

MARCH 11, 2020

Dear ManpowerGroup Shareholders, Clients, Employees and Partners,

Thank you for your continued commitment and investment in ManpowerGroup. In Fiscal 2019 we executed well in what was a challenging year in many respects, with slowing global economic growth and a high level of complex trade and geopolitical related uncertainties.

Our results across markets and industries demonstrated the continued and resilient demand for our workforce solutions from organizations and individuals alike, and we finished the year with revenues of \$21 billion and operating profit of \$645 million.

I am proud that our talented 28,000-strong team has made very good progress advancing our key initiatives. We are confident this will position us well for future growth while delivering on our commitment to provide innovative workforce solutions and industry-leading offerings to hundreds of thousands of companies. I am proud too that our purpose has never been more relevant – to find meaningful and sustainable employment for millions of people – and we are excited about our continuing ability to create new value for companies and candidates in the future.

OUR PERSPECTIVE – EVERY COMPANY NEEDS TO BE A TALENT COMPANY

The economic landscape in 2019 reflected a slowing growth environment, with skills shortages driven by low unemployment unevenly distributed across regions and industries. Global trade conflicts and industry specific challenges, especially in manufacturing, automotive and their supply chains, continued to impact both economic growth and employment, which will take some time to moderate, further exacerbated by the unfolding uncertainty of COVID-19 as we begin 2020. Governmental changes, protectionism and populism continue to play out like a new norm, increasingly affecting our employees, customers and the communities in which we operate. Brexit is in full swing, European electorates are uneasy with the traditional political establishment and coming elections in the U.S. and other parts of the world indicate this uneven environment shows no sign of abating any time soon.

The trends that ManpowerGroup has been predicting for some years are creating tensions in labor markets, with parts of the workforce being dislocated by technology and

globalization. The adoption of technology and business model transformation in virtually every organization means workforce needs are evolving. Technical and human skills demands are changing faster than ever, and faster than organizations can predict. Today, 54% of companies globally say they cannot find the skills they need¹ — almost double what it was a decade ago. Organizations and individuals need more help than ever to find, engage and sustain talent.

With our strong brands, market leading global footprint, extensive portfolio of solutions and data-driven insights we are well positioned to bridge the gaps that occur when technology and innovation move faster than existing organizational and societal frameworks. The need for a Skills Revolution — which we first predicted four years ago — continues to be the defining workforce challenge of our time. Today every organization and every individual needs to be reskilling and upskilling, and every company needs to be a talent company.

¹Closing the Skills Gap: What Workers Want, ManpowerGroup, 2020




\$21b
Revenues

\$645m
Operating profit

\$7.72
Earnings per share

OUR 2019 PERFORMANCE HIGHLIGHTS

- **Manpower**, our largest brand and a global leader in contingent staffing and permanent recruitment, contributed 63% of gross profit. Our workforce solutions increasingly position us also as a creator of talent at scale, providing tailored learning, development and upskilling opportunities, while advancing the careers of hundreds of thousands of individuals. In 2019 our **MyPath®** program expanded to enroll our most motivated Manpower associates in accelerated upskilling, on-the-job training and certification and we extended our ManpowerGroup Academy globally to develop the in-demand skills our clients increasingly need.
- We have continued to invest significantly in **Experis**, our \$3.3 billion professional resourcing business contributing 20% of gross profit, operating in over 50 countries and territories. In 2019 we delivered 72 million hours of professional talent specializing in technology, engineering and finance and have intensified efforts to diversify to capitalize on the fast-growing IT segment as demand increases with fast-paced technological evolution in many organizations.
- We are proud that **ManpowerGroup Solutions** was named Global Leader in RPO by Everest Group for the ninth year for our strategic investments in HR technologies and total talent management offerings, and our **TAPFIN MSP** business is continually ranked as a top managed service provider globally. **Right Management** launched new offerings, including **RightCoach™**, our on-demand platform for anytime, anywhere virtual coaching. Our higher margin talent solutions combined offerings represented 17% of our GP in 2019.
- We completed the **successful IPO of our China business** on the Hong Kong Stock Exchange together with our strategic joint venture partner, positioning the business as the leading workforce solutions provider in the Greater China region.
- Our **acquisition in Switzerland** positions Manpower as the leading brand and ManpowerGroup as the leader in our industry in the country representing approximately \$500 million in annual revenues.
- We continued to be recognized for our commitment to **driving positive change** for people and societies. We were named a *Barron's Most Sustainable Company*, awarded two gold ratings from *EcoVadis*, the world leader in the evaluation of supplier sustainability, taking our total to 20 countries, and recognized for the tenth year as a *World's Most Ethical Company* by Ethisphere, the global leader in defining and advancing the standards of ethical business practices, with top scores for culture, leadership & reputation and corporate responsibility.



“We are convinced that it is the workers of the future who will shape the future of work, and we can play a major part in making this come true.”

Jonas Prising, Chairman & CEO

INVESTING IN DIGITIZATION AND TECHNOLOGY

In 2019 we continued to invest significantly to drive growth and enhance our productivity, technology and digital capabilities that allow us to interact differently with our candidates and clients.

Our investment in front and middle office best-of-breed technology is driving our shift from manual processes to automated interaction augmented by human expertise, allowing our Recruiters and Talent Agents to focus on value-added, revenue-generating activities where they can add most value. Our digital candidate experience and investments in AI, machine learning and assessment tools, are helping people understand themselves better and the analytics and insights of our proprietary data assets can provide clients with new and differentiated value and real competitive advantage.

