UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 27, 2026

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission File Number 0-1088

KELLY SERVICES, INC.

(Exact name of registrant as specified in its charter)

Delaware	38-1510762
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

999 West Big Beaver Road, Troy, Michigan 48084

(Address of principal executive offices) (Zip Code)

(248) 362-4444

(Registrant's telephone number, including area code)

No Change

(Former name, former address and former fiscal year, if changed since last report.)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbols	Name of each exchange on which registered
Class A Common Stock, $1.00 par value per share	KELYA	The Nasdaq Stock Market LLC
Class B Common Stock, $1.00 par value per share	KELYB	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☒
Non-accelerated filer	☐	Smaller reporting company	☐
Emerging growth company	☐		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
Yes ☐ No ☒

At October 26, 2026, 31,545,145 shares of Class A and 3,296,041 shares of Class B common stock of the Registrant were outstanding.

KELLY SERVICES, INC.
TABLE OF CONTENTS

PART I. FINANCIAL INFORMATION	4
Item 1. Financial Statements (unaudited).	4
Consolidated Statements of Earnings	4
Consolidated Statements of Comprehensive Income (Loss)	5
Consolidated Balance Sheets	6
Consolidated Statements of Stockholders' Equity	7
Consolidated Statements of Cash Flows	9
Notes to Consolidated Financial Statements	11
Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.	26
Item 3. Quantitative and Qualitative Disclosures About Market Risk.	36
Item 4. Controls and Procedures.	36
PART II. OTHER INFORMATION	36
Item 1. Legal Proceedings.	36
Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.	37
Item 5. Other Information.	37
Item 6. Exhibits.	38
SIGNATURES	39

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements (unaudited).

KELLY SERVICES, INC.
CONSOLIDATED STATEMENTS OF EARNINGS
(UNAUDITED)
(in millions, except per share data)

	13 Weeks Ended		39 Weeks Ended	
	September 27, 2026	September 28, 2025	September 27, 2026	September 28, 2025
Revenue from services	$ 927.2	$ 935.0	$ 3,006.1	$ 3,201.7
Cost of services	732.8	741.0	2,403.3	2,545.7
Gross profit	194.4	194.0	602.8	656.0
Selling, general and administrative expenses	193.6	194.4	588.8	627.4
Asset impairment charge	0.2	—	2.4	—
Goodwill impairment charge	—	102.0	—	102.0
Gain on sale of EMEA staffing operations	—	(0.3)	—	(4.3)
Earnings (loss) from operations	0.6	(102.1)	11.6	(69.1)
Other income (expense), net	(1.1)	(1.6)	(4.4)	(7.1)
Earnings (loss) before taxes	(0.5)	(103.7)	7.2	(76.2)
Income tax expense	1.2	46.4	3.4	49.1
Net earnings (loss)	$ (1.7)	$ (150.1)	$ 3.8	$ (125.3)
Basic earnings (loss) per share	$ (0.05)	$ (4.26)	$ 0.10	$ (3.56)
Diluted earnings (loss) per share	$ (0.05)	$ (4.26)	$ 0.10	$ (3.56)
Average shares outstanding:				
Basic	34.7	35.3	34.6	35.2
Diluted	34.7	35.3	35.1	35.2

See accompanying unaudited Notes to Consolidated Financial Statements.

KELLY SERVICES, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(UNAUDITED)
(in millions)

	13 Weeks Ended		39 Weeks Ended	
	September 27, 2026	September 28, 2025	September 27, 2026	September 28, 2025
Net earnings (loss)	$ (1.7)	$ (150.1)	$ 3.8	$ (125.3)
Other comprehensive income (loss), net of tax:				
Foreign currency translation adjustments, net of tax benefit of $0.1 and $0.0, and tax expense of $0.1 and $0.6, respectively	0.1	(0.2)	(1.1)	6.1
Less: Reclassification adjustments included in net earnings	—	—	—	—
Foreign currency translation adjustments	0.1	(0.2)	(1.1)	6.1
Other comprehensive income (loss)	0.1	(0.2)	(1.1)	6.1
Comprehensive income (loss)	$ (1.6)	$ (150.3)	$ 2.7	$ (119.2)

See accompanying unaudited Notes to Consolidated Financial Statements.

KELLY SERVICES, INC.
CONSOLIDATED BALANCE SHEETS
(UNAUDITED)
(in millions)

	September 27, 2026	December 28, 2025
Current Assets		
Cash and equivalents	$ 22.2	$ 33.0
Trade accounts receivable, less allowances of $10.8 and $10.0, respectively	1,300.0	1,188.7
Prepaid expenses and other current assets	53.0	46.6
Total current assets	1,375.2	1,268.3
Noncurrent Assets		
Property and equipment, net	17.6	20.5
Operating lease right-of-use assets	35.1	42.9
Deferred taxes	162.6	163.2
Retirement plan assets	297.3	289.7
Goodwill	202.1	202.1
Intangibles, net	200.3	226.2
Other assets	49.4	37.7
Total noncurrent assets	964.4	982.3
Total Assets	$ 2,339.6	$ 2,250.6
Liabilities and Stockholders' Equity		
Current Liabilities		
Accounts payable and accrued liabilities	$ 670.8	$ 631.4
Operating lease liabilities	10.5	12.3
Accrued payroll and related taxes	169.9	140.9
Accrued workers' compensation and other claims	20.8	20.9
Income and other taxes	16.9	16.3
Total current liabilities	888.9	821.8
Noncurrent Liabilities		
Long-term debt	122.5	101.9
Operating lease liabilities	39.3	44.9
Accrued workers' compensation and other claims	34.0	34.2
Accrued retirement benefits	267.8	263.7
Other long-term liabilities	6.9	7.6
Total noncurrent liabilities	470.5	452.3
Commitments and contingencies (see Contingencies footnote)		
Stockholders' Equity		
Capital stock, $1.00 par value		
Class A common stock, 100.0 million shares authorized; 35.2 million shares issued at 2026 and 2025	35.2	35.2
Class B common stock, 10.0 million shares authorized; 3.3 million shares issued at 2026 and 2025	3.3	3.3
Treasury stock, at cost		
Class A common stock, 3.7 million shares at 2026 and 4.3 million shares at 2025	(54.5)	(63.1)
Class B common stock	(0.6)	(0.6)
Paid-in capital	36.9	36.3
Earnings invested in the business	960.7	965.1
Accumulated other comprehensive income (loss)	(0.8)	0.3
Total stockholders' equity	980.2	976.5
Total Liabilities and Stockholders' Equity	$ 2,339.6	$ 2,250.6

