UNDER STRICT EMBARGO UNTIL JUNE 9, 2020 – 00:01

MANPOWERGROUP EMPLOYMENT OUTLOOK SURVEY 3Q 2020

> ## ManpowerGroup survey shows employment outlooks for the next quarter
> ## in the scenario of COVID-19

- *Net Employment Outlook* in Brazil for the 3Q 2020 is -15%, with 61% of the employers interviewed reporting they do not expect changes in their workforces in the short term, 21% expecting to trim payrolls, and 7% revealing hiring intentions in the coming quarter.*

- *While six of the eight sectors analyzed in the survey reported negative indicators, some job gains are expected in the Finance, Insurance & Real Estate sector, where the Outlook is +3%, and the Public Administration & Education sector reports and Outlook of 0%.*

- *With the weakest outlook since 3Q 2016, 20% of Brazilian employers expect hiring to be back to pre-COVID-19 levels within the next 3 months with those in Services industry most optimistic.*

São Paulo, June 9, 2020 – Hiring prospects for the 3Q 2020 in Brazil stand at -15%, based on data adjusted to allow for seasonal variation, as shown in the ManpowerGroup Employment Outlook Survey. This result indicates a drop of 29 percentage points compared to the previous quarter and 26 percentage points in a comparison with the 3Q 2019. Despite the uncertainty caused by Covid-19, 61% of employers do not expect changes; 7% intend to hire in the next quarter, while 21% say that they will reduce their staff and 11% don't have an answer.

This sharp drop, which is the deepest in 11 years of the survey in the country, was mainly due to the new coronavirus pandemic, which caused an interruption in the activities of some economic sectors as from the second half of March. The survey had the participation of 456 Brazilian employers, and was conducted from April 15th to 28th. "In the past surveys, Brazil had been showing modest signs of recovery in terms of employability, which was interrupted primarily due to the pandemic. Despite the downturn, approximately 60% of employers report that they intend to keep their workforce, in order to avoid losing talents and increasing the unemployment rate in the country. The survey also shows that the Finance, Insurance & Real Estate sector indicates a positive employment outlook of 3%. We have noticed a strong hiring trend in essential economic sectors, such as food, pharmaceuticals, logistics and health," explains Nilson Pereira, CEO of ManpowerGroup Brazil.

Globally, all countries report downturn in the quarterly comparison. Nevertheless, some countries have reported positive indicators. The best outlooks were reported in Japan (+11%), India (+5%), China (+3%), Taiwan (+3%), and the United States (+3%). On the other hand, Colombia and Peru (-19% each), Costa Rica (-21%) and Singapore (-28%) showed the weakest outlooks for the 3Q 2020. ManpowerGroup interviewed 34,601 employers in 43 countries and territories.

Sector Comparisons

A decline in staffing levels is expected in all eight sectors surveyed for the period from June to August 2020, compared to the 2Q 2020. Finance, Insurance & Real Estate was the only sector with positive indicators, with an employment outlook of +3% for the next quarter, despite the reduction of 7 percentage points against the previous quarter. The weakest hiring levels are expected in the Transportation & Utilities sector, with -21%, a drop of 30 percentage points in comparison with the previous quarter; and the Wholesale & Retail Trade sector, with a Net Employment Outlook of -19%, 32 percentage points weaker in comparison with the previous quarter. The Services sector was the most impacted, with a retraction of 35 percentage points compared to the 2Q 2019.

Industry Sectors	Net Employment Outlook	Quarter-over-quarter	Year-over-year
Finance, Insurance & Real Estate	+3%	-7 pp	-13 pp

Public Administration & Education	0%	-10 pp	-10 pp
Agriculture, Fishing & Mining	-10%	-31 pp	-29 pp
Manufacturing	-13%	-27 pp	-24 pp
Construction	-15%	-24 pp	-24 pp
Services	-16%	-35 pp	-26 pp
Wholesale & Retail Trade	-19%	-32 pp	-31 pp
Transportation & Utilities	-21%	-30 pp	-27 pp

Regional Comparisons

Employers in the five regions surveyed expect a reduction in their workforce in the next quarter. Paraná State reported a -7% outlook, 22 percentage points weaker when compared to the previous quarter. The weakest indicator was reported by employers of Rio de Janeiro State, with a -17% outlook, a 17 p.p. decrease over the 2Q 2020. The region showing the strongest impact was São Paulo State, with a reduction of 33 percentage points and a -15% outlook.

