



THE ADECCO GROUP

Corporate Governance Report

2020 was a year of turbulent change for us all, with businesses globally experiencing some of the most significant challenges the world has seen in recent history: climate change, inequality, and the COVID-19 pandemic are key examples. At the Adecco Group UK and Ireland (UK&I), we recognise that the private sector has a critical role to play in helping rebalance our world for the benefit of all, and we are committed to playing our part. We aspire to positively influence the world of work and lead by example in how we conduct our business. By conducting our business with transparency and integrity, championing accountability and setting the standard of best practice for our industry, we can create social and economic value for our clients, candidates, and colleagues, as well as our wider community, and help safeguard the planet for future generations.

In this S.172(1) Statement we describe how, for the year ended 31 December 2020, the Directors have had

regard to their obligations under section 172(1)(a) to (f), to form the directors' statement required under section 414CZA of the Companies Act 2006. In accordance with the Companies (Miscellaneous Reporting) Regulations 2018, the Adecco Group UK & Ireland have once again applied the Wates Corporate Governance principles for Large Private Companies (the 'Wates Principles') – published by the Financial Reporting Council – as an appropriate framework for disclosing our corporate governance arrangements.

In this, our second corporate governance report, we demonstrate how we have continued to apply the key principles of corporate governance – transparency, accountability, responsibility and fairness – during 2020 through each of the Wates Principles, and how they will shape our focus throughout 2021.

Principle 1 Purpose and Leadership

A Global Perspective

The Adecco Group UK & Ireland is part of the worldwide Adecco Group, the world's leading talent advisory and solutions company. We are driven by a powerful global purpose: making the future work for everyone.

Adecco Group's services help people fulfil their potential – providing access to work, and improving employability. Our solutions enable our clients to optimise their talent needs and organisational models to achieve their goals, and our advocacy and thought leadership aims to build a better world of work for all.

Throughout 2020, we continued to deliver our purpose and shape the future of work through our global strategy to:

- **Perform** – Beat our local best
- **Transform** – Deliver superior value
- **Innovate** – Drive true differentiation

As 2020 drew to a close, a new global strategic cycle, Future@Work, was launched to deliver our global purpose from 2021.

Our global purpose: Making the Future Work for Everyone translates to a bold strategic vision to enable sustainable and lifelong employability for individuals, and empower organisations to optimise their workforce.

This new global Future@Work strategy replaces our previous Perform, Transform and Innovate agenda, and has the ability to impact clients, candidates, colleagues and community, creating huge potential for providing social impact. Its aim is to influence the future of talent pools, help people whose working potential is currently under-realised, and improve diversity and inclusion for everyone.

Globally, the Adecco Group continues to promote five core values that form the fundamentals of our culture:

- **Passion** - Changing the world of work, one job at a time
- **Entrepreneurship** - Constantly taking initiatives to empower people, fuel economies and enrich societies
- **Responsibility** - As the industry leader, providing more work opportunities for more people
- **Team Spirit** - Working together as one team
- **Customer Centricity** - Living by and for our customers' success, being their top-of-mind and top-of-heart choice

The UK & Ireland

Building on the Adecco Group's global drivers, the UK & Ireland have created corporate aims around each of the 4 Cs - Client, Candidate, Colleague and Community.

In January 2020, the Adecco Group UK & Ireland's purpose and strategy was communicated to all branch and head office managers at our annual leadership conference.

The conference also saw the launch of the UK & Ireland's ESG programme focusing on five key sustainability priorities:

Elevating environmental sustainability - the Adecco Group UK & Ireland acknowledges its responsibility to understand the impact of its own operations on the environment in order to safeguard the planet for future generations. In 2020 we committed to become carbon neutral by 2030 at the latest. Since that date, a committee of dedicated and passionate individuals has been established across all brands and functions to help drive eco-friendly initiatives to reduce our carbon footprint across the UK & Ireland.

Key to achieving this goal is understanding our base line measurement. We therefore commissioned a measurement of our carbon footprint for 2019 as a base line, and thus became an official CO₂e-assessed organisation. Subsequently, our follow up carbon footprint measurement for 2020 evidenced a 58% reduction in total emissions compared with the previous year. When compared to turnover, the total tonnes of CO₂e per £M turnover have also fallen by 45.6% against our 2019 baseline year.