See accompanying unaudited Notes to Consolidated Financial Statements.

KELLY SERVICES, INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(UNAUDITED)
(in millions)

	Common Stock		Treasury Stock			Earnings Invested in the Business	Accumulated Other Comprehensive Income (Loss)	Total Stockholders' Equity
	Class A	Class B	Class A	Class B	Paid-in Capital			
Balance at December 28, 2025	$ 35.2	$ 3.3	$ (63.1)	$ (0.6)	$ 36.3	$ 965.1	$ 0.3	$ 976.5
Net issuance of stock awards	—	—	7.0	—	(5.2)	—	—	1.8
Net earnings (loss)	—	—	—	—	—	(5.9)	—	(5.9)
Dividends	—	—	—	—	—	(2.7)	—	(2.7)
Other comprehensive income (loss), net of tax	—	—	—	—	—	—	(1.2)	(1.2)
Balance at March 29, 2026	$ 35.2	$ 3.3	$ (56.1)	$ (0.6)	$ 31.1	$ 956.5	$ (0.9)	$ 968.5
Net issuance of stock awards	—	—	0.9	—	4.0	—	—	4.9
Net earnings (loss)	—	—	—	—	—	11.4	—	11.4
Dividends	—	—	—	—	—	(2.8)	—	(2.8)
Other comprehensive income (loss), net of tax	—	—	—	—	—	—	—	—
Balance at June 28, 2026	$ 35.2	$ 3.3	$ (55.2)	$ (0.6)	$ 35.1	$ 965.1	$ (0.9)	$ 982.0
Net issuance of stock awards	—	—	0.7	—	1.8	—	—	2.5
Net earnings (loss)	—	—	—	—	—	(1.7)	—	(1.7)
Dividends	—	—	—	—	—	(2.7)	—	(2.7)
Other comprehensive income (loss), net of tax	—	—	—	—	—	—	0.1	0.1
Balance at September 27, 2026	$ 35.2	$ 3.3	$ (54.5)	$ (0.6)	$ 36.9	$ 960.7	$ (0.8)	$ 980.2

KELLY SERVICES, INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (continued)
(UNAUDITED)
(in millions)

	Common Stock		Treasury Stock			Earnings Invested in the Business	Accumulated Other Comprehensive Income (Loss)	Total Stockholders' Equity
	Class A	Class B	Class A	Class B	Paid-in Capital			
Balance at December 29, 2024	$ 35.2	$ 3.3	$ (60.8)	$ (0.6)	$ 34.2	$ 1,230.2	$ (6.9)	$ 1,234.6
Net issuance of stock awards	—	—	5.3	—	(3.7)	—	—	1.6
Net earnings (loss)	—	—	—	—	—	5.8	—	5.8
Dividends	—	—	—	—	—	(2.8)	—	(2.8)
Other comprehensive income (loss), net of tax	—	—	—	—	—	—	1.3	1.3
Balance at March 30, 2025	$ 35.2	$ 3.3	$ (55.5)	$ (0.6)	$ 30.5	$ 1,233.2	$ (5.6)	$ 1,240.5
Net issuance of stock awards	—	—	0.8	—	3.5	—	—	4.3
Net earnings (loss)	—	—	—	—	—	19.0	—	19.0
Dividends	—	—	—	—	—	(2.7)	—	(2.7)
Other comprehensive income (loss), net of tax	—	—	—	—	—	—	5.0	5.0
Balance at June 29, 2025	$ 35.2	$ 3.3	$ (54.7)	$ (0.6)	$ 34.0	$ 1,249.5	$ (0.6)	$ 1,266.1
Net issuance of stock awards	—	—	0.4	—	1.7	—	—	2.1
Net earnings (loss)	—	—	—	—	—	(150.1)	—	(150.1)
Dividends	—	—	—	—	—	(2.8)	—	(2.8)
Other comprehensive income (loss), net of tax	—	—	—	—	—	—	(0.2)	(0.2)
Balance at September 28, 2025	$ 35.2	$ 3.3	$ (54.3)	$ (0.6)	$ 35.7	$ 1,096.6	$ (0.8)	$ 1,115.1

See accompanying unaudited Notes to Consolidated Financial Statements.

