

March 9, 2023

ManpowerGroup  
2022 Year in Review

Message from Jonas Prising  
Chairman & CEO

## Dear Shareholders, Clients, Employees and Partners,

This year we celebrate our 75th anniversary, and throughout our history we have adapted to take advantage of new opportunities and shape the future of work. From advancing the inclusion of women into the labor market following the Second World War, to developing skilled IT talent for the fastest-growing tech companies, to finding the dedicated manufacturing workers needed to bring lifesaving COVID-19 vaccines to the world, we have never been afraid to pivot to where opportunity lies. It is our steadfast dedication to connecting employers with skilled talent that has enabled us to accelerate our global impact, drive profitable growth and create shareholder value. All while delivering on our purpose that meaningful and sustainable employment has the power to change the world.

We are proud of our history and as we look ahead, we believe our future can be even brighter than our past. The continued investment in our strategic pillars of Diversification, Digitization and Innovation (DDI) are strengthening our capabilities as we place greater focus on shifting our business mix to higher-value solutions in all of our brands. This is how we are laying the foundation to create long-term sustainable value for all our stakeholders.

During the last few years, the world endured many unexpected challenges — a global pandemic and its lingering impacts, geopolitical tensions, war in Ukraine, energy and supply chain disruptions, inflation, to name a few. Throughout these “polycrises” the global labor market remained resilient. Overall, we continue to see talent shortages at record highs as organizations maintain their focus on business-critical talent and the widespread digital transformation underscores the need for different and more advanced skills.

Financially, our results tracked with the solid labor market and we performed well in 2022. Due to the strengthening of the dollar, year-over-year foreign currency movements had a significant impact on our results. With this in mind, we have included constant currency results for clarity.

Adjusted earnings per share for 2022 was \$8.52, representing a constant currency increase of 31%. Revenues for the year increased 5% in constant currency to \$19.8 billion, and reported EBITA was \$619 million. As adjusted, EBITA was \$698 million — a 22% constant currency increase year-over-year. ROIC (Return on Invested Capital) for 2022 is 16.0% as adjusted and 13.5% as reported. Reported EBITA margin was 3.1%. As adjusted, EBITA margin was 3.5% in 2022, a 40 basis points (bps) increase from the prior year.\*

2022 Revenues

**\$19.8b**

Gross Profit Margin

**18.0%**

Diluted Earnings Per Share

**\$7.08**

(adjusted diluted EPS \$8.52)\*

EBITA

**\$619m**

(adjusted \$698 million)\*



ManpowerGroup's #WorkingToChangeTheWorld lab at Viva Tech, June 2022, Paris

## 2022 Highlights

### Manpower

- Contributed 57% of consolidated ManpowerGroup gross profit.
- Drove internal recruiter efficiency by implementing PowerSuite, our cloud-enabled front office platform, in 33 countries.
- Delivered talent with specialist skills in growth sectors including advanced manufacturing, information technology, supply chain and customer service.
- Expanded our MyPath® program, building employability for more than 200,000 people to date by helping them develop the soft and technical skills we know employers value most.

### Experis ManpowerGroup

- Contributed 27% of consolidated gross profit, up from 23% in 2021.
- Provided intensive 'role-ready' tech training and coaching for our Experis consultants through our Experis Academy, now active across 15 markets.
- Successfully completed the integration of last year's US acquisition into our US Experis business, establishing a strong position in the US IT Professional Resourcing and Services market.
- Recognized in the US and UK as a Leader & Star Performer by leading external industry analyst Everest Group.

### Talent Solutions ManpowerGroup

- Contributed 16% of consolidated gross profit, up from 15% in 2021.
- Record revenues and placement volumes in both Recruitment Process Outsourcing (RPO) and Managed Service Provider (MSP) businesses.
- Named as a Global Leader and Star Performer for MSP in Everest Group's PEAK Matrix® assessment and recognized as an RPO Industry Star for the 12th year and RPO Global Leader for the 9th consecutive year.
- Right Management, our career and talent development offering, named by Forbes as one of America's Best Management Consulting Firms for the second year and recognized as a Global Leader and Star Performer in Everest Group's Outplacement and Career Transition Services PEAK Matrix® Assessment.