2020 was not a standard year of course, due to the majority of our colleagues working from home, as well as a significant reduction in travel, but we remain committed to continuing to drive down our emissions year on year. Data on our energy and greenhouse gas emissions in accordance with Streamlined Energy & Carbon Reporting (SECR) is included in our Directors' Report for the first time this year and will hereinafter provide the benchmark for our year on year progress.

One example of an initiative to support the environment during 2020 was undertaken by our Office Angels brand. In 2019 they partnered with a conservation charity based in the Scottish Highlands and planted a tree for every colleague in the brand. Thereafter a tree has been planted for every permanent placement made, and for every Temp of the Month they award. Office Angels have committed to planting at least 2021 trees by the end of 2021.

Promoting Diversity & Inclusion - at the Adecco Group we aim to drive positive change in the world of work for everyone by promoting equality diversity and inclusion in every action: whether that's building awareness and opening up dialogue internally, or supporting our clients to deliver their own diversity and inclusion strategies. 2020 was a year of self-education and listening to our colleagues on their own lived experiences. Pivotal to this activity was a focus on Black History Month in October with colleagues volunteering to share their own stories.

By the end of 2020 the governance was enhanced through the establishment of a Diversity and Inclusion Committee. The committee has a board level sponsor and two Co-Chairs, supported by four dedicated forums who focus on gender, race and ethnicity, LGBTQ+ and accessibility. Each forum provides a safe space for conversation, and the passion and focus to drive each action area forward. The committee also has SMEs to provide focus on areas such as corporate governance, communication, and learning and development, as well as stakeholders who each represent our clients, candidates, colleagues and community. With the foundations laid during 2020, the stage is set for 2021 to be a year of action.



Community and social impact - In the UK & Ireland, the Adecco Group's mission is to build its internal and external purpose by creating brighter futures for all. It aims to do this by helping influence the future of talent pools, supporting people whose working potential is currently unrealised, and by improving diversity and inclusion for everyone.

Social Impact is driven by activating three inter-related pillars:

- **Access to Work** uses our strengths to support people whose working potential is currently under-realised.
- **Access to Opportunity** empowers underserved youth by bringing our work closer to schools.
- **Inclusive Futures** parallels our efforts internally to drive diversity and inclusion for everyone.

In December 2020 the Adecco Group UK & Ireland joined the reputable Purpose Coalition chaired by the Rt Hon Justine Greening, former Secretary of State for Education, Secretary of State for Transport and Secretary of State for International Development in the UK government. The Purpose Coalition, of which the Adecco Group is now a key member, aims to level up the UK through 14 Levelling Up Goals built on the foundations laid by the United Nation's Sustainable Development Goals.

Delivering high standards of corporate governance - our strong compliance culture protects our candidates, colleagues and clients and is key to positioning us both as an employer of choice for our colleagues and candidates, and a trusted partner to our clients.

Dedicated lawyers specialise in commercial contracts, insurance, litigation and employment law, whilst our compliance team comprises privacy professionals, business continuity specialists, an expert health and safety team and business assurance colleagues, all of whom ensure the integrity of our business, as well the safety and confidence of our colleagues and candidates.

All of these teams were instrumental in supporting the business from the outset of the pandemic, from implementing our business continuity plan, interpreting new guidance and legislation in dialogue with government and industry partners, to establishing and communicating new processes. The experience and dedication of these teams enabled the business to provide the Coronavirus Job Retention Scheme (“CJRS”) or “furlough” scheme to over 3,000 individual temporary worker associates, with our payroll team processing 38,000 CJRS payments during 2020, and 5251 COVID-related sickness claims.

In addition, our health and safety team not only successfully completed a Safely Back to Work project, working with two industry partners to produce a whitepaper detailing COVID-secure protocols that could be implemented across the UK & Ireland, but also ensured COVID-19 secure guidelines were in place for all office premises, thus ensuring gradual and safe re-opening of all Adecco Group branches and offices across the UK and Ireland. The measures included seating plans in compliance with social distancing requirements, and implemented increased cleaning regimes, one-way systems, floor marking and posters.

Notwithstanding the unique challenges presented by COVID-19, in 2020 we maintained key specialist accreditations such as Achilles, Avetta, BQF, CHAS, Cyber Essentials, British Safety Council Membership, Ecovadis, EFQM, FSQS, ISO 9001:2015, RISQS, Sedex, Safe Contractor, EFQM and JOSCAR. We also developed bespoke in-house training to ensure our colleagues are able to recognise and respond to any concerns around modern slavery - training which we are able to share with our clients and suppliers upon request.