KELLY SERVICES, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)
(in millions)

	39 Weeks Ended	
	September 27, 2026	September 28, 2025
Cash flows from operating activities:		
Net earnings (loss)	$ 3.8	$ (125.3)
Adjustments to reconcile net earnings to net cash from operating activities:		
Asset impairment charge	2.4	—
Goodwill impairment charge	—	102.0
Deferred income taxes	0.5	41.3
Gain on sale of EMEA staffing operations	—	(4.3)
Depreciation and amortization	33.3	32.0
Operating lease asset amortization	7.6	8.1
Provision for credit losses and sales allowances	1.9	4.1
Stock-based compensation	10.1	9.8
Other, net	1.0	(0.1)
Changes in operating assets and liabilities		
Accounts receivable	(124.5)	74.9
Other assets	(15.8)	3.5
Accounts payable	50.2	(27.0)
Other liabilities	(1.2)	(25.0)
Net cash from (used in) operating activities	(30.7)	94.0
Cash flows from investing activities:		
Capital expenditures	(4.3)	(6.8)
Proceeds from sale of EMEA staffing operations, net of cash disposed	—	21.8
Proceeds from company-owned life insurance	13.7	1.6
Proceeds from sale of PersolKelly investment	—	6.4
Other investing activities	(0.2)	(1.1)
Net cash from investing activities	9.2	21.9
Cash flows from financing activities:		
Proceeds from long-term debt	1,144.2	1,178.2
Payments on long-term debt	(1,123.6)	(1,299.2)
Dividend payments	(8.2)	(8.3)
Payments of tax withholding for stock awards	(1.9)	(1.9)
Other financing activities	(0.5)	(0.2)
Net cash from (used in) financing activities	10.0	(131.4)
Effect of exchange rates on cash, cash equivalents and restricted cash	0.1	5.3
Net change in cash, cash equivalents and restricted cash	(11.4)	(10.2)
Cash, cash equivalents and restricted cash at beginning of period	37.7	45.6
Cash, cash equivalents and restricted cash at end of period [1]	$ 26.3	$ 35.4

KELLY SERVICES, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS (continued)
(UNAUDITED)
(in millions)

(1) The following table provides a reconciliation of cash, cash equivalents and restricted cash to the amounts reported in the Company's consolidated balance sheets:

	39 Weeks Ended	
	September 27, 2026	September 28, 2025
Reconciliation of cash, cash equivalents and restricted cash:		
Current assets:		
Cash and cash equivalents	$ 22.2	$ 30.1
Restricted cash included in prepaid expenses and other current assets	0.8	0.6
Noncurrent assets:		
Restricted cash included in other assets	3.3	4.7
Cash, cash equivalents and restricted cash at end of period	$ 26.3	$ 35.4

See accompanying unaudited Notes to Consolidated Financial Statements.

1. Basis of Presentation

The accompanying unaudited consolidated financial statements of Kelly Services, Inc. (the "Company," "Kelly," "we" or "us") have been prepared in accordance with Rule 10-01 of Regulation S-X and do not include all the information and notes required by generally accepted accounting principles ("GAAP") for complete financial statements. In the opinion of management, all adjustments, including normal recurring adjustments, necessary for a fair statement of the results of the interim periods, have been made. The results of operations for such interim periods are not necessarily indicative of results of operations for a full year. The unaudited consolidated financial statements should be read in conjunction with the Company's consolidated financial statements and notes thereto for the fiscal year ended December 28, 2025, included in the Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission on February 12, 2026 (the 2025 consolidated financial statements). There were no changes in accounting policies from those disclosed in the Form 10-K. The Company's third fiscal quarter ended on September 27, 2026 and September 28, 2025, each of which contained 13 weeks ("third quarter"). The corresponding September year-to-date periods for 2026 and 2025 each contained 39 weeks ("September year-to-date").

Certain reclassifications have been made to the prior year's consolidated financial statements to conform to the current year's presentation, as discussed in the Revenue and Segment Disclosures footnotes. All amounts are reported in millions except for share and per share data.

2. Revenue

Revenue Disaggregated by Service Type

Kelly has three operating segments: Enterprise Talent Management ("ETM"), Science, Engineering & Technology ("SET"), and Education. In the first quarter of 2026, the Company aligned government customers from the ETM segment to the SET segment to better position the services within the Company's segment structure (see Segment Disclosures footnote). The Company's segments deliver talent through staffing services, permanent placement or outcome-based services. The Company's ETM segment also delivers talent solutions including managed service provider ("MSP"), payroll process outsourcing ("PPO"), and recruitment process outsourcing ("RPO"). The 2025 ETM and SET segment information has been recast to conform to the new alignment.

The following tables present the Company's segment revenues disaggregated by service type:

	Third Quarter 2026				
	Staffing Services	Outcome-based Services	Talent Solutions	Permanent Placement	Total
Enterprise Talent Management	$ 243.8	$ 107.8	$ 142.0	$ 2.5	$ 496.1
Science, Engineering & Technology	169.9	121.8	—	10.4	302.1
Education	132.9	—	—	1.3	134.2
Total Segment Revenue	$ 546.6	$ 229.6	$ 142.0	$ 14.2	$ 932.4
Intersegment					(5.2)
Total Revenue from Services					$ 927.2

	Third Quarter 2025				
	Staffing Services	Outcome-based Services	Talent Solutions	Permanent Placement	Total
Enterprise Talent Management	$ 246.7	$ 108.5	$ 127.2	$ 2.1	$ 484.5
Science, Engineering & Technology	195.2	104.3	—	8.8	308.3
Education	142.5	—	—	0.8	143.3
Total Segment Revenue	$ 584.4	$ 212.8	$ 127.2	$ 11.7	$ 936.1
Intersegment					(1.1)
Total Revenue from Services					$ 935.0