We have strategically chosen to develop scalable global relationships with best-in-class technology partners. In 2019 we launched *PowerSuite™*, our integrated HR tech stack of AI-enabled tools and cloud-based platforms that complement our deep workforce expertise. With the rapid deployment of these new technologies we can use data analytics to optimize HR processes and address an organization's most pressing workforce challenges. With powerful search and match capabilities, virtual coaching, anytime-anywhere chatbot functionality, assessments and upskilling we continue to develop and deliver the candidate experiences our people expect as consumers today. In France, our largest market, our *Mon Manpower* app offers associates the convenience of a smartphone experience, allowing recruiters to focus on providing candidates with coaching and development.

Our TAPFIN MSP *IntelliReach™* platform and TAPFIN Data Warehouse are providing clients with the scalable workforce insights and consistent processes, data and technology platforms they need. With aggregate data on over 225 indicators including skills availability, education, wages and regulation to provide analytics and insight, we can assist companies in calculating ROI and develop an effective workforce strategy to transform their business.

OUR INNOVATION – CREATING NEW VALUE FOR CANDIDATES AND CLIENTS

Our innovation investments are focused on creating the workforce platform that will enhance the matching of supply and demand and optimize operational performance. We believe that the combination of our proprietary performance-based data and workforce expertise will be a key strategic differentiator for us as we make progress to create data assets and data-infuse our solutions. We know that technology evolution is accelerating and will not be slower than it is today, meaning time to value and speed of deployment will be more important than ownership of technology to create value for clients and candidates.

We continue to invest in our Global Assessment & Analytics Center of Excellence, building prediction machines and scaling our B2B and B2C scientifically validated assessments. We are piloting strategic projects that provide a deeper understanding of human potential, nurturing the learnability and employability of individuals while providing an even better match and helping organizations predict performance.

In 2019 we also rapidly expanded one of our key innovation initiatives, MyPath, to seven countries, including two of our major markets, the U.S. and France. We provided 50,000 people with career advancement, developed skills for growth sectors in IT, sales and finance, and increased earning potential through fast-track learning, on the job training and certification. Already driving operational efficiencies and added value, MyPath is delivering faster and higher placement rates, increased re-assignment rates, better skilled, better utilized and more motivated, increasingly loyal associates. As ManpowerGroup advocates, they are referring others to our brands and driving significant improvements in our Net Promoter Score for candidates and clients.

We are also investing in upskilling our own people. Over 2000 Recruiters have transformed their role to become Talent Agents, experts in assessment, data and coaching, so our candidates receive the personalized guidance to develop for future roles, creating a pipeline of skilled talent to our clients at a time when skills shortages are at a decade high level.

LEADING WHERE WE CAN IMPACT MOST – PEOPLE AND CULTURE

We continue to invest in building a talented leadership team to drive the transformation of our business and unleash the talent of our people. During 2019, we enhanced our Executive Leadership Team bringing in strong strategic and operational leadership capabilities, best placed to drive the digitization and innovation of our business. We also expanded our Emerging Leader cohort preparing more of our people for future roles and professional development.

We are maintaining our industry leadership in talent strategies, and proud once again to be recognized as a best place to work for LGBTQ Equality, Inclusion, Disability and for Women. We have the most diverse Board of Directors in the industry with 45% female representation, and are building a pipeline of diverse talent for leadership roles – 47% of our emerging leaders are women and we are on track to reach 40% female senior leadership by 2024 (currently at 37%). This is how we attract and retain the best talent in a tight labor market and how we create an environment of conscious inclusion that fosters innovation, enables high performance and allows everyone to achieve their full potential.

Our people and culture are our strongest asset and we are steadfast in our dedication to developing our people. In 2019, we amplified our commitment to broaden and deepen their capabilities, designated a *Year of Learning* and continued to invest in our learning platform *PowerYou*. Guided by dedicated, personalized learning pathways with a focus on digital and soft skills, 78% of our employees upskilled to develop the digital and human capabilities of benefit to them and our business.

DIVERSIFYING OUR OPPORTUNITY – THE FUTURE OF WORK AND THE FUTURE FOR WORKERS

We are excited by the tremendous opportunity to evolve our business model and intent on catching this shift. The acceleration of business transformation means companies need innovative, scalable workforce solutions more than ever and we are laser-focused on diversifying our business to further penetrate high growth sectors and new business opportunities.

In 2020 we will continue our investment in technology and tools that identify more skilled, diverse talent, place and upskill more people, and predict fit and performance even more accurately in a quest for the perfect match. Our new brand *Talent Solutions*, reflects this ambition, combining three of our current global offerings – RPO, TAPFIN MSP and Right Management — providing the brand for new solutions and added value that serves our clients' increasingly complex global workforce needs.

Helping people to adapt for future jobs and companies to become creators of talent, at scale and at speed, has never been more important. I am confident that with our deep understanding of what workers want and what our clients need, together with our strategic initiatives, data-driven insights and expertise of our talented people, we are well-positioned for future success as we look ahead to 2020 and beyond. We are convinced that it is the workers of the future who will shape the future of work, and we can play a major part in making this come true.

I would like to thank our talented ManpowerGroup team whose hard work and expertise is key to delivering on our mission to find meaningful, sustainable work for millions of people and to deliver the workforce solutions and services our clients need to succeed.


Jonas Prising, Chairman & CEO



ManpowerGroup®

www.manpowergroup.com

100 Manpower Place, Milwaukee, Wisconsin 53212