



We are in the midst of the Skills Revolution, where helping people acquire new skills and adapt to this fast-changing world of work will be the defining challenge of our time.

## Dear ManpowerGroup Shareholder,

ManpowerGroup had a good year with strong results in 2017. Our market-leading global footprint and extensive portfolio of workforce solutions, together with our purpose-driven strategy, created value for both clients and candidates, making it a year of financial and operational progress that resulted in profitable growth across our global operations.

### OUR PERSPECTIVE

We are in the midst of the Skills Revolution. Technology is transforming organizations and redefining business models. Skills needs are changing rapidly and companies cannot find the talent they need. For people with in-demand skills who can continually learn and adapt, that's good news, while individuals without sought-after skills are feeling increasingly disconnected from employment opportunities. We see this playing out in politics, protectionism and populism.

The forces we have been describing for the last decade as the Human Age are impacting companies and shaping communities: shifting demographics and shrinking workforces, greater individual choice and personalization, client sophistication and transparency, together with the acceleration of technological change. Digitization and automation too are impacting organizations at an unprecedented pace.

At the same time, despite an uncertain geopolitical outlook, the near-term global economic outlook is increasingly positive. As past industrial revolutions have demonstrated, with times of disruption comes the emergence of new jobs, new services and new opportunities for growth. Companies must plan for unpredictability and be built for change to enable greater strategic and operational organizational agility, and ManpowerGroup is better prepared to serve those needs than ever.

In all of this change, the impact on the workforce is not predetermined. Human ingenuity, creativity and preference will be the linchpin for how we leverage technology in our lives and businesses and drive eventual outcomes. New ways of educating and upskilling the workforce were needed in the past, and this time will be no different. Helping people acquire new skills and adapt to this fast-changing world of work will be the defining challenge of our time, and it too must happen at unprecedented speed and scale.



“This digital age is the Human Age, where the winning combination will be human ingenuity and skills that can leverage technology.”

Since we were founded 70 years ago, our duality of purpose has never been more relevant: to create value for our shareholders by running a successful business, while contributing to positive societal change through meaningful employment. This digital age is the Human Age, where the winning combination will be human ingenuity and skills that can leverage technology.

## OUR PERFORMANCE

As the leading global workforce solutions company, we provided skilled talent to hundreds of thousands of organizations across 80 countries and territories in 2017. We found meaningful, sustainable employment for millions of people and even more received our career guidance and advice.

Our performance was strong with revenues of \$21 billion, an increase of 6% in constant currency over prior year. Operating profit reached \$788 million, up 3% in constant currency and 8% excluding 2017 restructuring costs. Our operating profit margin was 3.7% while earnings per share reached \$8.04 per share for the year, improving 27% in constant currency.

As the global leader in contingent and permanent recruitment, the **Manpower** business is the largest of our brands accounting for 63% of gross profit, providing flexible workforce solutions and rapid access to a highly qualified and productive pool of candidates. In 2017, Manpower delivered a solid performance with gross profit growth of 4% in constant currency with double-digit revenue growth and solid margin expansion across a number of markets.

**Experis** is a global leader in professional resourcing and project-based workforce solutions that has grown into a \$3.3 billion business contributing 20% of gross profit. Operating across more than 50 countries, Experis provides companies with in-demand expertise in IT, Engineering and Finance, and delivered growth and an increased gross profit of 2% in constant currency.

**Right Management** is our global career expert providing expertise in assessment, development and coaching to deliver organizational efficiency, individual development and career management to optimize business performance. This business is counter-cyclical and continues to see challenges in an improving labor market, with gross profit down 14% in constant currency for the year. Right Management was recognized by external analysts for depth of career management talent and workforce consulting expertise across the globe.

**ManpowerGroup Solutions** is the fastest growing part of our business and global leader in outsourcing services for large-scale recruiting and workforce-intensive initiatives. Our offerings include Recruitment Process Outsourcing, TAPFIN Managed Service Provider, Talent Based Outsourcing and Proservia™. ManpowerGroup Solutions performed very well in 2017 with strong double-digit growth, ending the year with gross profit growth of 11% in constant currency. Our TAPFIN Managed Service Provider and Recruitment Process Outsourcing both earned top scores and industry-leading status from external analysts.

Operating Profit increased by\*

+3%

2017 Revenues increased by\*

+6%

EPS improved by\*

+27%

*\*All figures in constant currency*

## OUR INNOVATION

In this increasingly digital and fast-changing world of work, we continue to innovate. We showcased virtual reality training and avatar-led assessment tools at *VivaTech* in France. We launched our *Global Assessment Center of Excellence* to accelerate innovation, expand our data-driven insight, upskilling and leadership development capabilities and deliver better predictive performance and even more value to our candidates and clients.