During 2020 the Adecco Group UK & Ireland also identified the need for data to play a central role in driving its strategic goals, to both provide valuable insight to improve internal data assets and structure, but also to understand the wider external context. As a result, the data governance team delivered the following initiatives to improve data processing and data management practices:

- **Data Ownership** through the appointment of Data Stewards and Data Owners
- **Data governance policy** - to ensure a broad understanding of our data governance model
- **Implementation of a data cataloguing and governance tool** - to help control and track data standards in one place by connecting to our critical business systems, and allowing data discovery to all data stakeholders
- **Building a data dictionary and business glossary of terms** - to improve internal understanding of the meaning of the data captured in our systems.
- **Proof of Concept pilots** in the areas of HR and Finance to prove the concept of data governance
- **Raising awareness of data best practices** - ensuring that data governance is built into data management practices in our project charts and system development teams

Driving public policy engagement - We actively engage with Government and industry bodies to advocate regulatory frameworks and policies that fit with our purpose of Making the Future Work for Everyone.

From the outset of the pandemic we lobbied Government for clarification on financial support available to agency workers, and subsequently had regular dialogue with HMRC in relation to changes and clarification to the Coronavirus Job Retention Scheme. In addition, we successfully lobbied for changes to the Right to Work checking procedures to allow for a digital solution with no face-to-face checking of documents. The Government responded with a temporary relaxation of these physical checks for both the Disclosure and Barring Service, and Right to Work checks which continued throughout 2020.

As we begin to enter a post-COVID recovery, we are committed to supporting UK policy makers to remove barriers to employment, by focusing on two key campaigns for legislative change:

- i. changes to the apprenticeship levy to enable all candidates to access funds and enable greater upskilling, training and development opportunities; and
- ii. changes to allow secure digital technology to replace the legal requirement for face-to-face checks of 'right to work' documents and basic disclosures (for example criminal record checks) in order to speed up access to work and drive digital transformation.



Principle 2 > Board Composition

COVID-19 significantly changed how we worked, learnt and interacted throughout 2020, as social distancing led to a more virtual existence, both personally and professionally.

We were all driven to do things differently, and virtual working and digital workflow software became mainstream. In many cases this improved efficiency and productivity and led to consolidation of our office footprint.

Throughout 2020, the Adecco Group UK & Ireland Board continued to be accountable for the long-term success of the business and comprised the following roles:

- Country Head
- Chief Financial Officer
- HR Director
- General Counsel
- Head of IT & Transformation
- Head of Strategy, Sales & Solutions
- A maximum of three UK & Ireland brand leaders

The Board were supported by a wider Senior Leadership Team who were responsible for the day-to-day running of the organisation, overseeing business performance, tracking progress of key projects or deliverables, and responding to all matters impacting company growth. The wider team comprised of senior leaders from:

- Adecco Retail
- Adecco Corporate
- Office Angels
- Badenoch + Clark – Public Sector
- Badenoch + Clark – Private Sector
- IT & Engineering (Modis, Spring and Roevin)
- Pontoon
- Candidate Experience, Strategy & Engagement
- Shared Services
- Finance
- Communications
- Marketing



In partnership with our Senior Leadership Team, the UK & Ireland Board continued to drive overall company strategy and culture, demonstrating the Adecco Group’s values and leadership competencies.

As the pandemic unfolded in the first quarter of 2020, the Adecco Group UK & Ireland were able to implement an existing ‘work from home’ pandemic plan quickly, without any substantial disruption to its operations. A Crisis Management Team was quickly assembled to provide strategic direction, and an Incident Management Team to cascade and put into effect those decisions, as the business responded rapidly to both the unfolding events, and the Governments responses and announcements.

The structure and frequency of these leadership meetings evolved throughout the course of the year as the organisation adapted to the many challenges of 2020. Demonstrated throughout was the ability to leverage diverse skills to solve the challenges brought by the impact of the pandemic on its colleagues, candidates, clients and the wider community. This flexible structure and collaborative culture were vital and enabled greater resilience with colleagues at all levels pulling together in their commitment to “making the future work for everyone”.

