerhouse, built by the integration of already successful and growing businesses. Under the brand Ajilon, this new Division brings together the strengths and resources necessary to become a leader in each of the major markets in the world. Our aim is to achieve this through combining the strengths of our 10 established branded businesses, entering new markets and generating strong organic growth.

Our Ajilon Staffing sub-division serves customers with temporary Associates, Contractors and Permanent Placement. We have complementary strengths across industry sectors and geographies and are capitalising upon these through separate and focused sales and staffing teams, while already implementing a programme to enable these operations to share front and back offices in each region. This means improved service, lower costs and a superb infrastructure around which to grow individual service lines internationally, quicker and at less cost than when they were operating independently.

Our Managed Services sub-division is capitalising upon the continued growth of outsourcing of staffing and projects in IT, Telecom and Engineering sectors.

Focused upon the high growth sectors of our industry, we expect to make an increasingly telling contribution to the profitable success of the Adecco Group.

*Patrick De Maeseineire*

*Patrick De Maeseineire*



*Bernard Morel, Career Services & e-Business Division*

The new Career Services & e-Business Division has an exciting range of initiatives underway to further develop Adecco's established e-recruiting, executive search, outplacement and career services businesses.

In e-recruiting, our focus is upon creating new levels of service in what we call Assisted Direct Hiring. This is a huge market, as currently over 85% of hiring is achieved without recourse to executive search or recruitment companies. Our approach is to add significant off-line value, at low cost, to the on-line job-board concepts to help companies manage their own recruitment better, faster and cheaper. We shall harness the services of the Adecco Group companies worldwide and acquire specialist resources as required.

Our e-recruiting initiatives are focused around:

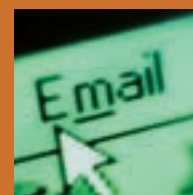
- A job-board approach offering the best services to both Candidates and Clients and able to generate high traffic and retain this audience over time.
- A human resources services platform combining the clicks of the Internet with the people necessary to guarantee the quality of the matching and the management of the recruiting processes.
- A Human Resources Management system solution allowing customers to benefit from integrated on-line resources, helping them improve their own human resources processes. E-recruiting is a very promising field of activity where the skills and resources we already have in the Adecco group will be optimised.

In Executive Search, we want to build a powerful global network of highly competent consultants in the top cities of the world, based on the existing resources already provided by our Alexandre TIC, Career and Templar offices worldwide.

In the field of Career Services and Outplacement, Lee Hecht Harrison will continue its very impressive expansion. With a very strong leading position in North America and already successful operations internationally, Lee Hecht Harrison will further strengthen its market positions in Europe and Asia Pacific.

All these activities will work closely with the two other Adecco Divisions: Adecco Staffing and Ajilon Staffing & Managed Services to drive the success of the group.

*Bernard Morel*



# Dynamics of Change

## The changing concept of work

By Richard Donkin  
Author of 'Blood, Sweat and Tears,  
The Evolution of Work'

The world has witnessed two fundamental upheavals in the way people live and work. The first was the agrarian revolution 10,000 years ago. The second was the industrial and manufacturing revolution that began in the 18th century and reached its zenith in the 20th century multinational corporation.

Today, we are taking the first evolutionary steps across a third watershed of life and work; a watershed from which people will emerge with far more personal control and choices over their levels, types and degrees of input into society.

We shall all need to adopt new meanings for words such as 'management', 'retirement' and 'education'. The concept of work itself will change, blurring at times with that of leisure.

But these changes will not happen overnight, nor will they happen without understanding, legislative reform and more creative financial and institutional infrastructures.

The mentality of job creation must change to that of work accomplishment. No-one wants to work for the sake of it. But, people want and need to do rewarding, purposeful work in order to find self-fulfilment.

Those corporations that are most responsive to such needs, not least in terms of managing their workforce requirements in more imaginative ways, are likely to enjoy the most significant gains in productivity and competitiveness.

Thus, companies like Adecco are finding themselves at the very fulcrum of change, witnessing the desires, ambitions, experiences and potential of people demanding that governments and international organizations take action on a global basis.

Work has always been an integral feature of social interaction. Those countries and continents that are most aware of their history are best placed to influence future social development.

This is why the work that Adecco is undertaking at the heart of European policy-making is so important.

Today, when the workplace can be any place, when the opportunity to 'learn and earn' is viewed by many as a basic human right, we are on the threshold of a new society. Tomorrow, terms such as 'flexible working' or 'tele-working' will be simply the way things are.







## Social change and the fitness of the ageing population: Implications for lifelong careers and the future world of work

By Professor Paul B. Baltes  
Director of Max Planck Institute for  
Human Development, Berlin

We are living in an era of unprecedented demographic change. People are living longer, fertility is declining and populations are ageing.

But that does not imply a general decline in fitness. Indeed, a conservative estimate is that today's 70-year olds are comparable to people five to ten years younger of 25 years ago.

In addition to an increase in average fitness there is also a clear increase in 'individuality'.

Today's 40 to 70-year olds are looking for new opportunities to express their personal style and individual preferences. They are less interested in 'standardized' solutions such as keeping the same job for life or retiring at some arbitrarily enforced time.

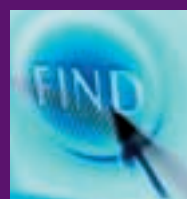
For many older adults 'traditional' work contexts are becoming obsolete, as they do not fit with their personal skills and individual lifestyle preferences.

One response to the changing fabric of the ageing population and the new motivations of older adults is to move from the traditional sequencing of life stages (education, family, work, retirement) toward greater parallelism and more horizontal flexibility.

Part of that shift implies the pursuit of multiple, flexible careers. Older adults today are looking to exploit their experience, engage in learning new skills and are seeking jobs that will permit them to better balance newly-found motives and interests with productive working commitments.

We need companies, such as Adecco, that focus on assessing the existing skills and motivations of older adults and on offering new, more appropriate, more flexible employment opportunities. Such companies will be major players in re-shaping workforce strategies for the 21st century. If they did not exist, we would have to invent them!

Increasingly, today's 40 to 70-year olds are turning to Adecco for new opportunities.





## Drivers in Legislation

In the EU and in many markets across the globe, 'worker' legislation, frequently established immediately after World War II, is no longer appropriate for companies or workers in the new world of work.

Responsible deregulation is enabling the growth of nations' economic competitiveness, corporate flexibility and productivity and individuals' choice and opportunity – clearly good for society.

Adecco's business is thriving, but this is in spite of the current regulatory environment, not because of it. So, leading the way in setting the agenda for change at international and national level is a priority for Adecco.

Employment laws are changing – enabling more people to enjoy the opportunities of flexible work.



**One of the 6,000**

*This Adecco branch in Milan, Italy, was opened last year by Lombardia Area Manager Francesco Zacchetti – and almost immediately grew a Client base of household names such as Walt Disney, Unilever, Louis Vuitton LVMH and Campari.*



## The Agenda for Change

### Length of Assignment

In Spain, Italy and France, the length of an assignment is limited to an average of 12 months. Adecco is lobbying for its removal because it can lead to an Associate having no job after a year, so encouraging employment instability. There is very little evidence of temporary workers substituting for permanent workers, which was one of the reasons for this restriction.

