

TERMS OF REFERENCE NOMINATION AND REMUNERATION COMMITTEE

RANDSTAD HOLDING NV

Adopted by the Supervisory Board on 17 February 2005

0. INTRODUCTION

- 0.1 These Terms of Reference have been drawn up by the Supervisory Board pursuant to clause 4 of the By-Laws of the Supervisory Board.
- 0.2 The Nomination and Remuneration Committee is a standing committee of the Supervisory Board.
- 0.3 Certain capitalized or uncapitalized terms used but not defined in these Terms of Reference have the meanings given to them in the By-Laws of the Supervisory Board and the List of Definitions attached to these By-Laws as Annex 1.

1. COMPOSITION

- 1.1 The Nomination and Remuneration Committee shall consist of 2 – 3 members. All members of the Nomination and Remuneration Committee must also be members of the Supervisory Board. All members of the Nomination and Remuneration Committee shall be independent within the meaning of clause 1.4 of the By-Laws of the Supervisory Board, with the exception of no more than one member. No more than one member of the Nomination and Remuneration Committee shall be a member of the management board of another Dutch listed company.
- 1.2 The Chairman of the Supervisory Board is a member in his capacity as such, and Chairman of the Nomination and Remuneration Committee. The other members of the Nomination and Remuneration Committee shall be appointed and may be replaced at any time by the Supervisory Board.
- 1.3 The term of office of a member of the Nomination Committee will generally not be set beforehand. It will, *inter alia*, depend on the composition of the Supervisory Board as a whole and that of other committees from time to time.

2. DUTIES AND POWERS

- 2.1 The Nomination and Remuneration Committee has the following duties with respect to nomination:
 - (a) to draft selection criteria and appointment procedures for Supervisory Board members and Executive Board members;
 - (b) to assess at least once a year the size and composition of the Supervisory Board and the Executive Board, and to make proposals for the Supervisory Board Profile;

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- (c) to assess at least once a year the functioning of individual Supervisory Board members and Executive Board members, and report their findings to the Supervisory Board;
 - (d) to make proposals for (re)appointments;
 - (e) to supervise the policy of the Executive Board on the selection criteria and appointment procedures for senior management;
 - (f) to prepare the decision-making process of the Supervisory Board on the acceptance by a member of the Executive Board of the membership of the Supervisory Board of a listed company; and
 - (g) to prepare the decision-making process of the Supervisory Board concerning any conflicts of interest that may arise in the acceptance by members of the Supervisory Board of additional positions.
 - (h) to render advice in the field of long-term succession planning of Executive Board members.

2.2 The Nomination and Remuneration Committee has the following duties with respect to remuneration:

- (a) drafting proposals to the Supervisory Board for the remuneration policy to be pursued for members of the Executive Board, which policy, as well as any material changes thereto, shall be submitted to the General Meeting of Shareholders for adoption;
- (b) drafting proposals for the remuneration of the individual members of the Executive Board; such proposals shall, in any event, deal with:
 - (i) the remuneration structure; and
 - (ii) the amount of the fixed remuneration, shares and/or options to be granted and/or other variable remuneration components, pension rights, redundancy pay and other forms of compensation awarded, as well as the performance criteria and their application,

and, if there are reasons therefore, to make proposals for changes or additions to the remuneration of individual members of the Executive Board, which remuneration and possible changes and/or additions shall be submitted for adoption to the Supervisory Board (without prejudice to the power of the Supervisory Board to delegate the final adoption to the Remuneration Committee, within the framework set by the Supervisory Board);

- (c) to prepare the Remuneration Report referred to in clause 11.1 of the By-Laws of the Supervisory Board; and
- (d) to make proposals to the Supervisory Board for the remuneration of the individual members of the Supervisory Board, which remuneration will be submitted to the General Meeting of Shareholders for adoption.