	September Year-to-Date 2026				
	Staffing Services	Outcome-based Services	Talent Solutions	Permanent Placement	Total
Enterprise Talent Management	$ 712.4	$ 324.2	$ 398.2	$ 6.0	$ 1,440.8
Science, Engineering & Technology	511.4	352.7	—	28.8	892.9
Education	677.8	—	—	4.0	681.8
Total Segment Revenue	$ 1,901.6	$ 676.9	$ 398.2	$ 38.8	$ 3,015.5
Intersegment					(9.4)
Total Revenue from Services					$ 3,006.1

	September Year-to-Date 2025				
	Staffing Services	Outcome-based Services	Talent Solutions	Permanent Placement	Total
Enterprise Talent Management	$ 788.3	$ 362.5	$ 371.9	$ 7.3	$ 1,530.0
Science, Engineering & Technology	609.5	321.0	—	26.2	956.7
Education	713.1	—	—	4.5	717.6
Total Segment Revenue	$ 2,110.9	$ 683.5	$ 371.9	$ 38.0	$ 3,204.3
Intersegment					(2.6)
Total Revenue from Services					$ 3,201.7

Revenue Disaggregated by Geography

The Company's operations are subject to different economic and regulatory environments depending on geographic location. The Company's Education segment operates in the Americas region, the SET segment operates in the Americas and Europe regions, and the ETM segment operates in the Americas, Europe and Asia-Pacific regions.

The table below presents the Company's revenues disaggregated by geography:

	Third Quarter		September Year-to-Date	
	2026	2025	2026	2025
Americas				
United States	$ 822.5	$ 823.9	$ 2,693.8	$ 2,867.4
Other	74.7	83.0	224.6	252.5
Total Americas Region	897.2	906.9	2,918.4	3,119.9
Total Europe Region	13.2	10.9	38.8	32.4
Total Asia-Pacific Region	16.8	17.2	48.9	49.4
Total Kelly Services, Inc.	$ 927.2	$ 935.0	$ 3,006.1	$ 3,201.7

3. Credit Losses

The rollforward of the Company's allowance for credit losses related to trade accounts receivable, which is recorded in trade accounts receivable, less allowance in the consolidated balance sheets, is as follows:

	September Year-to-Date	
	2026	2025
Allowance for credit losses:		
Beginning balance	$ 6.4	$ 4.9
Current period provision	1.1	3.4
Currency exchange effects	—	0.1
Write-offs	(0.9)	(0.7)
Ending balance	$ 6.6	$ 7.7

Write-offs are presented net of recoveries, which were not material for third quarter-end 2026 or 2025. No other allowances related to other receivables were material as of third quarter-end 2026 or 2025.

4. Fair Value Measurements

Trade accounts receivable, short-term borrowings, accounts payable, accrued liabilities and accrued payroll and related taxes approximate their fair values due to the short-term maturities of these assets and liabilities. Long-term debt is related to revolving credit agreements, and their carrying values approximate fair value as the interest rates are variable and reflect current market rates.

Assets and Liabilities Measured at Fair Value on a Recurring Basis

The following tables present assets and liabilities measured at fair value on a recurring basis as of third quarter-end 2026 and year-end 2025 in the consolidated balance sheets by fair value hierarchy level, as described below.

Level 1 measurements consist of unadjusted quoted prices in active markets for identical assets or liabilities. Level 2 measurements include quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the asset or liability. Level 3 measurements include significant unobservable inputs. There were no transfers between Level 1, Level 2, and Level 3 assets or liabilities in the third quarter of 2026 or 2025.

	As of Third Quarter-End 2026			
Description	Total	Level 1	Level 2	Level 3
Money market funds	$ 3.3	$ 3.3	$ —	$ —
Total assets at fair value	$ 3.3	$ 3.3	$ —	$ —
EMEA staffing indemnification	$ (1.4)	$ —	$ —	$ (1.4)
Brazil indemnification	(0.9)	—	—	(0.9)
Total liabilities at fair value	$ (2.3)	$ —	$ —	$ (2.3)

	As of Year-End 2025			
Description	Total	Level 1	Level 2	Level 3
Money market funds	$ 4.7	$ 4.7	$ —	$ —
Total assets at fair value	$ 4.7	$ 4.7	$ —	$ —
EMEA staffing indemnification	$ (1.4)	$ —	$ —	$ (1.4)
Brazil indemnification	(0.9)	—	—	(0.9)
Total liabilities at fair value	$ (2.3)	$ —	$ —	$ (2.3)

Money Market Funds

Money market funds represent investments in money market funds that hold government securities, all of which are restricted as of third quarter-end 2026 and year-end 2025, and are included in other assets in the consolidated balance sheets. These restricted funds represent cash balances that are required to be maintained to fund disability claims in California. The valuations of money market funds are based on quoted market prices of those accounts as of the respective period end.

Indemnification Liabilities

As of third quarter-end 2026, the Company’s indemnification liabilities totaled $2.3 million, consisting of $1.4 million related to the January 2024 sale of the EMEA staffing operations, with $0.1 million in accounts payable and accrued liabilities and $1.3 million in other long-term liabilities, and $0.9 million related to the 2020 sale of the Brazil operations included in other long-term liabilities in the consolidated balance sheets. These balances are unchanged from year-end 2025. No payments were made under either indemnification agreement during September year-to-date 2026, and the impact of remeasurement adjustments and foreign currency exchange rate fluctuations was not significant. These liabilities are classified as Level 3 and remeasured on a recurring basis using discounted probability-weighted cash flows, with changes recognized in earnings.