Region	Net Employment Outlook	Quarter-over-quarter	Year-over-year
Paraná State	-7%	-22 pp	-21 pp
São Paulo City	-15%	-29 pp	-22 pp
São Paulo State	-15%	-33 pp	-28 pp
Minas Gerais State	-15%	-31 pp	-28 pp
Rio de Janeiro State	-17%	-17 pp	-23 pp

Organization Size Comparisons

The survey shows outlooks for an employability reduction in all four categories, by organization size. The weakest indicator was reported by employers of small companies, with an employment outlook of -18% for the 3Q 2020, 22 percentage points weaker in comparison with the previous quarter. Large (-4%) and medium companies (-16%) have also reported considerable impact, with a reduction of 30 p.p. each in hiring levels compared to the previous quarter.

Organization Size	Net Employment Outlook	Quarter-over-quarter	Year-over-year
Large	-4%	-30 pp	-30 pp
Micro	-14%	-14 pp	- 18 pp
Medium	-16%	- 30 pp	- 24 pp
Small	-18%	- 22 pp	- 21 pp

The next ManpowerGroup employment outlook survey will be launched on September 8, 2020 to report employment outlooks for the third quarter 2020.

(*) Net Employment Outlook: This figure is derived by taking the percentage of employers anticipating an increase in hiring activity and subtracting from this the percentage of employers expecting to see a decrease in employment at their location in the next quarter. The result of this calculation is the Net Employment Outlook. Net Employment Outlooks for countries and territories that have accumulated at least 17 quarters of data are reported in a seasonally adjusted format unless otherwise stated.

About the survey

The ManpowerGroup Employment Outlook Survey for the 3Q 2020 was conducted from April 15th and 28th, 2020**, and includes a significant sample of employers from over 34,600 private business and government organizations in 43 countries and territories. In Brazil, 456 employers were interviewed. The survey's objective is to measure employers' intentions to increase or decrease their workforce in the next quarter. All participants answered the same question: "How do you anticipate total employment at your location to change in the three months to the end of

September 2020 as compared to the current quarter?" It is the only prospective survey of this kind, and it is unmatched in size, scope, longevity and focus area. The survey has existed for over five decades and is one of the world's most reliable one on employment activities. It is considered a highly respected economic indicator. It is noteworthy that in the second quarter of 2008, the survey adopted the TRAMO-SEATS model for seasonal data adjustment. As a result, you may notice that some seasonally adjusted data points change slightly from previous reports. This model is recommended by the Eurostat department of the European Union and the European Central Bank and is widely used internationally.

Note from the editors

Full survey results for each of the 43 countries and territories included this semester, as well as regional and global comparisons, can be found in the Manpower Press Room at www.manpower.com/meos. In addition, all tables and graphs of the full report are available for download, publication, or broadcast in the ManpowerGroup Visual Library, also located in the Press Room at http://www.manpowergroup.com/library.

Results for all 43 countries can be viewed in the new interactive Explore the ManpowerGroup Employment Outlook Survey tool at: http://manpowergroupsolutions.com/DataExplorer/.

** The survey was conducted from 15th to 28th of April, during the global escalation of Covid-19.

About ManpowerGroup

ManpowerGroup® (NYSE: MAN), the leading global workforce solutions company, helps organizations transform in a fast-changing world of work by sourcing, assessing, developing and managing the talent that enables them to win. We develop innovative solutions for hundreds of thousands of organizations every year, providing them with skilled talent while finding meaningful, sustainable employment for millions of people across a wide range of industries and skills. Our expert family of brands – Manpower, Experis and Talent Solutions – creates substantial value for candidates and clients across more than 75 countries and territories and has done so for over 70 years. We are recognized consistently for our diversity - as a best place to work for Women, Inclusion, Equality and Disability and in 2020 ManpowerGroup was named one of the World's Most Ethical Companies for the eleventh year - all confirming our position as the brand of choice for in-demand talent.

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