



ManpowerGroup™

## **Audit Committee Charter**

### **I. PURPOSE**

The purpose of the Audit Committee (the "Committee") of the Board of Directors of ManpowerGroup Inc. (the "Company") to assist the Board of Directors in its oversight of financial accounting and reporting practices of the Company, the quality and integrity of the financial statements of the Company, the qualifications and independence of the Company's independent auditors, the performance of the Company's independent auditors and the Company's internal audit function and compliance with applicable legal, ethical and regulatory requirements and to prepare the report that the rules of the Securities and Exchange Commission require to be included in the Company's annual proxy statement. The Committee will also serve as the Company's qualified legal compliance committee. The primary responsibility of the Committee is to oversee the Company's financial reporting process on behalf of the Board of Directors and to report the results of its activities to the Board of Directors. It is not the responsibility of the Committee to plan or conduct audits or to determine that the Company's financial statements are complete and accurate and are in accordance with generally accepted accounting principles. Management of the Company is responsible for preparing the Company's financial statements, and the independent auditors are responsible for auditing the Company's financial statements.

### **II. COMMITTEE COMPOSITION**

The Committee shall be comprised of at least three members, consisting solely of "independent" directors who are "financially literate" or become "financially literate" within a reasonable period of time after their appointment to the Committee. At least one member of the Committee shall have accounting or related financial management expertise, as the Board of Directors interprets such qualification in its business judgment. At least one member of the Committee shall be, in the business judgment of the Board of Directors, an "audit committee financial expert" as defined by the rules of the Securities and Exchange Commission.

A director is "independent" if he or she meets the requirements for independence set forth in the rules of the New York Stock Exchange.

A "financially literate" director is one whom the Board of Directors in its business judgment deems to be financially literate. Committee members may enhance their familiarity with finance and accounting by participating in educational programs.

The members of the Committee will be appointed by the Board of Directors after taking into account the recommendations of the Nominating and Governance Committee. A member will serve until his or her successor is appointed, until his or her resignation from the Committee, until his or her position on the Committee is eliminated due to a reduction in the size of the Committee, until he or she is removed from the Committee by the Board of Directors, or until his or her service on the Board of Directors terminates. The chairperson of the Committee will be the member of the Committee appointed to serve in such capacity by the Board of Directors from time to time.

Except as otherwise determined by the Board of Directors, no member of the Committee will simultaneously serve on the audit committees of more than two other public companies.

### **III. MEETINGS, REPORTS AND FUNDING**

The Committee shall meet as frequently as the Committee deems necessary, but the Committee shall meet at least four times each year. Meetings of the Committee may be called by the chairperson of the Committee or otherwise as provided in the by-laws of the Company. The Committee shall report periodically to the Board of Directors regarding the Committee's activities, findings, conclusions and recommendations, including any material issues that arise with respect to the quality or integrity of the Company's financial statements, the Company's compliance with legal or regulatory requirements, the

performance and independence of the Company's independent auditors, and the performance of the internal audit function.

The Committee, in its capacity as a committee of the Board of Directors, or the chairperson of the Committee, in his or her capacity as such, is authorized to direct the officers of the Company to provide for appropriate funding for payment of: (i) compensation to any registered public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company; (ii) compensation to any advisers employed by the Committee; and (iii) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

#### **IV. RESPONSIBILITIES AND POWERS**

The Committee's responsibilities shall include the following:

A. Independent Auditors. The Committee shall have the ultimate authority and direct responsibility to select, retain, compensate, oversee, evaluate and, where appropriate, replace the independent auditors and to submit the selection of independent auditors for ratification by the shareholders in any proxy statement; provided that the Committee may consult with the Company's senior management regarding these matters. The independent auditors shall report directly to the Committee. With respect to the independent auditors, the Committee shall have the following additional specific responsibilities:

1. Approve all of the terms of engagement of the independent auditors, including the audit services within the scope of the engagement, and the fees to be paid to the independent auditors and review the appointment of and fee arrangements with any other external auditors employed for other specific audit purposes.