Equity Investment Without Readily Determinable Fair Value

As of third quarter-end 2026, the Company holds an equity investment without a readily determinable fair value, measured under the measurement alternative, with a carrying value of $3.5 million included in other assets in the consolidated balance sheets. No impairment indicators were identified and no observable price changes occurred during the third quarter of 2026.

5. Integration, Realignment and Restructuring

2026 Actions

As a continuation of the efforts announced in 2025, the Company incurred integration and realignment costs of $5.1 million and $12.7 million for the third quarter and September year-to-date 2026, respectively. For the third quarter of 2026, integration and realignment costs consisted of $1.9 million of IT-related charges, $1.3 million of severance and $1.9 million of fees and other costs to execute the initiatives. For September year-to-date 2026, integration and realignment costs consisted of $7.0 million of IT-related charges, $1.8 million of severance and $3.9 million of fees and other costs to execute the initiatives. The severance costs incurred as a part of these efforts are primarily accounted for in accordance with ASC 712 *Compensation—Nonretirement Postemployment Benefits*. The integration and realignment costs are recorded in SG&A expenses in the consolidated statements of earnings and are shown in the tables below.

	Third Quarter 2026			
	IT-related Charges	Severance	Fees and Other	Total
Enterprise Talent Management	$ —	$ 0.5	$ 0.1	$ 0.6
Science, Engineering & Technology	—	0.5	0.2	0.7
Education	—	0.2	—	0.2
Corporate	1.9	0.1	1.6	3.6
Total	$ 1.9	$ 1.3	$ 1.9	$ 5.1

	September Year-to-Date 2026			
	IT-related Charges	Severance	Fees and Other	Total
Enterprise Talent Management	$ —	$ 0.5	$ 0.1	$ 0.6
Science, Engineering & Technology	—	0.8	0.4	1.2
Education	—	0.3	—	0.3
Corporate	7.0	0.2	3.4	10.6
Total	$ 7.0	$ 1.8	$ 3.9	$ 12.7

Related to the Company's ongoing realignment of its lease portfolio, the Company recognized impairment charges of $2.2 million and $0.2 million for certain right-of-use assets during the first and third quarter of 2026, respectively, for a total impairment charge of $2.4 million during September year-to-date 2026. The impairment charges were recorded in the asset impairment charge in the consolidated statements of earnings.

2025 Actions

In the first quarter of 2025, the Company launched various initiatives aimed at integrating MRP and other prior acquisitions, combining operating segments, and further aligning processes and technology across the Company. The costs incurred related to these integration and realignment initiatives totaled $3.5 million and $20.3 million during the third quarter and September year-to-date 2025, respectively. For the third quarter of 2025, integration and realignment costs consisted of $2.1 million of IT-related charges and $1.4 million of fees and other costs to execute the initiatives. For September year-to-date 2025, integration and realignment costs consisted of $9.1 million of IT-related charges, $6.5 million of severance and $4.7 million of fees and other costs to execute the initiatives. The severance costs incurred as a part of these efforts are primarily accounted for in

accordance with ASC 712 *Compensation—Nonretirement Postemployment Benefits*. The integration and realignment costs are recorded in SG&A expenses in the consolidated statements of earnings and are shown in the tables below.

	Third Quarter 2025			
	IT-related Charges	Severance	Fees and Other	Total
Enterprise Talent Management	$ —	$ (0.1)	$ 0.1	$ —
Science, Engineering & Technology	0.4	—	0.1	0.5
Education	—	0.1	—	0.1
Corporate	1.7	—	1.2	2.9
Total	$ 2.1	$ —	$ 1.4	$ 3.5

	September Year-to-Date 2025			
	IT-related Charges	Severance	Fees and Other	Total
Enterprise Talent Management	$ —	$ 3.6	$ 0.2	$ 3.8
Science, Engineering & Technology	0.5	2.0	0.1	2.6
Education	—	0.2	—	0.2
Corporate	8.6	0.7	4.4	13.7
Total	$ 9.1	$ 6.5	$ 4.7	$ 20.3

6. Intangibles

During the second quarter of 2026, as part of ongoing integration and realignment efforts, the Company reassessed and reduced the remaining useful life of certain finite-lived intangible assets, resulting in accelerated amortization expense accounted for prospectively over the revised estimated remaining useful life. Accelerated amortization was immaterial for the second quarter of 2026 and totaled $3.8 million for the third quarter of 2026. An additional $3.0 million is estimated to be recognized during the remainder of 2026, resulting in total amortization expense of $36.2 million for 2026. The revised annual intangible amortization expense is expected to be $33.9 million in 2027, $32.3 million in 2028, $28.8 million in 2029, and $25.4 million in 2030.

7. Debt

Revolving Credit Facility

The Company has a $150.0 million, five-year revolving credit facility (the “Facility”), with a termination date of May 29, 2029. The Facility is available to be used to fund working capital, acquisitions and general corporate needs. The Facility is secured by certain assets of the Company, excluding U.S. trade accounts receivable.