Throughout 2020, some of the duties of the Board were executed through committees - for example, the presence of a board sponsor on each of the Group’s Health and Safety, Diversity & Inclusion, and Environment committees - representing a strategic commitment to these sustainability priorities.

Principle 3 Director Responsibilities

Whilst our strategy sets our business direction, our values set us apart and provide the foundation for our culture. Our leaders are critical to combining both our strategy and culture so having the right leaders in place is essential for our business.

Leadership is a choice. All our colleagues deserve to work with leaders who are committed to being better every day and who live up to the expectations of their teams and those around them.



Leaders at every level of The Adecco Group are expected to take personal accountability to ensure success. The Adecco Group's leadership contract is an agreement that captures the principles of what it means to be a leader in our organisation and sets out the following expectations:

1. Develop our organisational capabilities and drive commitment and passion to deliver our strategy aligned to Objectives, Goals, Strategies & Measures (OGSM), while fostering solidarity and a *One Company* mindset.
2. Bring our values to life with *Customer Centricity* at the heart. We must listen to and understand our clients, candidates and associates to generate profitable and sustainable growth while applying the frugality principle in how we operate.
3. Build an undisputed leadership position by attracting, developing and growing high-performing and responsible leaders and teams at all levels of our organisation, thereby ensuring that strong successors are in place.
4. Be accessible and hands-on, fostering an open culture of dialogue, inclusion, diversity and respect that fuels our passion and our winning company culture.
5. Provide clarity to colleagues on roles and responsibilities, helping them understand our strategy, seeing clear targets and expectations that allow us to drive results.
6. Be personally accountable and hold others to best-in-class standards of financial, commercial and talent targets, as well as performance.
7. Recognise high performers while also addressing ineffective leadership in a direct, swift, courageous and respectful manner.
8. Clearly communicate and engage all our stakeholders around a shared sense of purpose, focusing on what truly matters and is relevant to our customers, colleagues and shareholders.
9. Ensure that integrity and ethics are cornerstones of how we lead. We will not tolerate any infringements of any legal requirements or company standards.
10. Embrace sustainability as being at the heart of our work and a competitive asset for our company, evolving from a culture of compliance to one of integrated sustainability.

The Board receives regular reports on key areas including health and safety, operational matters and financial performance as well as our ESG priorities. In particular, the *Perform* element of our strategy to 'beat the local best' continued to be delivered in 2020 through seven disciplines (the 'Heptathlon') to accelerate performance and achieve profitable growth in each of our brands.

Financial information is provided to the Board on a timely basis by appropriately qualified staff to ensure integrity of data. These financials are externally audited by Ernst & Young on an annual basis. Compliance with the internal financial controls framework is conducted by the global internal audit department, which has a direct reporting line to the Adecco AG Board. It is independent of the Finance function and provides the rigorous review expected by a Global PLC entity.

Principle 4 Opportunity and Risk

Opportunity

Entrepreneurship is encouraged at the Adecco Group and initiatives are captured and developed by our Business Transformation team, who review the viability of proposals before any resources are committed. The team also carries out post-implementation analysis to strengthen the effectiveness of new programmes.

Through a monthly digital forum, the Business Transformation team meets with local stakeholders to share global product opportunities & developments as well as identifying new sales and operational requirements from the UK & Ireland business.

During 2020, this transformation program also led to the creation of an Operational Excellence team. The team is responsible for identifying opportunities to optimise processes as a result of digitisation, automation & centralisation of key operational activities.

The Adecco Group UK & Ireland is a member of the British Quality Foundation and the Change Management Institute and has been embedding a culture of continuous improvement throughout the business over a number of years to drive our purpose of Making the Future Work for Everyone. Beyond boosting best practice and business performance, we are passionate about how excellence can equip us for the future, shape opportunities for the next generation and create new ways of working.



Risk

In 2020 we formalised a multi-team Risk Committee to manage the Group's Risk Register with board oversight provided by the Group's General Counsel, and the following cross-function representatives:

- Head of Business Process
- Head of Operational Excellence
- Head of Corporate Governance and Sustainability
- Local Privacy Lead
- Head of HR (Brands)
- Senior Business Quality Manager
- Head of IT Production



The Risk Committee acts as a single point of control to evaluate, report and address risks reported to it via a bespoke risk submission form. All managers remain responsible for monitoring, managing and reporting any risks that they might identify in their area, however the framework allows anyone at any level to access and complete the risk submission form. Risks are then assessed using agreed scales for probability, impact and strength of control. In accordance with our *Risk Management Policy*, this framework follows standard risk methodologies and the ISO Plan-Do-Check-Act approach.