2. At least annually, obtain and review a report by the independent auditors describing: (a) the independent auditors' internal quality-control procedures, (b) any material issues raised by the most recent internal quality control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the firm, (c) any steps taken by the independent auditors to address any issues described in the foregoing clause (b), and (d) all relationships between the independent auditors and the Company. Discuss with the independent auditors any issues or relationships disclosed in such report that, in the judgement of the Committee, may have an impact on the competence or independence of the independent auditors.

3. Receive the written disclosures and affirmation from the independent auditors required by Rule 3526 (Communication with Audit Committees Concerning Independence) of the Public Company Accounting Oversight Board, as may be modified or supplemented from time to time, discuss with the independent auditors the independent auditors' independence, including actively engaging in a dialog with the independent auditors with respect to any disclosed relationships or services that may impact the objectivity and independence of the independent auditors, and take appropriate action in response to the independent auditors' report to satisfy itself of the independent auditors' independence.

4. Periodically evaluate the independent auditors' qualifications, performance and independence and the experience and qualifications of the senior individuals assigned by the independent auditors to the Company's account, including the lead partner. This evaluation shall be based on a review of the report and the statement referred to above, as well as other factors deemed appropriate by the Committee. The evaluation shall also take into account the opinion of the Company's management and members of the Company's internal audit department. The Committee shall present the conclusions with respect to this evaluation to the full Board of Directors.

5. Ensure the rotation of the lead (or coordinating) audit partner having primary responsibility for the audit and the audit partner responsible for reviewing the audit as required by law, and periodically consider whether the Company should regularly rotate its independent auditors.

6. Initially establish and periodically review hiring policies for employees and former employees of the independent auditors, and periodically review a list of employees and former employees of the independent auditors hired by the Company and the positions for which they were hired.

B. Quarterly and Annual Financial Statements.

1. Review each year the planned scope of the examination of the Company's financial statements by the independent auditors.

2. Meet to review and discuss with management and the independent auditors the quarterly financial statements to be included in each of the Company's Quarterly Reports on Form 10-Q and upon completion of their audit, the annual financial statements to be included in the Company's Annual Report on Form 10-K, and the Company's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations."

3. Review any disclosures made to the Committee by the Company's chief executive officer or chief financial officer regarding any significant deficiencies or material weaknesses in the design or operation of the Company's internal control over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information and any fraud involving management or other employees who have a significant role in the Company's internal control over financial reporting.

4. Review and discuss with the independent auditors and management (a) the development, selection, application and disclosure of all critical accounting policies and practices used in the audited financial statements, (b) all alternative treatments of financial information within generally accepted accounting principles that have been discussed with management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditors, (c) other material written communications between the independent auditors and management, such as any management letter or schedule of unadjusted differences, (d) the effect of regulatory and accounting initiatives, as well as off-balance sheet structures, on the Company's financial statements, and (e) any significant audit adjustments proposed by the independent auditors.

5. Discuss with the independent auditors the matters required to be discussed by Auditing Standards No. 16 (Communications with Audit Committees) of the Public Company Accounting Oversight Board, as may be modified or supplemented from time to time.

6. Make a recommendation to the Board of Directors regarding inclusion of the audited financial statements in the Company's Annual Report on Form 10-K filed each year.

7. Review any recommendations of the independent auditors resulting from the audit and monitor management's response in an effort to ensure that appropriate actions are taken.

8. Review with the independent auditors any matter of significant disagreement between management and the independent auditors and any other problems or difficulties encountered during the course of the audit and management's response to such disagreements, problems or difficulties. As part of this review, the Committee shall discuss with the independent auditors (a) any difficulties relating to any restrictions on the scope of the independent auditors' activities and (b) any difficulties relating to restrictions on the independent auditors' access to requested information. The Committee may also discuss with the independent auditors (a) any accounting adjustments that were noted or proposed by the independent auditors but that were "passed" by management as immaterial or otherwise, (b) any communications between the individuals assigned by the independent auditors to the Company's account and the independent auditors' national office relating to auditing or accounting issues presented by the engagement and (c) any management letter or internal control letter of a material nature issued or proposed to be issued by the independent auditors to the Company and the Company's response to any such letter.

9. Review the Company's financial reporting processes and internal controls, based on consultation with the independent auditors and management. Such review shall include a consideration of major issues regarding accounting principles and financial statement presentations, including any significant changes in the Company's selection or application of accounting principles, and major issues as to the adequacy of the Company's internal controls and any special audit steps adopted in light of identified deficiencies.