At the end of the third quarter of 2026 and at year-end 2025, there were no long-term borrowings under the Facility and a remaining borrowing capacity of $150.0 million. To maintain availability of the funds, the Company pays a facility fee on the full amount of the Facility, regardless of usage. The facility fee varies based on the Company’s leverage ratio as defined in the agreement. The Facility, which contains a cross-default clause that could result in termination if defaults occur under the Company's other loan agreements, had a facility fee of 15.0 basis points at the end of the third quarter of 2026 and at year-end 2025. The Facility’s financial covenants and restrictions are described below, all of which were met at the end of the third quarter of 2026:

- The Company must maintain a certain minimum interest coverage ratio of earnings before interest, taxes, depreciation, amortization (“EBITDA”) and certain cash and non-cash charges that are non-recurring in nature to interest expense as of the end of any fiscal quarter.

- The Company must maintain a certain maximum ratio of total indebtedness to the sum of net worth and total indebtedness at all times.

- Dividends, stock buybacks and similar transactions are limited to certain maximum amounts.

- The Company must adhere to other operating restrictions relating to the conduct of business, such as certain limitations on asset sales and the type and scope of investments.

Securitization Facility

On June 22, 2026, the Company and Kelly Receivables Funding, LLC, a wholly owned bankruptcy remote special purpose subsidiary of the Company (the "Receivables Entity"), amended the Receivables Purchase Agreement related to its $250.0 million securitization facility (the "Securitization Facility"). The amendment (i) extended the maturity date to June 22, 2028, and (ii) changed certain of the terms and conditions.

Under the Securitization Facility, the Company will sell certain trade receivables and related rights ("Receivables"), on a revolving basis, to the Receivables Entity. The Receivables Entity may from time to time sell an undivided variable percentage ownership interest in the Receivables. The Securitization Facility, which contains a cross-default clause that could result in termination if defaults occur under the Company's other loan agreements, also allows for the issuance of standby letters of credit ("SBLC") and contains certain restrictions based on the performance of the Receivables.

At the end of the third quarter of 2026, the Securitization Facility had $122.5 million of long-term borrowings, SBLCs of $42.6 million related to workers' compensation and a remaining borrowing capacity of $84.9 million. The rate for these borrowings includes the adjusted daily SOFR and a 1.10% utilization rate on the amount of the Company's borrowings. The rate for the SBLCs of 1.10% represents a utilization rate on the outstanding balance. In addition, the Company pays a commitment fee on the unused capacity of 35.0 basis points when usage is greater than 50% of the purchase limit or 40.0 basis points when usage is equal to or less than 50% of the purchase limit. At year-end 2025, the Securitization Facility had $101.9 million of long-term borrowings, SBLCs of $42.6 million related to workers' compensation and a remaining borrowing capacity of $105.5 million. The rate for these borrowings also included an additional 0.10% SOFR margin. The Company paid a commitment fee of 40.0 basis points on the unused capacity in 2025.

The Receivables Entity's sole business consists of the purchase or acceptance through capital contributions of trade accounts receivable and related rights from the Company. As described above, the Receivables Entity may retransfer these receivables or grant a security interest in those receivables under the terms and conditions of the Receivables Purchase Agreement. The Receivables Entity is a separate legal entity with its own creditors who would be entitled, if it were ever liquidated, to be satisfied out of its assets prior to any assets or value in the Receivables Entity becoming available to its equity holders, the Company. The assets of the Receivables Entity are not available to pay creditors of the Company or any of its other subsidiaries, until the creditors of the Receivables Entity have been satisfied. The assets and liabilities of the Receivables Entity are included in the consolidated financial statements of the Company.

Local Credit Facilities

The Company had total unsecured, uncommitted short-term local credit facilities of $3.0 million at the end of the third quarter of 2026. The Company had no borrowings under these lines at the end of the third quarter of 2026 and at year-end 2025.

8. Accumulated Other Comprehensive Income (Loss)

The changes in accumulated other comprehensive income (loss) by component, net of tax, for the third quarter and September year-to-date of 2026 and 2025 are included in the table below.

	Third Quarter		September Year-to-Date	
	2026	2025	2026	2025
Foreign currency translation adjustments:				
Beginning balance	$ (0.9)	$ (0.6)	$ 0.3	$ (6.9)
Other comprehensive income (loss) before reclassifications	0.1	(0.2)	(1.1)	6.1
Amounts reclassified from accumulated other comprehensive income (loss)	—	—	—	—
Net current-period other comprehensive income (loss)	0.1	(0.2)	(1.1)	6.1
Ending balance	(0.8)	(0.8)	(0.8)	(0.8)
Total accumulated other comprehensive income (loss)	$ (0.8)	$ (0.8)	$ (0.8)	$ (0.8)

9. Earnings (Loss) Per Share

The reconciliation of basic and diluted earnings (loss) per share on common stock for the third quarter and September year-to-date 2026 and 2025 is as follows:

	Third Quarter		September Year-to-Date	
	2026	2025	2026	2025
Net earnings (loss)	$ (1.7)	$ (150.1)	$ 3.8	$ (125.3)
Less: earnings allocated to participating securities	—	—	(0.4)	—
Net earnings (loss) available to common shareholders	$ (1.7)	$ (150.1)	$ 3.4	$ (125.3)
Average common shares outstanding (millions):				
Basic	34.7	35.3	34.6	35.2
Dilutive share awards	—	—	0.5	—
Diluted	34.7	35.3	35.1	35.2
Basic earnings (loss) per share	$ (0.05)	$ (4.26)	$ 0.10	$ (3.56)
Diluted earnings (loss) per share	$ (0.05)	$ (4.26)	$ 0.10	$ (3.56)

Due to the Company’s net loss in the third quarter of 2026 and 2025 and September year-to-date 2025, potentially dilutive share awards outstanding, primarily related to non-employee directors deferred compensation plan and performance shares (see Stock-Based Compensation footnote for a description of performance shares) of 0.5 million shares and 0.4 million shares for the third quarter of 2026 and 2025, respectively, and 0.5 million for September year-to-date 2025, had an anti-dilutive effect on diluted earnings per share and were excluded from the computation. For September year-to-date 2026, dilutive share awards were included in the calculation. Dividends paid per share for Class A and Class B common stock were $0.075 for the third quarter of 2026 and 2025, and $0.225 for September year-to-date 2026 and 2025.