- 2.3 When exercising its duties regarding the composition of the Supervisory Board, the Nomination and Remuneration Committee shall observe the criteria on the composition of the Supervisory Board as laid down in clause 1 of the By-Laws of the Supervisory Board.
- 2.4 The Nomination and Remuneration Committee may only exercise such powers as are explicitly attributed or delegated to it by the Supervisory Board and may never exercise powers beyond those exercisable by the Supervisory Board as a whole.
- 2.4 The Nomination and Remuneration Committee may in exercising its duties seek the assistance or advice of one or more experts at a price agreed upon with the Supervisory Board, which is to be paid by the Company.

3. MEETINGS

- 3.1 The Nomination and Remuneration Committee shall meet as often as required for a proper functioning of the Nomination and Remuneration Committee. The Nomination and Remuneration Committee shall meet at least once a year. The meetings are as much as possible scheduled annually in advance. The Nomination and Remuneration Committee shall meet earlier if this is deemed necessary by any of the members of the Nomination and Remuneration Committee (including the Chairman).
- 3.2 Meetings of the Nomination and Remuneration Committee are in principle called by the Chairman. Save in urgent cases, to be determined by the Chairman, the agenda for the meeting shall be sent at least seven working days before the meeting to all members of the Nomination and Remuneration Committee. To the extent possible, written explanations and/or other related documents will be enclosed for each item on the agenda.
- 3.3 The Nomination and Remuneration Committee shall decide if and when the Chairman of the Executive Board should attend its meetings. The Chairman of the Executive Board shall not attend meetings of the Nomination and Remuneration Committee where his own remuneration is discussed. In addition, the head of the HR department of the Company and/or independent experts may be invited to attend meetings of the Nomination and Remuneration Committee. Each member of the Supervisory Board may attend meetings of the Nomination and Remuneration Committee.
- 3.4 The secretary or any other person designated for such purpose by the chairman of the meeting shall draw up minutes of the meeting of the Nomination and Remuneration Committee.
- 3.5 The Nomination and Remuneration Committee shall exercise utmost discretion when making written records of its deliberations and recommendations.

4. REPORTING TO THE SUPERVISORY BOARD

- 4.1 The Nomination and Remuneration Committee must inform the Supervisory Board in a clear and timely manner about the way it has used delegated powers and of major developments in the area of its responsibilities.
- 4.2 The Supervisory Board shall receive from the Nomination and Remuneration Committee a report of its deliberations and findings. The reports of the meetings of the Nomination and

Remuneration Committee shall be circulated as soon as possible after the meeting among all members of the Supervisory Board.

- 4.3 If requested, the Chairman of the Nomination and Remuneration Committee shall at meetings of the Supervisory Board provide the Supervisory Board with further information on the outcome of the discussions of the Nomination and Remuneration Committee.
- 4.4 Every Supervisory Board member shall have unrestricted access to all records of the Nomination and Remuneration Committee.

5. MISCELLANEOUS

- 5.1 The Chairman of the Nomination and Remuneration Committee (or one of the other Nomination and Remuneration Committee members) shall be available to answer questions regarding the Nomination and Remuneration Committee's activities at the annual General Meeting of Shareholders.
- 5.2 The Supervisory Board may occasionally decide not to comply with these Terms of Reference, subject to applicable law and regulations.
- 5.3 The Nomination and Remuneration Committee shall review and reassess the adequacy of these Terms of Reference annually, report its assessment to the Supervisory Board and recommend, where appropriate, any proposed changes to the Supervisory Board.
- 5.4 The Supervisory Board can at all times amend these Terms of Reference and/or revoke any powers granted by it to the Nomination and Remuneration Committee.
- 5.5 Clauses 23.4 to 23.7 inclusive of the By-Laws of the Supervisory Board apply by analogy to the Nomination and Remuneration Committee, while for the application of these Terms of Reference the power of the Supervisory Board or the Chairman of the Supervisory Board referred to in these Clauses is considered a power of the Supervisory Board or the Chairman of the Supervisory Board.
- 5.6 The annual report of the Supervisory Board as referred to in clause 8.2 of the By-Laws of the Supervisory Board shall state the composition of the Nomination and Remuneration Committee, the number of meetings held by the Nomination and Remuneration Committee and the main issues dealt with at these meetings.
- 5.7 These Terms of Reference and the composition of the Nomination and Remuneration Committee are posted on the Company's website.

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