### Arbitrary Sector Restrictions

In several countries, for various reasons, there are restrictions, which prevent temporary workers taking positions in certain industry sectors. Evidence suggests that the reasons for restrictions are inappropriate, limit the opportunities for people who want to follow temporary work, and only lead to economic inefficiency.

For example, preventing temporary workers from participating in the construction industry on the premise that they are not qualified and represent a safety risk is without foundation. Far better that regulation be introduced which ensures the temporary workers are qualified for a given task, than exclude them from work opportunities and the industry from using them. Adecco believes that the emphasis should be on protection rather than restriction.

Another example can be found in France where temporary workers cannot be deployed in public administration, whereas in the UK, the DTI (Department of Trade & Industry) for example is one of the biggest users of temporary workers. Adecco believes public administrations should be allowed to use temporary workers to maximise their flexibility and efficiency – creating new opportunities for temporary workers and ultimately better, more responsive public services.

### Objective Reasons

Productivity is seriously hindered by laws in some countries such as France, Portugal and Spain, which require companies to provide Objective Reasons, such as sickness or a sudden upsurge in business, before engaging temporary workers. Such red tape can delay the start date of temporary workers, causing deadlines to be missed and often dissuading companies from creating new jobs.

## Breakthroughs in 2001

In October 2001, a joint declaration was made between Euro-CIETT (Confédération Internationale des Entreprises de Travail Temporaire) of which Adecco is a leading member, and UNI-Europa - representing the staffing industry and unions respectively.

It proposed a framework for the new **EU Directive on Private Agency Work** – that will guide positive regulation in the years ahead. It was a landmark declaration, reflecting the progress in raising understanding of the role of the staffing industry in the changing world of work.

The Joint Declaration called upon the Commission to ensure that the Directive:

1. Recognized the use of agency employment as a means to enhance job opportunities and integration in the labour market in particular for special and/or disadvantaged groups.
2. Established the principle of equal treatment, at two levels:
  - Obligations which arise from the employment relationship that exists between the agency and the agency worker (for example, terms and conditions for the agency workers should be equal for the same job with one Client)
  - Obligations which arise from the fact that agency workers are assigned to work for and under the control of Clients at their premises (for example, health and safety responsibility of the Client should be the same for agency and non-agency workers)
3. Asked Member States to periodically identify and review obstacles, which may prevent agency work from playing a positive role in the labour market and eliminate them if appropriate.

## Deregulation Works

### Germany – new job creation

In 2001, lawmakers in Germany have given a strong boost to the labour market's use of temporary staffing and direct placement through its Job-Aqtiv Act that was passed by the German Bundestag in November 2001. This legislation extends the earlier maximum assignment duration for temporary Associates from 12 to 24 months.

Earlier in 1998, Germany increased its limit on temporary workers' assignments to 12 months from 6 months, enabling the staffing industry to put 55,000 more Germans to work in 1999 alone.

### Japan – new ways of working

Since the deregulation of the Temporary Dispatch Law in Japan in December 1999, the temporary staffing market has grown nearly 20% per annum, increasing flexibility and productivity for the economy, corporations' and individuals' career and lifestyle options.

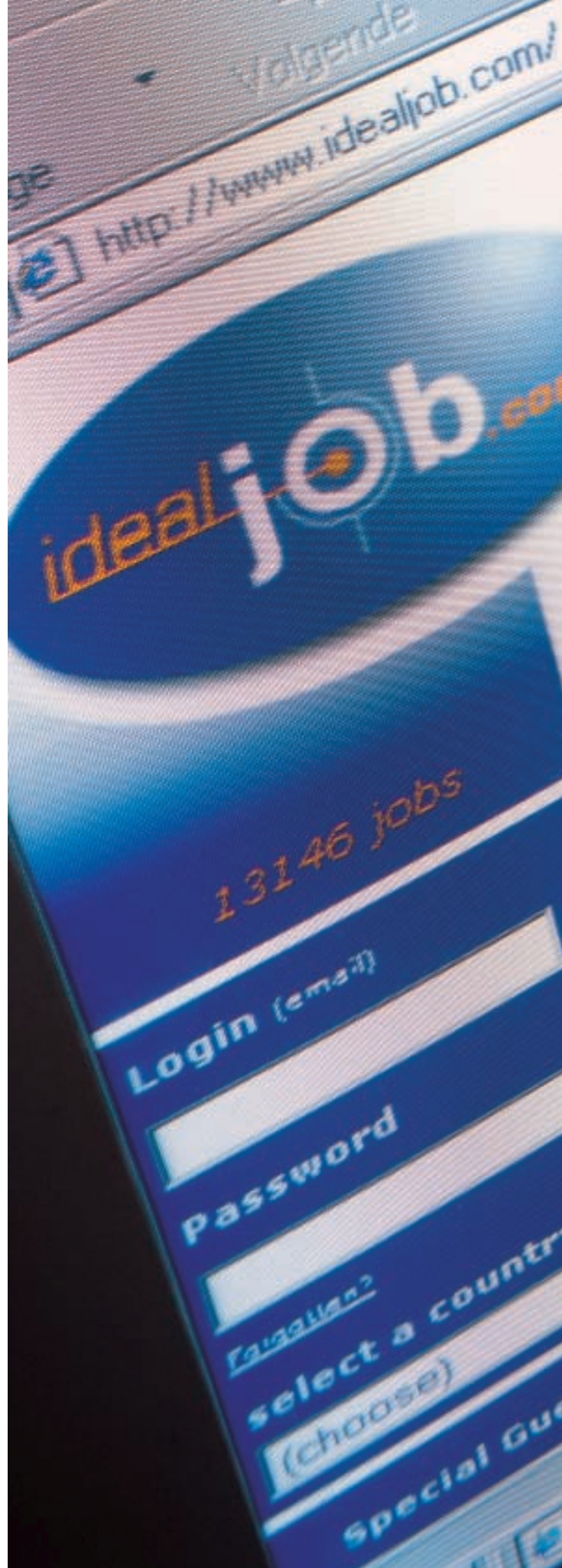
Mr Kozo Tsukada, Senior Director of Human Resources at Pfizer Pharmaceuticals Inc – an Adecco Client – said:

*"Employees remain our greatest asset, but Japanese companies are now realizing the competitive advantage of deploying a flexible temporary workforce."*

According to a McKinsey & Company report in October 2000, commissioned by the European staffing industry body, Confédération Internationale des Entreprises de Travail Temporaire (CIETT), a modernised regulatory environment will help enable the temporary sector create 4 million new jobs by 2010. By this time, the temporary sector is likely to account for 4% of workers, as opposed to 1.5% now.



No other player in the industry has such established depth in all three strategic areas: People, Bricks and Clicks.