In November 2024, the Company's board of directors authorized a $50.0 million Class A share repurchase program that expires on December 2, 2026. During the third quarter and September year-to-date 2026 and 2025, the Company did not repurchase any Class A shares under the repurchase program. A total of $30.0 million remained available under the share repurchase program as of third quarter-end 2026.

10. Stock-Based Compensation

For the third quarter of 2026, the Company recognized stock compensation expense of $3.3 million and a related tax benefit of $0.6 million. For the third quarter of 2025, the Company recognized stock compensation expense of $2.6 million and a related tax benefit of $0.4 million. For September year-to-date 2026, the Company recognized stock compensation expense of $10.1 million and a related tax benefit of $1.1 million. For September year-to-date 2025, the Company recognized stock compensation expense of $9.8 million and a related tax benefit of $1.3 million.

Restricted Stock

A summary of the status of nonvested restricted stock as of third quarter-end 2026 and the year-to-date changes is presented below (in thousands of shares except per share data).

	Restricted Stock	
	Shares	Weighted Average Grant Date Fair Value
Nonvested at year-end 2025	1,329	$ 15.72
Granted	1,186	10.54
Vested	(444)	16.56
Forfeited	(260)	14.21
Nonvested at third quarter-end 2026	1,811	$ 12.34

Performance Shares

2026 Grant

During September year-to-date 2026, the Company granted performance share awards associated with the Company's Class A common stock to certain senior officers. The payment of performance share awards is contingent upon the achievement of a specific EBITDA margin performance goal with a relative revenue growth modifier over a stated period of time. The maximum number of performance shares that may be earned is 200% of the target shares originally granted. These awards have three one-year performance periods: 2026, 2027 and 2028, with the payout for each performance period based on separate financial measure goals that are set in February of each of the three performance periods. Earned shares during each performance period will cliff vest in February 2029 after approval of the financial results by the Compensation Committee, if not forfeited by the recipient. No dividends are paid on these performance shares.

A summary of the status of all nonvested performance shares at target as of third quarter-end 2026 and the year-to-date changes is presented below (in thousands of shares except per share data). The vesting adjustment in the table below represents a portion of the 2023 performance shares that did not vest because actual achievement was below the threshold level or was not achieved, and resulted in no payout.

	Performance Shares	
	Shares	Weighted Average Grant Date Fair Value
Nonvested at year-end 2025	616	$ 15.00
Granted	512	9.67
Vested	(168)	16.31
Forfeited	(124)	11.09
Vesting adjustment	(33)	15.18
Nonvested at third quarter-end 2026	803	$ 11.05

11. Other Income (Expense), Net

Included in other income (expense), net are the following:

	Third Quarter		September Year-to-Date	
	2026	2025	2026	2025
Interest income	$ 0.4	$ 1.0	$ 1.3	$ 2.7
Interest expense	(1.5)	(2.4)	(5.6)	(9.9)
Other	—	(0.2)	(0.1)	0.1
Other income (expense), net	$ (1.1)	$ (1.6)	$ (4.4)	$ (7.1)

12. Income Taxes

Income tax expense was $1.2 million for the third quarter of 2026 compared to $46.4 million for the third quarter of 2025. Income tax expense was $3.4 million for September year-to-date 2026 and $49.1 million for September year-to-date 2025. The decreases were primarily due to the $69.7 million valuation allowance charge recorded in the third quarter of 2025 against a portion of the Company's work opportunity credit carryforwards in addition to the third quarter 2025 goodwill impairment charge, which did not recur in 2026. These decreases were partially offset by the tax effect of changes in pretax income largely attributable to the goodwill impairment in 2025 and by lower work opportunity tax credit benefit in 2026 compared to 2025.

As of year-end 2025, the Company has recorded valuation allowances against its U.S. general business credit carryforwards, foreign tax credit carryforwards, certain loss carryforwards, and certain future deductible items. The Company will continue to evaluate the need for valuation allowances against deferred tax assets on a quarterly basis and may adjust the allowance as circumstances change.

The work opportunity credit program is a temporary provision in the U.S. tax law and has expired for employees hired after 2025. While the work opportunity credit has routinely been extended, it is uncertain whether it will again be extended. In the event the program is not renewed, the Company will continue to receive credits for qualified employees hired prior to 2026.

13. Contingencies

The Company is continuously engaged in litigation, threatened litigation, claims, audits or investigations arising in the ordinary course of its business, such as matters alleging employment discrimination, wage and hour violations, claims for indemnification or liability, violations of privacy rights, anti-competition regulations, commercial and contractual disputes, and tax-related matters, which could result in a material adverse outcome.

The Company records accruals for loss contingencies when the Company believes it is probable that a liability has been incurred and the amount of loss can be reasonably estimated. Such accruals are recorded in accounts payable and accrued liabilities and in accrued workers' compensation and other claims in the consolidated balance sheets. At third quarter-end 2026 and year-end 2025, the gross accrual for litigation costs amounted to $3.4 million and $2.8 million, respectively.