#### C. Non-Audit Services.

Oversee the implementation of and compliance with the Company's Policy on Services Provided by Independent Auditors, including (a) ensuring that the Company's chief financial officer submits on a periodic basis to the Committee a reasonably detailed statement of the non-audit services provided to the Company by the independent auditors during the period to which the statement relates and certifies that no prohibited services were provided to the Company by the independent auditors during such period, (b) reviewing and pre-approving or disapproving non-audit services requiring the Committee's approval under the Policy, and (c) reviewing and assessing the adequacy of the Policy on at least an annual basis.

#### D. Internal Audit and Accounting.

1. Monitor the staffing and competency of the internal audit department and significant changes in the duties and responsibilities of the internal audit department.

2. Review the activities of the internal audit department, including the annual internal audit plan.

3. Meet privately periodically (but at least three times each year) with the head of the Company's internal audit department

to review the adequacy of the Company's internal controls, accounting policies and procedures, the internal audit function, and particular concerns of the Committee or the internal audit department.

4. Meet privately periodically (but at least annually) with the independent auditors to review the adequacy of the Company's internal controls, accounting policies and procedures, the internal audit function (including responsibilities, budget and staffing), special audit steps adopted in light of material control deficiencies and particular concerns of the Committee or the independent auditors.

5. Meet privately periodically (but at least annually) with management to review the adequacy of the Company's internal controls, accounting policies and procedures, the internal audit function, and particular concerns of the Committee or management.

6. Review with independent auditor any audit problems or difficulties and management's response thereto.

7. Review with management the status of tax returns and tax audits.

8. Review expense account reimbursements of the Company's executive officers.

#### E. Risk Management.

1. Assist the Board of Directors with its oversight of the performance of the Company's risk management function, including:

(a) Periodically review and discuss with management the Company's policies, practices and procedures regarding risk assessment and management;

(b) Periodically receive, review and discuss with management reports on selected risk topics as the Committee or management deems appropriate from time to time; and

(c) Periodically report to the Board of Directors on its activities in this oversight role.

In this oversight capacity, the Committee's role is one of informed oversight rather than direct management of risk. In addition, it is not intended that the Committee be involved in the day-to-day risk management activities. Instead, the Committee is expected to engage in reviews and discussions with management (and others if considered appropriate by the Committee) as necessary to be reasonably assured that the Company's risk management processes (1) are adequate to identify the material risks that the Company faces in a timely manner, (2) include strategies for the management of risk that are responsive to the Company's risk profile and specific material risk exposure, (3) serve to integrate risk management considerations into business decision-making throughout the Company, and (4) include policies and procedures that are reasonably effective in facilitating the transmission of information with respect to material risks to the senior executives of the Company and the Committee.

2. Periodically review and discuss with management the Company's major financial risk exposures and the steps that management has taken to assess, monitor, and mitigate such exposures.

#### F. Business Conduct and Ethics.

1. Monitor the Company's policies and procedures regarding compliance with the Foreign Corrupt Practices Act.

2. Monitor compliance with the Company's Code of Business Conduct and Ethics by the employees of the Company. In connection therewith, the Committee shall review and approve all related party transactions that are material to the Company's financial statements or that otherwise require disclosure to the Company's shareholders; provided, however, that the Committee shall not be responsible for reviewing and approving related party transactions that are reviewed and approved by the Board of Directors or by another committee of the Board of Directors.

#### G. Special Investigations.

1. Direct any special investigations concerning matters relating to the Company's financial statements, internal controls, compliance with applicable laws or business ethics.