Any strategic risks identified by the Risk Committee are then reported to the Board, and inform our approach to project and programme management. Each year, the 15 most critical issues from the risk register are flagged at country level and, in line with the global approach to Enterprise Risk Management, the UK & Ireland's top 10 risks are then reported to the Adecco Group's Zurich head office.

In addition, we manage legal and contractual risk in respect of legal contracts and litigation by ensuring strict adherence to the company's Management Authorisation Guidelines (MAGs), which are based on the Adecco Group's global Group Commitment Policy and Sales Contract Policy and adapted and augmented for use in the UK and Ireland. The MAGs are controlled and managed by the UK & Ireland Legal Department and set parameters for the acceptance of contractual and other legal risks at particular levels of management.

Principle 5 Remuneration



The UK & Ireland Remuneration Committee is made up of three independent directors who review workforce pay and related policies and ensure our incentives and rewards complement our company culture.

The Group's remuneration measures allow for discretion to override formulaic outcomes, including provisions that enable the company to recover and/or withhold sums, share awards and specify the circumstances in which it would be appropriate to do so.

When determining policies and practices, the Remuneration Committee aims to achieve the following:

- **Clarity** - Remuneration arrangements should be transparent and promote effective engagement with stakeholders and the workforce.
- **Simplicity** - Structures should avoid complexity and rationale, and their operation should be easy to understand.
- **Risk** - Arrangements should identify and mitigate any reputational or behavioural risks from excessive rewards or target-based incentive plans.
- **Predictability** - The range of possible values of rewards to individuals and any other limits or discretions should be identified and explained at the time of approving the policy.
- **Proportionality** - The link between individual awards, the delivery of strategy and the long-term performance of the company must be clear. Outcomes should not reward poor performance.
- **Alignment to culture** - Incentive schemes should drive behaviours consistent with company purpose, values and strategy.

Colleagues are paid at a competitive rate, giving due consideration to their current and future potential, relative to existing colleagues performing the role. The rate of pay must be within the appropriate job level salary range, which is reviewed on an annual basis.

When determining an individual's pay rate, we consider the following:

- Demonstrated or potential capability of the colleague relative to the requirements of the role
- The salary level that is affordable within agreed departmental budgets
- Relevant market guidance
- Pay practice for existing role holders and their relative capability
- Role-specific recruitment and retention difficulties
- The current salary of the colleague

Each year, we share gender pay gap reports for the Adecco Group UK & Ireland and our larger brands. We now have an equal proportion of women and men on the Board, and have a higher proportion of women across most levels. To help us target and tackle pay and hiring imbalances across our family of brands, we are pushing forward with purposeful projects like our Inspiring Women's Network, our Diversity and Inclusion Committee, and our Talent Development Programmes.



Principle 6

Stakeholder Relationships and Engagement

The Adecco Group UK & Ireland's commitment to its key stakeholders, from industry stakeholders, to our '4 C's' (Colleague, Candidate, Client and Community), as well as its suppliers, lies at the heart of its sustainability strategy and commitment to Making the Future Work for Everyone.

Industry stakeholders

Throughout 2020 we played an active role as a member of the Recruitment and Employment Confederation ("REC"), the industry body for employment agencies and businesses. As the events of 2020 unfolded, we worked closely with the REC on individual and joint approaches to Government on policies which affected the entire industry. These included the temporary relaxation of the obligation to carry out right to work checks in person, as well as the unintended financial implications to the industry of funding holiday pay and apprenticeship levy costs in operating the furlough scheme. We also continued to join industry roundtable

discussions, using the opportunity to meet with the Employment Agency Standards Inspectorate (EASI) and share best practice and commitment to compliance, as well as making policy recommendations.

In addition to the REC and EASI, we also engaged with both the Association of Professional Staffing Companies (APSCo), and ACAS on our Safely Back to Work white paper which was produced as part of a Global Alliance, led by Adecco in the UK, with Randstad and Manpower Group.

Colleagues

In order to Make the Future Work for Everyone, it is clear that we must always put our people first: our colleagues need to always be at the heart of what we do.