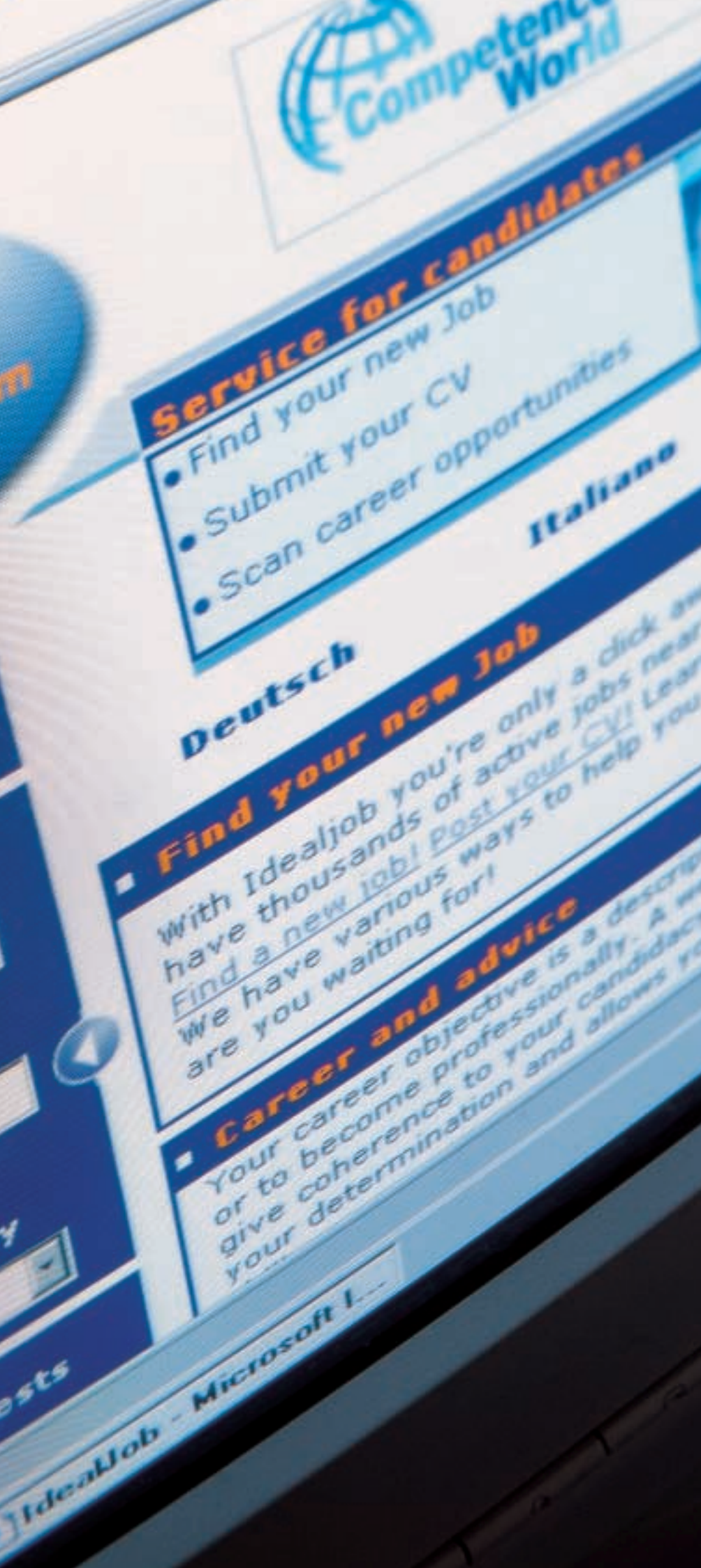
## Drivers in Technology

### People, Bricks and Clicks Unified and Focused

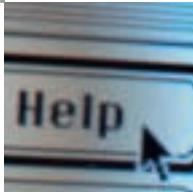
The Adecco Group is ideally placed to harness the power of technology. Not only does it have the critical mass to realize economies of scale in its technology investments, it possesses a unique combination of *people*, *bricks* and *clicks*. No other player in the staffing industry has such an established depth in all three strategic areas.

*Clicks* enable Clients and Candidates to interact with Adecco quickly and easily, through on-screen access, automated matching, payment, billing and increased reach in Candidate and Client searches. *Bricks* provide the high street presence, brand visibility and vital understanding of local and regional business environments. And *people* provide the essential face-to-face interviews that ensure reliable, accurate Candidate assessment as well as information on personality, motivation and the 'softer' skills – information that cannot be gathered by on-line questionnaires alone. Moreover, Adecco *people* help ensure that all types of Candidates, even those less acquainted with using on-line systems, can easily enter the e-selection process. The result? Adecco Clients have fast, easy access to databases filled with truly reliable and in-depth Candidate information. Adecco Candidates have the best possible skill-set profiling. Both Clients and Candidates get the support of a full array of personalised face-to-face services.

Working as one unified force, this unique combination of *people*, *bricks* and *clicks* is setting new standards in reliability, speed and quality of information. And it is helping to redefine the staffing industry.







## Strategy in action

### IdealJob.com

IdealJob.com started in Switzerland just two years ago and rapidly expanded into eight other European countries. Now, in addition to attracting mid- to high-level skilled Candidates, it provides off-line interview, assessment and follow-up services in most European markets.

In addition, IdealJob.com markets its technology and services to Clients and provides turnkey, tailor-made, web-enabled human resources solutions. For example, in mid-2001, it provided the Swiss daily newspaper, *Le Temps*, with an on-line version of its weekly 'situations vacant' supplement. IdealJob.com specified, programmed and installed the site and styled it according to *Le Temps'* corporate visual identity. It also set up a 5-day a week call centre to handle interviews and expedite selection processes. It is now an almost self-running profit centre for *Le Temps*.

IdealJob.com is also helping *EXPO.02*, the Swiss National Expo to recruit more than 11,000 people. A specially designed website began collecting thousands of CVs

per day, from which 30,000 people were interviewed in order to fill 11,000 jobs. At all stages – from initial CV posting to final selection and placement – the IdealJob.com technology and services gave Candidates the impression of interacting with the *EXPO.02* organization directly.

### Adecco.it

Adecco.it is Italy's fully integrated human resources solutions system that blends the best of click power with an extensive branch network and face-to-face services. It stands as a model for the future, one that will be imminently rolled out in Spain, France, Germany and ultimately to all other countries.

It works like this: whether Candidates physically enter a branch or 'virtually enter' the Adecco.it site, they are all personally interviewed at branch level. Once their references and qualifications are validated, they are placed in the nationwide database, from where Clients can interactively search and sort suitably qualified and mobile people. After initial selection, Adecco Colleagues then contact the Associates to finalise the hiring process.

**Adecco's People, Bricks and Clicks strategy is redefining the global staffing industry.**



### One of the 6,000

The Adecco Dietikon branch in Zurich, Switzerland, headed by André Riegler, opened two years ago and operates with more than 250 Clients, including such famous names as Hertz, Hewlett Packard, Daimler Chrysler.