2. Initially establish and periodically review procedures for (a) the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters, and (b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

#### H. Qualified Legal Compliance Committee.

1. The Committee shall serve as the Company's qualified legal compliance committee within the meaning of Section 307 of

the Sarbanes-Oxley Act of 2002 and the rules adopted thereunder and in that capacity shall receive, review and take appropriate action with respect to reports of evidence of material violations of applicable United States federal or state securities law, a material breach of fiduciary duty arising under United States federal or state law, or a similar material violation of any United States federal or state law by the Company or by any officer, director, employee or agent of the Company (each, a "Material Violation") that are made or referred to the Committee by the Company's chief executive officer or chief legal officer (or the equivalents thereof) or legal advisors. In its role as the Company's qualified legal compliance committee, the Committee shall have the following authority and responsibilities:

- (a) to adopt and maintain written procedures for the confidential receipt, retention, and consideration of any report of evidence of a Material Violation received by the Committee and to establish other rules and procedures in order to fulfill its obligations in its role as the Company's qualified legal compliance committee under applicable law, rules and regulations;
- (b) to inform the Company's chief legal officer or chief executive officer (or the equivalents thereof) of any report of evidence of a Material Violation, unless the Committee determines that it would be futile to do so;
- (c) to determine whether an investigation is necessary regarding any report it receives of evidence of a Material Violation;
- (d) if the Committee determines that an investigation regarding a report of evidence of a Material Violation is necessary or appropriate, to: (i) notify the full Board of Directors; (ii) initiate and oversee an investigation, which may be conducted either by the Company's chief legal officer (or the equivalent thereof) or by outside attorneys; and (iii) retain such additional expert personnel as the Committee deems necessary to assist in the investigation;
- (e) at the conclusion of any such investigation, to: (i) recommend, by majority vote, that the Company implement an appropriate response to evidence of a Material Violation; and (ii) inform the chief legal officer or chief executive officer (or the equivalents thereof) and the Board of Directors of the results of the investigation and the appropriate remedial measures to be adopted; and
- (f) acting by majority vote, to take all other appropriate action, including the authority to notify the Securities and Exchange Commission in the event that the Company fails in any material respect to implement an appropriate response that the Committee has recommended the Company to take.

#### I. Other.

1. Review and assess the adequacy of this Charter on at least an annual basis.
2. As required under the rules of the Securities and Exchange Commission, provide an Audit Committee Report to be included in the Company's annual proxy statement which:
  - (a) states whether the Committee has reviewed and discussed with management the Company's audited financial statements,
  - (b) states whether the Committee has discussed with the independent auditors the matters required to be discussed by Auditing Standard No. 16 (Communications with Audit Committees) of the Public Company Accounting Oversight Boards, as may be modified or supplemented from time to time.
  - (c) states whether the Committee has discussed with the independent auditors the matters required to be discussed by Auditing Standard No. 16 (Communications with Audit Committees) of the Public Company Accounting Oversight Boards, as may be modified or supplemented from time to time.
  - (d) states whether the Committee has recommended to the Board of Directors that the audited financial statements be included in the Company's Annual Report on Form 10-K for the last fiscal year for filing with the Securities and Exchange Commission,
3. Periodically discuss with management the financial results to be disclosed in the Company's earnings releases, including the use of non-GAAP financial measures, and the manner in which this information will be presented.
4. Discuss with management and the independent auditors the quarterly and annual reported earnings of the Company prior to the release of this information to the public and discuss the results of the quarterly review and any other matters required to be communicated to the Committee by the independent auditors under generally accepted auditing standards. The chairperson of the Committee may represent the entire Committee for the purposes of these discussions and reviews.
5. Periodically discuss with management the types of financial information and earnings guidance to be disclosed to analysts and rating agencies, and the manner in which this information will be presented.
6. Monitor any litigation involving the Company which may have a material financial impact on the Company or relate to

matters entrusted to the Committee.

7. The Committee shall be available at all times to receive reports, suggestions, questions or recommendations relating to the matters for which it has responsibility from the independent auditors, the internal audit department, or management personnel.

## **V. DELEGATION; USE OF ADVISORS**

The Committee may, if it deems appropriate from time to time, delegate authority with respect to any of its functions to a subcommittee of the Committee, including the authority to grant pre-approvals of audit and permitted non-audit and tax services, provided that decisions of such subcommittee to grant pre-approvals and take any other actions shall be presented to the full Committee at its next scheduled meeting.

In the course of fulfilling its duties, the Committee has the sole authority and discretion, as it deems necessary, to retain, at the Company's expense, its own independent legal, accounting and other advisors, including sole authority to approve the fees and other retention terms of any such advisor and to terminate any such advisor.

## **VI. ANNUAL EVALUATION**

The Committee will evaluate its performance on an annual basis.