## ESG & Sustainability

- Recognized as one of the World's Most Ethical Companies for the 13th year by leading ethics institute Ethisphere for our impact across our ESG pillars: Planet, People & Prosperity, and Principles of Governance.
- Included on the Dow Jones Sustainability Index for the 14th year and maintained our industry-leading Sustainalytics score for proactively managing the ESG issues that are most material to our business.
- Reduced our direct emissions by 39% from our 2019 baseline and received A- rating in the Carbon Disclosure Project submission, supported by our validated science-based targets.
- Expanded our commitment to supporting refugees through our partnership with Welcome.US and Co-Hosted the TENT Partnership for Refugees US Business Summit, which is committed to hiring more than 22,000 refugees over the next three years.





*Chairman & CEO Jonas Prising, Chief Commercial Officer Becky Frankiewicz*

## Accelerating Trends, Realizing Opportunities

For nearly 75 years we have been researching, tracking and analyzing global labor market data and trends to shape our strategy and provide insights to our clients. In 2012, we identified four structural changes that were drastically reshaping the future of work; shifting demographics; technological disruption; the rise in individual choice and growing sophistication of organizations. These four forces converged to create what we called the Human Age — a time when access to, and unleashing of, human capital would become a major competitive differentiator and driver of economic growth.

We have been preparing for this future of work that we knew was coming. The pandemic provided a glimpse into the future of work and in 2022 we saw these trends accelerate further — especially tech transformation, a growing focus on the green transition and evolving employee expectations around new ways of working with more flexibility, balance and purpose.

In this New Human Age our focus on preparing people for the roles of tomorrow and helping companies access and retain the skilled talent they need has never been more relevant. Our shifting business mix will meet the demand for increasingly specialized talent, our accelerated investments in tech reflect the speed of digital transformation, and our innovation efforts will drive recruiter productivity so we can become creators of skilled talent at speed and scale.

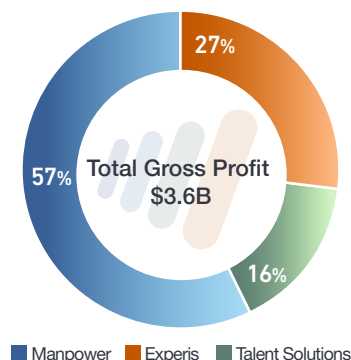
## Diversification: Accelerating Growth of Higher Margin Business Across Our Brands

Our business is now more diversified than ever and we continue to see strong demand for our higher margin offerings - Experis and Talent Solutions - which together represent 43% of our gross profits, up from 35% in 2019.

Accelerating growth in our **Experis** brand is key to our strategy to take advantage of the growing demand for IT resourcing and IT services. In October we celebrated one year since our acquisition of the ettain group in the US, allowing us to start 2023 with a strong position in Digital Workspace, Business Transformation, Enterprise Applications and Cloud & Infrastructure. The brand is now positioned as one of the largest IT resourcing and services providers globally, and our Industry Leader and Star Performer status in the UK and US has been recognized by Everest Group, a leading industry analyst, in their PEAK Matrix® Assessment 2022.

**Talent Solutions** consistently earns recognition as an industry leader. Our Managed Service Provider (MSP), TAPFIN, achieved Global Leader and Star Performer acknowledgement in Everest Group's PEAK Matrix® assessment for the ninth consecutive year and scored highly for technology innovation including IntelliReach, our self-service business intelligence platform. Right Management, our career and talent development offering, was named by Forbes as one of America's Best Management Consulting Firms for the second year and has been recognized as a Global Leader and Star Performer in Everest Group's Outplacement and Career Transition Services PEAK Matrix® Assessment.

2022 Gross Profit Mix



Our **Manpower** brand is our heritage and our future, and we are capturing opportunities to diversify with a greater focus on more specialized skill sets in both permanent and temporary staffing. We are also leveraging our MyPath program, helping create the skilled workforce of the future, and evolving our Manpower service offerings to provide even greater options for companies and job candidates to realize the perfect match of capabilities, productivity and career aspirations.

Our diverse business mix of leading global brands and highly diversified geographic footprint is providing companies with the resources and expertise they need to manage uncertainty, accelerate their digital transformation with operational and strategic flexibility, and drive workforce trends addressing societal value at scale, locally and across the world.