And to ensure that all Adecco and specialty branches participate in the system, special transfer pricing arrangements are in place as an incentive for Colleagues.

After just one year, thanks to the power of the *people, bricks and clicks* model, Adecco.it has overtaken all Italian Internet recruiting competitors (including pure on-line players such as Monster, JobPilot, StepStone and Jobline) in all on-line activities. It has more than 200,000 individual visitors per month, 5 million page views per month, 650,000 CVs and 4,000 Job Offers available on-line. And all this was achieved with no advertising, just the leveraging of the Adecco brand awareness and through 'word of mouth'.

Not only is Adecco.it Italy's leading on-line recruitment site, it is also helping address the North-South divide in a country that has 3% unemployment in the North and 20% in the South. With Adecco.it people from the South are helped to find a temporary job in the North, and 96% of them receive a permanent job offer within 6 months. Adecco has further helped facilitate this through its 'Adecco House' initiative. The aim is to find, rent and furnish apartments to be used by temporary workers who have transferred from the South of Italy. In the last two years, Adecco has opened over 300 houses in the North, helping Associates settle down in the workforce of Client companies.

### Fully integrated branch and back office system

In a system that is unique in the staffing industry and puts Adecco North America ahead of our competition, our 1,700 North American branches are on-line to a real-time client/server system that accesses a centralised nationwide database. This saves Adecco and its Clients time and money, eliminating paperwork and ensuring accurate, easily accessible data.

Providing unparalleled customer service administration, comprehensive skill evaluations, skill enhancement and custom matching of Associates to assignments, Adecco's system facilitates order tracking, time capture and payroll, validates billing and provides a wide array of Client usage reports, with a multitude of sorting options based on Client specifications. It also provides consolidated invoicing for large customers while allowing for complicated contract compliance for multiple entities

and locations. The result is that Clients can strategically manage their staffing contracts nationwide.

For Associates, the system ensures that their data are centrally recorded and, as Associates acquire experience, Colleagues can reference previous assignments to further match skill sets with jobs. Associates can also move easily to another branch and be assured of the integrity of their data.

To expand its seamless network, Adecco is implementing a variety of web-enabled system options that integrate Client IT systems with Adecco's. They provide a secure, collaborative platform from which Clients, Associates and Adecco can access all workflow information. The unique feature of Adecco's e-commerce systems is their seamless integration with all other Adecco front and back office systems, eliminating duplicate entry and ensuring accuracy and timeliness in e-commerce transactions.

### Lee Hecht Harrison

In June 2001, Lee Hecht Harrison launched the first career transition service for those who prefer to job-search from home. The LHH@HOME software creates a fully interactive research, training and networking community, allowing Candidates to interact with LHH staff as well as other Candidates. It also gives access to company-wide resources, conferences and bulletin boards.

### Adecco Spain uses SMS

Adecco Spain uses SMS (Short Messaging Service) technology to instantly inform Candidates across the country about its latest job offers and training opportunities. Together with an SMS provider it developed special tools to send SMS messages to either a single person or a group sorted by fields such as location, personality, education and experience. Currently, well over 100,000 messages are sent each month, and Adecco Spain is looking to market this exciting technology into other countries.

### Making the most of the future

The case studies described above are powerful examples of Adecco's integrated *people, bricks and clicks* strategy. They show how the Internet enables greater efficiencies and convenience, and how the people and facilities behind the web-enabled systems provide face-to-face added value services.

As Adecco continues to embrace new technology, it continues to build an ever valuable resource of expertise. A resource that will ultimately create a common database structure in all regions, enabling Adecco people to share information seamlessly, at every level, across borders and across specialities, and eventually allowing Clients and Candidates to access and use this information through whichever kind of Internet or wireless device they find most convenient. And, as a truly global and transparent company, Adecco seems destined to continue redefining the staffing industry.







## Drivers in Flexible Workforce Solutions

### Delivering Global Advantage

Continual development of the range, reach and quality of Adecco's services are the drivers that have enabled Adecco to deliver global competitive advantage to more Clients, in more countries each year.

In a year of great economic uncertainty, the competitive value of flexible workforce became further embedded in the human resources strategies of the world's leading companies – and the people, bricks and clicks of Adecco rose to the challenge.

- Adecco grew its Global Client Database – its on-line tool for global Client development worldwide – by over 25% in 2001.
- Adecco's Global Account Management structure offers one point of entry to the range of Adecco Group Services – almost half of Adecco's largest Clients used the services of two or more Adecco Group companies in 2001.

Almost half of Adecco's largest Clients use the services of two or more Adecco Group companies.



#### One of the 6,000

*The Wilshire Boulevard branch in Los Angeles, headed by Cheryl Bridges, opened a decade ago and now has more than 800 Associates registered and operates with 140 Clients, including EMI Records, Capitol Records, Bank of America, Avon and Wells Fargo.*

## Hewlett Packard in South Korea – Mobility Pool System, an innovative solution

The striking turnaround of South Korea from one of the worst affected economies during the 1997-1998 Asian financial crisis was due primarily to restructuring of both the private and the public sectors. One of the challenges in the restructuring was to enhance the efficiency in workforces by securing labour flexibility, through realigning employees or outsourcing people or tasks.

Adecco's services to Hewlett Packard Korea include temporary staff dispatching services, marketing and sales personnel and outsourcing services for customer management – a range of services previously provided by several other service firms. Adecco operates a 'Mobility Pool System' which delivers workforce flexibility and reduces labour expenses.

*"I judge that we made an excellent decision in having a partnership with Adecco Korea regarding the external temporary workers and outsourcing services."*

Kwang-Dong Lim, Human Resources Manager, Hewlett Packard Korea.

## Valeo – flexibility for business expansion

Adecco is the preferred supplier for Valeo, the automotive component manufacturer, meeting its temporary staffing needs in 12 countries across the world.

In the Czech Republic, for example, Adecco plays a key role in managing the recruitment and supply of temporary workers on manufacturing and assembly work for Valeo plants in Rakovník and Zbrak. Adecco's on-site presence helps it fit into Valeo's workforce strategy by supplying difficult-to-find labour, just in time.

Mr J. Doskočil, Valeo Human Resources Manager in the Rakovník plant, said:

*"Co-operation between Valeo and Adecco began when our company started to expand. We realized that we are unable to manage all of our recruitment on our own – therefore we found a partner to whom we can outsource the recruitment process. We are now capable of supplying not only existing partners, but also our new customers, which would not be possible without new employees."*

## Adecco/Prudential strategic relationship

Prudential Financial Inc. entered into a strategic relationship with Adecco as a preferred temporary staffing provider in March 1996, with Adecco being awarded a contract as the primary supplier in Spring 2001. Adecco services Prudential's staffing needs in the USA, with major concentrations of business in New York City, New Jersey, Fort Washington, Pennsylvania, and Jacksonville, Florida.