When we delivered our annual conference at the start of 2020, we could not have imagined what lay ahead for 2020. Communication, resilience, and trust were tested to the limit as colleagues were asked to make sacrifices and have full confidence in the leadership team to navigate a pandemic for the first time. As the vast majority of the business adapted to virtual working, it was clear that regular and engaging communication was necessary to ensure we retained our culture of connectivity.

As Country Head at the outset of the pandemic, Alex Fleming shared daily emails to all colleagues for the first 30 days, subsequently moving to 2-3 times per week update schedule. Following the initial reopening of our offices in July 2020, these colleague communications were sent on a weekly basis.

The content included recorded video messages from Alex Fleming, updates to Government guidelines and wellbeing initiatives from HR, as well as colleague stories, business updates and the latest information regarding returning to the office.

Additionally, we communicated through regular updates via the dedicated COVID-19 pages on the intranet for the UK & Ireland, our UK and Ireland weekly newsletter "Our News", daily calls with the leadership team and -1 leadership team, and dedicated project groups for Reorienting Safely Back to Work. We ensured all our colleagues placed on furlough received regular updates and felt engaged with our activity, including regular touchpoints with their manager to monitor their wellbeing.

The leadership team, also delivered regular live webinars to share information, in which two-way dialogue was encouraged and provided the opportunity to ask questions.

We assess the effectiveness of our engagement activities through quarterly 'temperature checks', using our Peakon employee feedback tool. Our 'people first' strategy led to an increased Peakon score of 8.7 during the pandemic, the highest our UK&I Engagement Score has ever reached, with autonomy and work-life balance being key factors that our colleagues felt improved during the first lockdown. Our Peakon tool enables our managers to receive colleague feedback in real time, respond directly to their comments and suggestions and helps managers identify the key areas of improvement to work on at team level over the next quarter. Peakon also allows our HR team to track how our colleagues feel about our D&I strategy and policies, what areas of wellbeing our colleagues need extra support in, and has enabled us to track if our actions throughout the pandemic were effective and people first.

Our focus on talent development continued throughout 2020, with our Leaders Edge talent programme, aimed at future leaders to drive engagement and innovation in our business. The programme aligns these aspiring senior leaders with projects across the 4 Cs of Candidate, Colleague, Client and Community.

One key outcome of the programme was the launch of a new incentive portal - Boost - a platform for all reward, recognition, benefits and incentives for colleagues. The platform also enhances our wellbeing offering with a dedicated Wellbeing Hub which supports colleagues with initiatives focussing on Money (financial wellbeing), Mind (mental wellbeing), Move (physical wellbeing) and Munch (healthy eating). Our colleagues can now instantly give recognition or thanks to a fellow colleague on the Boost portal or App, choose their employee benefits suited to them, and get access to hundreds of retail discounts year-round.

2020 was also a year of reflection for the leadership team in the wake of the death of George Floyd and the subsequent Black Lives Matter protests. A number of colleagues and leaders across the business worked with the Diversity & Inclusion committee to develop a series of 'colleagues lived experiences' aimed at developing greater awareness across our workforce, and enabling us to become a truly inclusive environment for everyone.

Our Diversity and Inclusion Committee has developed a D&I Calendar of activities and events which aim to improve education and awareness, as we strive to ensure that every colleague and candidate has equal opportunity to reach their full potential.

2020 closed with a new D&I governance structure in place and dedicated forums on gender, ethnicity, LGBTQ+ and accessibility to create a safe space for conversation and to drive each action area forward.



Candidates

Throughout 2020, we continued to recognise that colleagues and candidates, as our combined workforce, comprise our largest material stakeholder, and we renewed our commitment to continuous candidate feedback – a Group-wide commitment to building a ‘candidate-obsessed culture’, using Net Promoter Scores (NPS) and regular feedback surveys to map, measure and maximise our candidate experience.