## Digitization: Driving Return on Investment, from Deployment to Adoption

Being more data- and insight-driven enables our recruiters to find the best talent matches quickly and with greater accuracy, so they can create even more value for job-seekers and companies looking for talent.

We are pleased with our progress on our technology roadmap, to enable best-in-class user experiences and employee productivity while turning data into a key asset. In 2022 we implemented our cloud-enabled front office technology PowerSuite in 11 additional markets and are in-flight in six more, while PowerSuite Web is now operating in 33 markets. By the end of 2023, we expect to have all our major businesses on this leading SaaS global platform, an industry first.

In 2022, we further strengthened our mobile associate app – Mon Manpower – in France and advanced our Associate app in other key markets with more countries set to launch in 2023. Our global enterprise data lake is in place for our main markets, further strengthening our business insights on behalf of clients and improving our candidate experience. Our belief is that in the future of work, the companies who can attract and retain the talent, hold the future.

As we continue to differentiate our higher-value services, we are increasingly focused on innovating to “create talent at scale” by providing advice on career path choices, enhancing skill sets through training and building capabilities from scratch in technology related fields.

LEFT: Elevate Business Resource Group Pride March, June 2022, Milwaukee | RIGHT: Showcasing AI-Led Innovation at Viva Tech, June 2022, Paris







LEFT: Chief People and Culture Officer Michelle Nettles (far right) Panel Discussion with IBM on *The Future of Work: How to Find the Talent and Keep It*, Viva Tech, June 2022, Paris | RIGHT: Showcasing Manpower's "Game2Work" Assessment at Viva Tech, June 2022, Paris

## Innovation: Our Engine for Growth, Progress and Change

We are also making good progress in expanding our talent offerings across our brands, leveraging our PowerSuite technology stack to accelerate the deployment and adoption of our AI-based recruitment tools and machine learning for a more accurate and faster match between supply and demand.

Our Experis Academy, now active across 14 markets, is providing intensive 'role-ready' tech training and coaching for our Experis consultants so we can find or build the skilled talent our clients need, especially in Cloud and Infrastructure, Business Transformation Services and Digital Workspace. And our Manpower MyPath program has now boosted the skills and employability of over 200,000 associates in 15 markets since its inception, increasing recruiter productivity, and developing a higher value talent pool. Our data tells us that MyPath candidates achieve higher reassignment rates, with stronger Net Promoter Scores for both client companies and candidates.

## Looking Ahead: The New Future of Work

The global community faces a wide range of major challenges in varying time horizons — addressing climate change, bridging the skills gap, and unleashing latent potential in underutilized talent pools. Workers are focused on success, career advancement and increasing flexibility for better work life balance, but they also care deeply about climate action, equity, diversity, and advancing opportunity for all.

These shifts are accelerating many of the structural trends we have been tracking and reporting for some time, by creating more resilience in labor markets than prior economic rule books would have predicted but also shifting demand patterns for skills and capabilities at a pace we have not seen before.

In this evolving and unpredictable environment we are confident that the strategic priorities we are pursuing are right for our business: we are ready to adapt quickly to market shifts in a more volatile and uncertain short-term environment, while preparing to capture opportunity for further value creation in the long-term.

ManpowerGroup is laser-focused on creating value for our stakeholders - shareholders, clients, employees and partners. A key driver of this success is a talented and diverse leadership team that doubles down on our priorities and does not lose sight of where our company needs to go. Our Global Leadership Team (the top 150 leaders in our business) has never been more aligned or better connected. Our DDI strategy is our North Star and the message to our leaders is simple; being aligned in our strategy, and disciplined in our execution is how we will continue to strengthen our capabilities and lay the foundation to create long-term sustainable value.

In a world where the playbook is changing by the day, our ambition is clear – to be the world's number one innovative workforce solutions company. We aim to achieve this by finding and creating the most in-demand talent, augmenting our capabilities with our leading global technology platform and innovating at a rapid pace thanks to our data-driven insights.

Our purpose – that we believe meaningful sustainable employment has the power to change the world – has been at the center of the company for nearly 75 years and has never been more relevant. ManpowerGroup is built for this moment. We have the people, technology infrastructure and the vision to build on our momentum and create a future of work that works for everyone.