Through a formalized requisition and approval process, Adecco provides hundreds of Associates daily at Prudential work sites. The ordering and fulfilment processes were further enhanced in October 2001, when Prudential and Adecco combined technologies and implemented a customized end-to-end e-commerce solution, in which transactions between Adecco and Prudential are performed over the web. To Adecco's knowledge, this system is unmatched by any other staffing firm and Client-company relationship.

According to end-user surveys conducted by an independent consulting group, Adecco exceeded Prudential's Customer Satisfaction expectations in 2001.

## Bell Canada – one-stop outsourced solution

For Bell Canada, TAD Telecom Canada (or TAD) supplies technicians who both fit telephone and Internet services, install cable in buildings and perform other related tasks to ensure one-stop outsourced service delivery.

Bell Canada is Canada's national leader for communications in the Internet world. The company provides connectivity to residential and business customers through wired and wireless voice and data communications, high speed and wireless Internet access, IP-broadband services, e-business solutions, local and long distance telephone and directory services.

With an increasing requirement for significant flexibility in its field workforce, TAD's business model has enabled Bell Canada to meet its customers' expectations of high value and quality service.

## Adecco Sales Activity Systems – one step ahead

Adecco was the first in the industry to launch a global Client database in 1997 and, through steady development, it has continued to be a source of competitive advantage, driving Client service enhancements and new sales opportunities for Adecco. Georg Juelke, Global Sales Information Manager, said:

*"On-line access to the database by our global account managers enables us to operate as a truly multinational company – with up-to-the-minute assessments for each Client of countries served and services provided across the Adecco Group. In 2001, we introduced a new Activity System through which our account managers can have a live insight into Client relationships and how they are developing right across the globe. It's just another step that allows us to share best practices for our Clients faster, as well as building our own business."*



## Drivers in Career Development

Individuals are taking charge of managing their work/life balance as never before – jobs for life and traditional one-company career paths are increasingly outmoded.

Adecco's role goes beyond offering a one-stop job service. Throughout the world, Adecco offers innovative, personalised support programmes so that Associates develop their skills and enhance their employability – enabling them to 'take charge' of their career in times of change; in turn, this builds Adecco's reputation as a supplier of choice. Adecco also supports the development of diversity in the workplace and assists 'outsiders' entering the workforce through the Adecco Foundation.

## Adecco offers its Associates personalised support and training programmes. Developing skills into careers.

### USA

#### Renaissance programme supports mature workers

In 2001, Adecco North America rolled out the Renaissance programme, focused on *informing* mature workers about the advantages of flexible work as an alternative to retirement. Vacation pay, prescription coverage, medical benefits and training bring to life the Renaissance promise that 'Working with Adecco has its benefits'. As a result, a growing contingent of retirees return to the workforce on a part-time or flexible schedule to continue their active lifestyle.

Following a successful career as Director of Financial Aid for the Berklee College of Music in Boston and 30 years in the Army Reserves, Joseph Ferrari knew that it would be difficult to adjust to a sedentary retirement. Ferrari's work as an accounting clerk at a major defence and technology company, General Dynamics, earned him one of Adecco North America's coveted awards as a 2001 Staffing Employee of the Year. Ferrari said:

"In more than one way, Adecco has given me an opportunity to write another fulfilling chapter in my life. I work part-time, which keeps me active in the business world, and the hours are flexible, so I can serve as the substitute organist at my church, playing at occasional weekday services. For people who just aren't ready to retire completely, or who can't afford to, the temporary lifestyle is a great solution."

Adecco training centres for Associates are well established in the USA and following the tragic events of 11 September, they were rapidly established in Manhattan. This enabled displaced workers to receive free training, career counselling and job placement, whether or not they were registered with Adecco. One Manhattan centre offers instructor-led courses such as introduction to computers and lessons in Microsoft Excel, Word, Outlook and PowerPoint. Another centre provides computer-based self-paced training in typing, data entry and basic office procedures.

### UK

#### Expanding development programmes

In July 2001, Adecco launched its career management programme that includes a combination of carefully selected and developed career assessment and training services, all offered at highly discounted prices by the UK's foremost providers.

*Pathway* includes:

**Xpert** - Adecco's own career evaluation tool

**Change Learning** - Occupational training, available in a classroom setting at Adecco UK Learning Centres

**Learndirect futures** - Occupational evaluation available on-line

**Pitman Training** - Assessment and skills training from basic office to advanced IT, available in an Adecco Learning Centre, workplace or on-line

**Skillsoft** - General workplace and management skills, available on-line

**i.Learn.to** - Soft business and IT skills, available on-line

"*Pathway* looks at what employees do now and how readily their talents can be transferred, perhaps with a little encouragement or training, into a more rewarding position with better job prospects,"

says Fiona Walsh, Adecco's Corporate Training Director. *Pathway* is today available to the 100,000 people registered with Adecco in the UK.

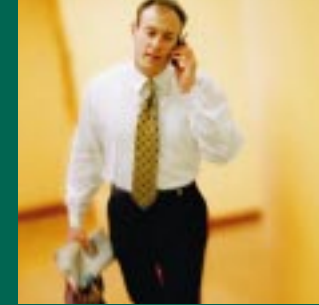


One of the 6,000

Christine Brooks and her five Colleagues opened their new branch at Canary Wharf, London, in June 2000. Since then they have registered more than 150 Associates working with prestige Clients such as Chevron Texaco, Edward Jones and the Financial Services Authority.







## Adecco Learning Centres

Adecco UK opened further Learning Centres in Manchester, Liverpool, Sunderland and Southend, to add to those already established in Rotherham, Leeds and Glasgow. Adecco UK launched the Learning Centre concept in 2000 and a record number of Associates benefited from skills training in 2001.

Sisters, Sally (aged 26) and Sue (aged 22), were in the first group to undertake the training course in Glasgow. They had both just been made redundant from James Gowan Bookbinders when it closed down. Sally had worked there for 10 years and Sue for 5 years – both having gone there straight from school. The women heard about the course through Branch advertising and worked hard to complete the course, as it was all very new to them. One week after completion, both sisters were employed at an International Bank as Data Entry Agents on temporary contracts.

## Germany

### Going mobile to reach out to Associates

In Germany, the Adecco Mobile Shop delivers job information and free skills testing directly to prospective Candidates. In 2001, the bus travelled to 80 cities transporting advanced technology that enables prospective Candidates to access job opportunities throughout the country.

Visitors are also invited to take free skills tests that help them determine which skills and software they have mastered, such as MS-Office programs. Also, they can take Adecco's unique Xpert Test. The results help them understand their personal strengths and preferences. This assessment tool can direct people to employment opportunities that are a better 'fit' and are more fulfilling.

## Switzerland

### Supporting Associate safety

In 2001, Adecco became the first staffing company in Switzerland to launch an industrial injuries prevention programme. In a joint initiative with the Swiss Association of Roof and Wall Constructors, Adecco Associates are invited to attend a free half-day seminar on accident prevention, addressing a key issue in the Swiss industry in which an injury occurs every minute.