Our new *RightCareer* platform launched to help companies position themselves as employers of choice, providing individuals with new assessments and online, personalized career development supported by real-time coaches in 26 countries and 17 languages. Our partnership with the Digital Manufacturing and Design Institute helped define 165 job roles of the future and inspired our B2C assessment, *DigiQuotient™*, assessing readiness of leaders to lead in the digital age.

We continue to accelerate people's careers providing insight, skills development and support to help them access in-demand sectors. Our *MyPath™* offering has provided 120,000 U.S. associates with advice and opportunities to upskill and earn more, and is scaling to France, Belgium and the Netherlands in logistics, healthcare and advanced manufacturing sectors.

We are expanding our capabilities in identifying skills adjacencies that create clear career paths from declining industries to growth sectors. Our *Experis Labs and Academy Tech Training Center* in Italy and our *Advanced Academy of Manufacturing* in partnership with Rockwell Automation in the U.S. are designing and delivering programs with faster, shorter bursts of on-the-job, experiential training. We are helping textile workers become composite materials technicians, and accelerating the reskilling of veterans into advanced manufacturing roles, increasing salaries and future-proofing careers, while closing the skills gaps for employers.

Our insight into how companies are evolving their workforce needs, how individuals are deciding their careers and how labor markets are changing gives us the platform to share our thought leadership on a global scale. Organizations and individuals leverage our research and practical solutions on the [Skills Revolution](#), the rise of [Next Generation Work](#), accelerating [women into leadership](#) and overcoming [talent shortages](#). Our first *Total Workforce Index* report combines expert insights with a proprietary formula to compare the workforce potential of markets, helping companies align workforce strategy with business goals.

We have been practicing what we preach, investing in skills development so that our people can achieve their potential and acquire digital skills for the future. Our online skills portal PowerYOU provided thousands of our people with access to 40,000 courses, continuing to strengthen our learning culture with repeat user rates of 46%, exceeding the industry benchmark of 35%. In 2017 more than 100,000 individuals took our *LearnabilityQuotient™* web-based assessment, nurturing their curiosity and learnability. In this digital world success will not always require a college degree, but will rely heavily on the appetite for continuous skills development.

“In the Skills Revolution, ManpowerGroup’s value proposition has never been more relevant...How we deliver our value proposition is changing at an accelerating pace.”

## OUR SUSTAINABILITY

At ManpowerGroup we believe businesses have a responsibility to be a positive contributor to societal change. That’s why we proudly launched our first Sustainability Week across 80 countries, celebrating one year of our Sustainability Plan, supporting UN Sustainable Development Goals 4, 5, 8 and 10, helping people get Ready for Work, stay relevant by Skilling Up, and improving diversity in Integrated and Inclusive Workplaces.

We were recognized as a World’s Most Ethical Company by the Ethisphere Institute, and named one of Fortune Magazine’s World’s Most Admired Companies confirming our position again as the most trusted and admired brand in the industry. We also achieved Ecovadis Gold and Silver ratings for CSR in 12 countries, and for another consecutive year, our Annual People Survey demonstrated very high engagement levels across our 29,000 employees. All of these accolades are testament to our people across the globe, dedicated to doing well by doing good and improving the lives of millions.

## OUR OPPORTUNITY

Automation and digitization is changing how work gets done yet we know in the short term, 86% of employers say they will maintain or increase their workforce.<sup>1</sup> At the same time, lower unemployment, strong hiring intentions and demand for increasingly specific skill sets mean employers need to work harder than ever to attract, develop and engage people with the skills they need to remain competitive. Candidates

too must nurture their learnability—their desire and ability—to keep developing their skills to capture these opportunities.

In the Skills Revolution, ManpowerGroup’s value proposition has never been more relevant, yet we are by no means immune to disruption in our market. How we deliver our value proposition is changing at an accelerating pace. That is why we continue to invest in new technology, improving our processes, altering the way our people work and developing digital capabilities. By leveraging the best blend of high-tech and high-touch offerings we are enabling our people to have the skills and tools they need. We believe that our last-mile capability of matching the needs of our clients with the best human talent in the market has enduring value for clients and candidates, while evolving the capabilities of our people to create more meaningful and personalized relationships.

We are pleased with our growth in 2017 and are committed to never standing still. This is the future we have been preparing for, and we are optimistic that it will provide us with the opportunities for continued value creation for many years to come.



**Jonas Prising**  
Chairman & CEO

1) Robots Need Not Apply: Human Solutions for the Skills Revolution © 2018 ManpowerGroup



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