**Jonas Prising**, Chairman & CEO

## Forward-Looking Statements

This shareholder letter contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 relating to the positioning for future growth of our brands, labor trends and outlook, the execution of our strategic initiatives and technology investments, as well as our efforts to deliver on our ESG Strategy that are based on our current expectations, estimates, assumptions and projections. Forward-looking statements can be identified by words such as “plan,” “may,” “believe,” “will,” and other similar expressions. Actual outcomes and results may differ materially from what is expressed or forecast in these forward-looking statements. Risks, uncertainties, and other factors that might cause such differences, some of which could be material, include, but are not limited to, the factors discussed in Item 1A. – Risk Factors in our annual report on Form 10-K for the year ended December 31, 2022. We caution that any forward-looking statement reflects only our belief at the time the statement is made. We undertake no obligation to update any forward-looking statements to reflect subsequent events or circumstances.

## \*Non-GAAP Information

The information in this letter includes financial information determined by methods other than in accordance with U.S. generally accepted accounting principles (“GAAP”), such as adjusted EBITA, adjusted ROIC and adjusted diluted net earnings per share. The Company’s management uses these non-GAAP measures in its analysis of the Company’s performance. The Company believes that the presentation of certain non-GAAP measures provides useful supplemental information that is essential to a proper understanding of the operating results of the Company’s businesses. These non-GAAP disclosures should not be viewed as a substitute for operating results determined in accordance with GAAP, nor are they necessarily comparable to non-GAAP performance measures that may be presented by other companies. Reconciliations of this non-GAAP financial information to ManpowerGroup’s financial statements as prepared under GAAP are provided below.

### Year End: December 31, 2022

<b>Net Earnings Per Share - Diluted, As Reported</b>	<b>\$ 7.08</b>
U.S. Experis Acquisition Integration Costs	0.22
Loss on Russia Disposition	0.15
Netherlands Goodwill Impairment	0.93
Restructuring Costs	0.05
Switzerland Pension Settlement	0.05
Hungary Disposition	0.04
<b>Net Earnings Per Share - Diluted, As Adjusted</b>	<b>\$ 8.52</b>

### Year End: December 31, 2022 (in millions)

<b>Operating Profit, As Reported</b>	<b>\$ 581.7</b>
U.S. Experis Acquisition Integration Costs	14.7
Loss from Disposition of Subsidiaries	10.5
Goodwill and Other Impairment Charges	50.0
Restructuring Costs	3.6
<b>Operating Profit, As Adjusted</b>	<b>\$ 660.5</b>
<b>Operating Profit, As Reported</b>	<b>\$ 581.7</b>
Intangible Asset Amortization Expense	\$ 37.1
<b>EBITA, As Reported</b>	<b>\$ 618.8</b>
<i>EBITA Margin, As Reported</i>	<i>3.1%</i>
<b>Operating Profit, As Adjusted</b>	<b>\$ 660.5</b>
Intangible Asset Amortization Expense	\$ 37.1
<b>EBITA, As Adjusted</b>	<b>\$ 697.6</b>
<i>EBITA Margin, As Adjusted</i>	<i>3.5%</i>

### Year End: December 31, 2022 (in millions)

<b>Operating Profit, As Reported</b>	<b>\$ 581.7</b>
<b>Effective Tax Rate, As Reported</b>	<b>32.9%</b>
Operating Profit after tax, As Reported	\$ 390.3
<b>Average total of net debt and equity</b>	<b>\$ 2,891.7</b>
<b>Return on Invested Capital, As Reported</b>	<b>13.5%</b>
<b>Operating Profit, As Adjusted</b>	<b>\$ 660.5</b>
<b>Effective Tax Rate, As Adjusted</b>	<b>29.6%</b>
Operating Profit after tax, As Adjusted	\$ 465.0
<b>Average total of net debt and equity</b>	<b>\$ 2,909.1</b>
<b>Return on Invested Capital, As Adjusted</b>	<b>16.0%</b>

For more information visit: [YEARINREVIEW.MANPOWERGROUP.COM](https://yearinreview.manpowergroup.com)