## Adecco action on diversity

In 2001, Adecco introduced a global 'Diversity Action Plan' for Adecco Colleagues and Clients. First and foremost, the programme aimed to show how best practice recruitment methods focused purely upon Candidate competencies, disregarding racial or ethnic origins or gender and, in fact, resulted in increases in the size and quality of the Candidate pool. In addition, the programme helped Clients to anticipate employment trends and to comply with the relevant legislation.

In France for example, the programme encompassed a series of conferences in all major cities including Paris, Lyon, Strasbourg, Lille, Toulouse and Bordeaux, starting in June 2001. These conferences were organized in partnership with the Fonds d'Action et de Soutien pour l'Intégration et la Lutte contre les Discriminations (FASILD) – a body that reports to the French Ministry of Labour – and covered all aspects of the upcoming social laws. Thousands of Human Resources and General Managers from a diverse range of companies have attended these conferences.

Nouredine Boubaker, Directeur Emploi Formation of the FASILD, said: "This is a really successful and exemplary partnership to fight effectively against discriminations at work in France."

In the USA, encouraging diversity is an integral part of Adecco's everyday operations, and there were many prominent examples of success in 2001:

In New York City, Adecco combined forces with Wildcat Services, a federal, state and city-funded welfare-to-work organization, to place graduates of Wildcat's job readiness training. In 2001 alone, Adecco placed more than 300 Wildcat Clients in rewarding positions.

Also, Adecco was awarded the Supplier Diversity/Mentor Program by Georgia Power. Through this programme Adecco mentors and trains minority-owned staffing companies, helping them grow their business. As Georgia Power put it in their employee newsletter, "Adecco has taken Georgia Power's slogan – 'A Citizen Wherever We Serve' – to heart" in spearheading the Supplier Diversity/ Mentor Program.

Adecco Colleague, John Kelly, is on the advisory board of the Massachusetts Rehabilitation Commission (MRC).

As part of his association with this organization, Boston-area Adecco offices interview and place people with disabilities who are referred to them by the MRC. In November 2001, John Kelly received the MRC Partnership Award, citing his 'outstanding leadership and dedication resulting in increased employment opportunities for people with disabilities'.

## Foundation

The European Adecco Foundation's objective is to help people at risk of being socially marginalized fit into the labour market. According to the EU this group includes people over 45 years of age, the disabled and also women who wish to re-enter the workforce after raising children.

The Adecco Foundation achieves its objectives through a range of direct and indirect means. Direct support activities include career evaluation services and the setting-up of framework agreements with companies to develop their own social responsibility plans.

For example, in 2001, the Italian Adecco Foundation helped 250 disabled people and over 70 former athletes enter the labour market, while the Spanish Adecco Foundation helped over 120 athletes and over 400 disabled people re-enter the workforce. The athlete support programmes are based upon agreements made with CONI (Italian Olympic Committee) and COE (Spanish Olympic Committee) and National Professional Sports Federations in these markets. In this 9-month 'outplacement' programme, an Adecco consultant analyses the potential and the aptitude of the athletes, develops their interview and work skills and seeks employment opportunities for them through the Adecco branch network.

In addition, the Adecco Foundation conducts research and organizes conferences to foster awareness and debate policy change on key labour market issues. In 2001, such activities included two conferences, one in Milan on social responsibility and the other in Berlin on the subject of collective work agreements.

## Drivers in Adecco

In a highly decentralised, entrepreneurial organization, Adecco's 30,000 Colleagues operating at all levels can and do make a positive difference both to the company's performance and to their local communities. The very best are nominated by their Colleagues and are recognised annually in the Chairmen's Award

Adecco Chairmen's Award nominees, past and future, exhibit an extraordinary balance between work and community life, and every day make a noteworthy and inspiring contribution to improving both.

### Chairmen's Award Criteria

**Outstanding Performance** Consistently produces excellent business results – brings innovation, creativity and new ideas to developing and growing Adecco's business.

**Commitment to Adecco Values**

Consistently exhibits the following Adecco values at work: customer focus, innovation and creativity, empowerment and entrepreneurial behaviour, open communication and integrity.

**Community Involvement**

Donates personal time to a charity or programme that supports in some way youth, seniors, minorities, the underprivileged, disabled, unemployed or other groups in need.



**Judy Cline**  
Senior VP, General  
Manager of Lee Hecht  
Harrison in Nashville, USA

Judy has been with Lee Hecht Harrison since 1995 and has been instrumental in building the Nashville office of seven people that serves over 100 customers. The office recently received the highest scores for customer satisfaction of any LHH office worldwide. The Nashville unit is certified to deliver Lee Hecht Harrison career management programmes and the office has worked with eight of the ten largest employers in the vicinity. Judy is heavily involved in the local business community and has served as Board Chair for both the American Red Cross and the Workforce Investment Board – responsible for the introduction of the 'Middle Tennessee One Stop Career Centre'.

President of Lee Hecht Harrison, Steve Harrison, said:

*"LHH is right on the pulse of change in the Nashville business arena - thanks to the drive and energy of Judy and her team."*



**Gloria Cecilia Jimenez**  
Southwest Regional  
Manager of Adecco  
Colombia

Since Gloria first became branch manager in Cali, the number of Associates increased from below 100 to over 2,200 across a network of seven branches. She is a member of the army and is also the treasurer of the Human Resources Association in Columbia.

Adolfo Quiles, Adecco Columbia Country Manager said:

*"Gloria has led a number of outstanding initiatives including: opening innovative operations in the dock of Buenaventura where we have almost 400 people and developing an Adecco Training Programme for Associates. Operating in an ever-changing economic and political environment, Gloria has a real belief in the value of a flexible workforce – this transmits to Clients, Associates and Colleagues alike and the results in terms of business development are there for all to see. She is a professional dedicated to action."*



**Muriel Busin**  
Branch Manager,  
Adecco France

Muriel joined the company in 1979. She manages four branches in the North-east of France, and was instrumental in setting up a specialized branch for the automobile industry. She is a member of the French Employers Association (MEDEF) and part of the Chamber of Commerce of Valenciennes and has been an active member of the Adecco Work Council for over five years.

As well as being a Town Councillor between 1995 and 2001, she is a Member of the Lions Club and is actively involved in a range of charitable initiatives.

Adecco France Country Manager, Philippe Marcel, said:

*"Muriel is truly passionate about the company. Her attitude is always positive and constructive, and she has made a huge contribution to the development of Adecco in her Region."*



**Marie Lam**  
Adecco Country Manager,  
Malaysia

Marie joined Adecco as Operations Manager in Malaysia in 1997. In Malaysia, there are now five offices. Turnover and profit have increased year-on-year, through building long-lasting relationships with major global and national companies. Marie also finds the time to contribute personally to the local community – among other activities she regularly teaches English and Mathematics to underprivileged children on a local rubber estate.