As the Pandemic took hold in 2020, we took the following actions to ensure we were able to provide vital support to our candidates:

- We quickly mobilised a COVID-19 Care Response Helpdesk solution;
- We wrote to Government to ensure that agency workers were able to access vital financial assistance via the Coronavirus Job Retention Scheme;
- We thereafter delivered the Coronavirus Job Retention Scheme for over 3,000 individual candidates;
- We introduced a full digital recruitment and onboarding solution;
- We continued to pilot and deploy technology to enhance the candidate experience;
- We partnered with clients within industries that were hardest hit by the pandemic and created the ‘big exchange’ which targeted their employees in securing them new roles within Adecco’s client list;
- We created a Kickstart ‘Gateway Plus’ to focus on getting 18 – 24yr olds back into employment

Clients

From a client perspective, 2020 was a year which saw us rapidly diversify operations to ensure resilience and growth against the backdrop of economic, societal and political uncertainty. The immediate impact of the COVID-19 pandemic and the resulting adverse effect on labour market stability, industry shutdowns and the recruitment industry as a whole challenged the growth strategy originally planned at the outset of the year.

Despite this, we continued to nurture our existing client relationships to operate within the constraints of a pandemic, providing a full digitally-enabled end-to-end recruitment solution. Our Industry Alliance with Randstad and Manpower, in which we shared best practices on health and safety protocols as part of our Safely Back to Work strategy, enabled us to provide guidance and training to our clients on how to resume operations whilst remaining compliant to the strict measures necessary in a ‘physically distanced economy’.

Staying true to our purpose of Making the Future Work for Everyone, we formed a new organisation, Adecco Working Ventures, focused on the employability sector and securing work for people facing barriers to employment as a result of the pandemic. As part of this venture we partnered with the Federation of Small

Businesses to become a ‘Gateway Plus’ provider on the Government’s Kickstart Programme, designed to secure six-month placements for potentially thousands of 18-24 year olds.

The Adecco Group UK & Ireland also supported clients to pivot their operations, recognising that supply and demand was, in the short-term, transformed in the wake of the pandemic. For example, Ventilator Challenge UK, which saw our clients in the automotive, medical and aerospace sectors re-engineer operations to build ventilators to support the NHS.

In the face of all this change, we continued to support our clients with accelerated growth, such as those in e-commerce and industrial cleaning, where demand significantly increased overnight in line with consumer and business needs. We redeployed peers from across our organisation to provide immediate, scalable resource where it was needed most.

Every decision made during 2020 was underpinned by data; we were guided by market intelligence and research to not only meet our clients’ immediate resourcing needs, but also to provide consultancy, guidance and support. We hosted proprietary

research to understand the impact of the pandemic on our clients and their staffing needs, forged greater relationships with our economist partner EMSI, and built tracking tools such as market intelligence reports and the COVID-19 recovery tracker. This enabled us to further advise our clients on areas such as skills supply and demand, industry recovery and the ongoing health crisis, both nationally and regionally.

With our new Future@Work strategy defined for 2021, we will build on the experiences of such an unprecedented year, taking the learnings from the pandemic to deliver our strategic mission: **enabling sustainable and lifelong employability for individuals and empowering organisations to optimise their workforces.**



Community

The challenges of 2020 have reinforced the importance for Adecco Group UK & Ireland to focus on how we as an organisation, and as individuals, can better support the communities we are part of. True social inclusion is driven by stability in housing, healthcare, and employment. The Adecco Group recognises that it is in a position to have a unique, positive impact on society, through its ability to support hundreds of thousands of people into meaningful jobs every year.

The Adecco Group takes its responsibility in building society back up after the pandemic seriously and has launched multiple programmes in the UK and Ireland to evolve how our business helps in spreading opportunity more widely, while working directly with communities.

Through its interconnected pillars of Access to Work, Access to Opportunity and Inclusive Futures, the Adecco Group UK & Ireland aims to create brighter futures for everyone. Access to Work is about using our strengths to help people whose working potential is currently under-realised. Access to Opportunity empowers under-served youth by bringing our work closer to schools. Inclusive Futures parallels our hard work to create an inclusive culture internally, by being an influencer in our industry to drive diversity and inclusion for everyone.

The Adecco Group has created various programmes, both global and local, which range from fundraising goals to a wide range of volunteering opportunities. We are continuing to commit to demanding fundraising targets as well as being actively involved in local communities with volunteering initiatives to drive real impact. This means colleagues have the opportunity to both fundraise and give their time and expertise to social causes that they care about. All of these opportunities are recorded on a dedicated website enabling Colleagues to marry their skills with volunteering, and receive points upon completion of activities, all of which will combine towards a 5000-hours volunteering target set for 2021.