Ray Roe, Adecco Asia Pacific Zone Manager, said:

*"Marie epitomizes the best of Adecco – a totally dedicated and selfless professional. Marie always gives 100 per cent of herself in everything she does. While building a successful business she manages to contribute generously to the community."*

While space limitations do not allow us to tell all their stories, other Chairmen's Award winners of equal merit in 2001 were:



**Michael Gould, Senior Account  
Representative, AOC,  
Walnut Creek, California, USA**



**Jean LeMore, Regional Vice  
President, Adecco,  
Irving, Texas, USA**



**Brigitte Desriac, Branch  
Manager, Adecco,  
Dinan, France**



**Kim Clary, Senior Test  
Consultant, Ajilon,  
Dallas, Texas, USA**



**Therese Knoll, Project  
Manager, Adcom,  
Frankfurt, Germany**

**The global market leader – driving  
global market growth.**

## Drivers in Emerging Markets

The appetite for workforce flexibility and broader human resources services is growing in the developing as well as developed markets. So too is the concept of temporary work among an increasingly educated, skilled and mobile workforce.

Adecco is at the cutting edge of industry development in the emerging Far East, Asia Pacific and Latin American markets, driving global growth through local entrepreneurial initiative.

### Adecco Thailand

Despite the overall economic downturn and the local legislation imposing the registration of a legal entity per branch, Adecco Thailand sustained growth in 2001.

Two milestones were significant in the development of Adecco Thailand:

In 1998, Adecco capitalized on the government modification of the 'Labour Protection Act' that radically changed the definition of 'Employer'. Combined with an aggressive sales activity, this boosted Adecco's temporary Associates' headcount.

In 1999, Adecco Thailand answered a Qantas Airlines request to recruit and employ outstanding Thai customer service professionals to be part of Qantas' first overseas-based long haul cabin crew team. Through dedication and hard work, Adecco Thailand started a long-term business relationship with Qantas and now employs 250 Flight Attendants based in Bangkok.

Building upon this experience, Adecco Thailand secured volume recruitment projects with CP-Orange (a telecom company) for over 800 call centre staff and, in the banking industry, with Citibank for over 100 Direct Sales and Telesales staff.

Shayne Nealon, Qantas General Manager Cabin Crew Long Haul said:

*"Qantas has a high regard for the Bangkok base crew, the successful integration of the Bangkok base and the high level of expertise provided by Adecco Bangkok."*

### Adecco Greater China – Flexible staffing

The demand for flexible staffing in Greater China has increased dramatically in recent years, with both multinational companies and leading local corporations using the service to help manage risk in an ever-changing business climate. Reluctance to implement flexible staffing on the part of local organizations, once fuelled by conservative Human Resources policies and unclear legal liabilities, is waning. Adecco Staffing Director Greater China, Cindy Chen says:

*"The concept of introducing flexible staffing by distinguishing between core staff and non-core staff has helped us to land substantial outsourcing contracts with companies like China Trust Bank."*

China Trust Bank is Taiwan's largest local commercial bank. Adecco Greater China pioneered the bank's flexible staffing outsourcing plan in 1999. Adecco Staffing now provides over 550 employees including temporary, payroll and contracted staff, in positions that include customer service representatives, collection agents, management assistants and administrators.

Cindy Chen adds:

*"With China Trust Bank setting an example in this changing economy, flexible staffing services show great potential for development in Greater China."*

In addition to flexible temporary staffing solutions, Adecco Greater China also provides Executive Search and Selection recruitment services through specialty branches in the cities of Beijing, Shanghai, Guangzhou, Hong Kong, Taipei, Hsinchu, Taichung and Kaohsiung. As the three markets of Taiwan, Hong Kong and China become more unified and liberalized, the movement of mid-level professionals and senior executives has risen dramatically, increasing the demand for cross-border placements. Currently, there are nearly 300,000 professionals from Taiwan who work in the greater Shanghai area.

### Latin America

Adecco is the No. 1 in Latin America with over 55,000 temporary Associates every day in 2001. This year, Adecco added 20 more branches to make a network of 230 in total in the region across 15 countries comprising Argentina, Brazil, Costa Rica, Guatemala, Uruguay, Chile, Bolivia, Ecuador, Peru, Venezuela, Colombia, Panama, Dominican Republic, Mexico, Puerto Rico.

The labour market in the region has a diverse legal environment. In Colombia, for example, comprehensive temporary work legislation is in place, creating a stable market for Clients and Associates. Here, temporary staffing has thrived and 4.6% of the Columbian working population is engaged in temporary work. However, Chile, Mexico and Bolivia have no temporary work legislation yet.

Ask Me is the on-line Adecco Candidate database that all the branches in each Latin American country share. Launched at the end of 2000, branches use Ask Me to share information about Candidates, and advertising costs have been significantly reduced.

In 2001, Adecco Club was launched, giving Clients an on-line human resources management and consulting program. When Clients buy Adecco services on-line, they win points (miles) that in the future they can change for additional Adecco services.

### Adecco Bolivia and Entel

Adecco Bolivia opened its doors in October 2000. Entel, the leading telecommunications company in Bolivia is a key Client. Adecco manages its payroll for 1,000 employees using POTRO software.

According to Entel Human Resources Director, Giacinto Maddalena:

*"Adecco's solution has delivered greater efficiency in the payroll management - with fewer problems and happier employees, enabling us to focus our internal effort on activities where we can really add value and build our business further."*

Adecco also supplies permanent placement, temporary work and performance evaluation services to Entel.

### Adecco Argentina and Telefónica de Argentina

Adecco Argentina has worked with Telefónica – one of the stars in the national economy – since 1999. After the telecommunications deregulation law was passed, Telefónica could offer their services over all 24 states in Argentina and needed a partner with parallel national reach. Adecco created a special division 'Commercial Target' to recruit and retain Key Account Executives and also Telemarketing personnel for Telefónica's call centres. Adecco also provides Assessment Centre, permanent placement and temporary work services to Telefónica.





Adecco's brand portfolio: engineered to satisfy the evolving needs of 21st century employers.



**One of the 6,000**  
Cynthia Chew, Country Manager of Adecco Singapore, with her Colleagues from the Orchard Road branch: one of the 14 branches in Singapore that serves Clients such as Cisco Systems, Sun Microsystems, Procter & Gamble Asia, DHL International, Pfizer, BT Services, Dell Computer Asia, Merck Sharp & Dohme Corp.



## Adecco Staffing Division



The *Adecco Staffing* Division is the world's largest Human Resources services company. Each day, across the globe, we connect more than 700,000 people with jobs. From Anchorage to Buenos Aires; Oslo to Johannesburg; Sapporo to Dunedin. We do this thanks to our extensive network of almost 6,000 branches.

Although the Adecco Staffing Division is relatively new, it is built on more than forty years of experience in recruitment, in contracting, training and career management. Forty years of helping people improve their skills and achieve their personal goals in a diverse range of companies such as large multinational firms or family businesses, manufacturing plants or hotels, hospitals or banks.