Throughout 2020, we continued to work closely with our charity partner Shelter, the UK's biggest charity dedicated to the homeless and those within bad housing, raising a phenomenal £65,209 in support. This partnership with Shelter will continue in 2021 with Adecco Group staff fundraising and volunteering their skills, as well as formally helping Shelter users on their journey to sustainable employment. We also formed partnerships with CEC, Skills Builder, IOC, IPC, CBI.

We also continue to support two key global programmes: Win4Youth, which unites colleagues, candidates and clients as they collectively clock up hours of sporting activities for our global charity partner, Plan International, to improve the lives, education and employment prospects of young people around the world. Also, CEO for One Month, a global initiative that offers young people the possibility to develop and showcase their leadership potential, to learn what it takes to succeed as a business leader and to acquire the skills and the experience needed to get a foot on the career ladder.



Suppliers

We are increasingly seeking out suppliers who will actively assist us achieving our sustainability goals.

Our reported figures on our payment practices, policies and performance for 2020 showed a reduction for our brands compared to our report in 2019. Reviewing the collective figures for all Adecco Group companies, results decreased from 86% in 2019 to 82% in 2020. This reduction was largely due to the delay in paper invoices being received as a result of our colleagues not being in the office. This was later remedied, intercompany invoice processes were reviewed, and coding improved to ensure a smooth process going forward.

The Adecco Group UK & Ireland is also committed to preventing modern slavery by educating our colleagues, clients and workforce, and demanding high standards from our suppliers. Through our Modern Slavery Act Transparency Statement, in 2019 we publicly pledged that in 2020 we would:

1. Roll out formal training to all sales consultants and other key staff
2. Enhance our processes around worker record analysis to identify risk areas such as multiple workers having the same contact telephone numbers, address or bank details
3. Carry out a retrospective audit of any of our suppliers who are operating in high risk areas; and
4. Continue to explore how we may work more closely with our clients to ensure respect for human rights along the full value chain

We were pleased to confirm our progress in these areas in our public statement for 2020.

Transparent reporting is a key element of building trust with all of our stakeholders. In 2021, we will continue to work with our industry stakeholders to advocate regulatory frameworks and policies that remove barriers to employment and fit with our purpose of *Making the Future Work for Everyone*.

Energy and Greenhouse Gas Report

The Adecco Group UK & Ireland has appointed Carbon Footprint Ltd, a leading carbon and energy management company, to independently assess its Greenhouse Gas (GHG) emissions in accordance with the UK Government's 'Environmental Reporting Guidelines: Including Streamlined Energy and Carbon Reporting Guidance'.



The GHG emissions have been assessed following the ISO 14064-1:2018 and has used the 2020 emission conversion factors published by Department for Environment, Food and Rural Affairs (Defra) and the Department for Business, Energy & Industrial Strategy (BEIS). The assessment follows the location-based approach for assessing Scope 2 emissions from electricity usage. The financial control approach has been used.

The table below summarises the GHG emissions for reporting year: **1st of January 2020 to 31st of December.** As a business we have been assessing our carbon emissions since 2019 and have provided this baseline year and last year's assessment results for comparison.



Scope	Activity	Tonnes CO2e
Scope 1	Site gas	364.97
	Company car travel	7.47
Scope 1 Sub Total		372.44
Scope 2	Electricity generation	483.79
Scope 2 Sub Total		483.79
Scope 3	Flights	86.31
	Employee-owned car travel (grey fleet)	51.10
	Rail travel	45.63
	Electricity transmission & distribution	41.61
	Cash opt out car travel	24.47
	Taxi travel	7.61
	Bus travel	0.06
	Ferry travel	0.01
Scope 3 Sub Total		256.79
Total tonnes of CO2e		1,113.01
Tonnes of CO2e per £M turnover		0.79

* Total Energy Consumption includes UK Electricity, UK Site Gas, Company Owned Vehicles and Employee-owned vehicles (grey fleet).

Adecco has reduced their greenhouse gas emissions by 58% since the last year, this is mainly due to travel restrictions due to the Covid-19.

Activity	Baseline Year 2019	Current Year 2020
Total energy consumed (kWh)	5,356,652	4,060,040
Total Gross Location-Based Emissions (tCO2e Scope 1,2 & 3)	1,371.54	931.80
Intensity ratio: tCO2e (gross Scope 1 & 2, Location-Based) per £M revenue	0.76	0.66



THE ADECCO GROUP