With its unrivalled international coverage and its commitment to meeting Client and Candidate expectations, optimising management of the flexible workforce with web-enabled tools, such as e-procurement, e-contracting and e-billing, Adecco connects more people to more jobs than any other company in the world.

The Adecco Staffing Division is a worldwide team committed to making people successful in a changing world.  
[www.adecco.com](http://www.adecco.com)

## Ajilon Staffing & Managed Services Division



*Ajilon* is the brand name under which are grouped all activities in the Ajilon Staffing & Managed Services Division.

With Sales of CHF 3.3 billion in 2001, Ajilon is clearly one of the top global players in Professional Staffing and is well positioned to take advantage of the fast growing Managed Services market.

Present in 16 countries with more than 400 offices and more than 4,000 highly competent Colleagues, Ajilon operates with dedicated Business Lines specialized by Industry.

Our major focus is on fast growing market segments, Information Technology, Finance and Accounting, Legal, High End Office staff, Telecom and Engineering. Ajilon attracts the best professionals in each market, therefore becoming a key resource provider for local, national and international Clients.

Ajilon Clients in North America, Europe and Asia Pacific are provided with either staffing services or with project-orientated full solutions.

[www.ajilon.com](http://www.ajilon.com)

## Career Services & e-Business Division

### LEE HECHT HARRISON

Established in 1974, *Lee Hecht Harrison* is the leading global career services company specializing in providing outplacement, leadership development, coaching and career development services. Lee Hecht Harrison's focus is helping organizations and their employees deal with career transitions, career management and the effect of change on careers, work and employability. With over 170 worldwide office locations, Lee Hecht Harrison's experience includes helping companies of all sizes effectively manage change, downsizing and internal career mobility.  
[www.lhh.com](http://www.lhh.com)



### Alexandre TIC

Established in 1961, *Alexandre TIC* has developed a strong reputation for quality and reliability in Executive Search, coaching and Human Resources consulting. With 50 offices in the major cities around the world, Alexandre TIC focuses on providing national and international companies with a consistent methodology, quality certified processes and highly skilled consultants able to identify, assess and propose the best Candidates for every executive position.  
[www.alexandretic.com](http://www.alexandretic.com)



Launched two years ago in Switzerland, *IdealJob* is now amongst the leaders of e-Human Resources Services in a dozen European countries.

IdealJob supplies a unique range of services. As a job-board, IdealJob is used by companies to attract and find the best Candidates, quickly and cost efficiently. As a provider of Hiring Management Systems, IdealJob helps companies implement the best technology to link their human resources departments with the Candidate markets, allowing Clients to develop their own recruiting websites while keeping their own look and feel. IdealJob develops internationally a truly innovative bricks and clicks solution, Assisted Direct Hiring, combining the benefits of the Internet with the reliability of consultants' support to validate the matchings.  
[www.idealjob.com](http://www.idealjob.com)

# Addresses

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Fax: +41 1 878 87 31  
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## Investor Relations

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Fax: +41 1 878 87 84  
[investor.relations@adecco.com](mailto:investor.relations@adecco.com)

## Adecco on the Internet

<http://www.adecco.com>

A full office address list can be found on [www.adecco.com](http://www.adecco.com)

## Directors, Management and Auditors

### Board of Directors *(until 17 April 2002)*

<b>Klaus J. Jacobs</b>	Chairman
<b>Philippe Foriel-Destezet</b>	Vice Chairman
<b>Philippe Beauviala</b> <sup>1)</sup>	
<b>Erwin Conradi</b> <sup>2)</sup>	
<b>Conrad Meyer</b> <sup>1)</sup>	
<b>Stuart Olsten</b>	
<b>Yves Perben</b> <sup>1)</sup>	
<b>Andreas Schmid</b> <sup>2)</sup>	
<b>Ernst Tanner</b> <sup>2)</sup>	

*1) Member of the Audit Committee (Chairman: Conrad Meyer)*

*2) Member of the Compensation Committee (Chairman: Erwin Conradi)*

*The Chairman and Vice Chairman are ex-officio members of both committees.*

### Executive Committee *(as per 1 January 2002)*

<b>John Bowmer</b>	Chief Executive Officer
<b>Felix Weber</b>	Chief Financial Officer
<b>Luis Sánchez de León</b>	Chief Sales & Marketing
<b>Jérôme Caille</b>	President Adecco Staffing
<b>Patrick De Maeseneire</b>	President Ajilon Staffing & Managed Services
<b>Bernard Morel</b>	President Career Services & e-Business
<b>Steve Harrison</b>	President Lee Hecht Harrison

### Management of Principal Business Units *(as per 1 January 2002)*

#### *Adecco Staffing*

<b>Andres Cano</b>	Financial Officer Adecco Staffing
<b>Enrique de la Rubia</b>	Public Affairs Officer/Mediterranean Countries
<b>Sergio Picarelli</b>	Sales & Marketing Officer/Eastern & Nordic Europe
<b>Julio Arrieta</b>	Latin America
<b>Edouard Comment</b>	Switzerland
<b>Mark de Smedt</b>	Benelux
<b>Richard Martin</b>	UK & Republic of Ireland
<b>Debbie Pond-Heide</b>	USA & Canada
<b>Gilles Quinnez</b>	France & Africa
<b>Ray Roe</b>	Asia Pacific
<b>Enrique Sanchez</b>	Spain & Portugal
<b>Carlo Scatturin</b>	Italy & South Eastern Europe
<b>Elmar Hoff</b>	Germany

#### *Ajilon Staffing & Managed Services*

<b>Erik van Assche</b>	Financial Officer Ajilon Staffing & Managed Services
<b>Luis-Felipe Campuzano</b>	Ajilon Staffing - European Continent
<b>Neil Lebovits</b>	Ajilon Staffing - USA & Canada
<b>Peter Searle</b>	Ajilon Staffing - UK & Australia
<b>Roy Haggerty</b>	Managed Services - IT Worldwide
<b>Jay Hufnagel</b>	Managed Services - Telecom Worldwide

#### *Career Services*

<b>Claude Friederich</b>	Sales & Marketing Development/LHH Europe
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#### *e-Business*

<b>Davide Villa</b>	e-Recruitment Business Development
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### Senior Corporate Executive Functions *(as per 1 January 2002)*

<b>Pierre Bouvier</b>	Corporate Marketing & PR
<b>Hans R. Brüttsch</b>	Corporate Secretary
<b>Patrick Dobler</b>	Group Treasury
<b>David Forth</b>	Group Controlling
<b>Raymund Gerardu</b>	Group Tax
<b>Franco Gianera</b>	Group CIO
<b>Chris King</b>	Group Communications & Investor Relations
<b>Barbara LaTour</b>	Worldwide Human Resources & Assessment
<b>Marcel Schmocker</b>	Group Legal
<b>Karine Storm</b>	Mergers & Acquisitions
<b>Michel Tcheng</b>	Group Risk Management/Internal Audit

### Auditors

<b>Arthur Andersen SA</b>	Lausanne, Switzerland
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[www.adecco.com](http://www.adecco.com)