The Company maintains insurance coverage which may cover certain losses. When losses exceed the applicable policy deductible and realization of recovery of the loss from existing insurance policies is deemed probable, the Company records receivables from the insurance company for the excess amount, which are included in prepaid expenses and other current assets and other assets in the consolidated balance sheets. At third quarter-end 2026 and year-end 2025, there were no related insurance receivables.

The Company estimates the aggregate range of reasonably possible losses, in excess of amounts accrued, is $0.1 million to $3.1 million as of third quarter-end 2026. This range includes matters where a liability has been accrued but it is reasonably possible that the ultimate loss may exceed the amount accrued and for matters where a loss is believed to be reasonably possible, but a liability has not been accrued. The aggregate range only represents matters in which the Company is currently able to estimate a range of loss and does not represent the maximum loss exposure. The estimated range is subject to significant judgment and a

variety of assumptions and only based upon currently available information. For other matters, the Company is currently not able to estimate the reasonably possible loss or range of loss.

While the ultimate outcome of these matters cannot be predicted with certainty, the Company believes that the resolution of any such proceedings will not have a material adverse effect on the Company's financial condition, results of operations or cash flows.

14. Segment Disclosures

The Company’s operating segments, which also represent its reportable segments, are based on the organizational structure for which financial results are regularly evaluated by the Company’s chief operating decision-maker (“CODM”, the Company’s CEO) to determine resource allocation and assess performance. The Company’s three reportable segments: (1) ETM, (2) SET and (3) Education, reflect the specialty services the Company provides to customers and represent how the business is organized internally. Intersegment revenue represents revenue earned between the reportable segments and is eliminated from total segment revenue from services.

In the first quarter of 2026, the Company aligned government customers from the ETM segment to the SET segment to better position the services within the Company’s segment structure. The 2025 ETM and SET segment information has been recast to conform to the new alignment.

The following tables present information about the reported revenue from services of the Company by reportable segment, along with a reconciliation to earnings before taxes, for the third quarter and September year-to-date 2026 and 2025. Asset information by reportable segment is not presented since the Company does not produce such information internally nor does it use such information to manage its business.

	Third Quarter 2026				
	ETM	SET	Education	Intersegment	Total
Revenue from services	$ 496.1	$ 302.1	$ 134.2	$ (5.2)	$ 927.2
Cost of services[1]	396.0	226.3	115.7	(5.2)	732.8
Gross profit	100.1	75.8	18.5	—	194.4
Direct salaries[2]	55.6	39.8	14.2		
Other segment expenses[3]	29.5	16.8	10.3		
SG&A expenses	85.1	56.6	24.5	—	166.2
Asset impairment charge	—	0.2	—		0.2
Business unit profit (loss)	$ 15.0	$ 19.0	$ (6.0)	$ —	$ 28.0
Corporate SG&A					(12.2)
Depreciation and amortization[4]					(15.2)
Consolidated earnings (loss) from operations					0.6
Other income (expense), net					(1.1)
Earnings (loss) before taxes					$ (0.5)

	September Year-to-Date 2026				
	ETM	SET	Education	Intersegment	Total
Revenue from services	$ 1,440.8	$ 892.9	$ 681.8	$ (9.4)	$ 3,006.1
Cost of services[1]	1,155.6	668.8	588.3	(9.4)	2,403.3
Gross profit	285.2	224.1	93.5	—	602.8
Direct salaries[2]	175.1	121.3	45.7		
Other segment expenses[3]	85.6	51.2	30.8		
SG&A expenses	260.7	172.5	76.5	—	509.7
Asset impairment charge	—	2.4	—		2.4
Business unit profit (loss)	$ 24.5	$ 49.2	$ 17.0	$ —	$ 90.7
Corporate SG&A					(40.4)
Depreciation and amortization[4]					(38.7)
Consolidated earnings (loss) from operations					11.6
Other income (expense), net					(4.4)
Earnings (loss) before taxes					$ 7.2

	Third Quarter 2025				
	ETM	SET	Education	Intersegment	Total
Revenue from services	$ 484.5	$ 308.3	$ 143.3	$ (1.1)	$ 935.0
Cost of services[1]	388.4	230.5	123.2	(1.1)	741.0
Gross profit	96.1	77.8	20.1	—	194.0
Direct salaries[2]	57.0	42.4	15.0		
Other segment expenses[3]	30.4	15.4	9.5		
SG&A expenses	87.4	57.8	24.5	—	169.7
Goodwill impairment charge	—	102.0	—		102.0
Business unit profit (loss)	$ 8.7	$ (82.0)	$ (4.4)	$ —	$ (77.7)
Corporate SG&A					(12.1)
Gain on sale of EMEA staffing operations					0.3
Depreciation and amortization[4]					(12.6)
Consolidated earnings (loss) from operations					(102.1)
Other income (expense), net					(1.6)
Earnings (loss) before taxes					$ (103.7)

	September Year-to-Date 2025				
	ETM	SET	Education	Intersegment	Total
Revenue from services	$ 1,530.0	$ 956.7	$ 717.6	$ (2.6)	$ 3,201.7
Cost of services[1]	1,223.2	712.9	612.2	(2.6)	2,545.7
Gross profit	306.8	243.8	105.4	—	656.0
Direct salaries[2]	186.4	139.9	46.5		
Other segment expenses[3]	94.8	50.2	30.4		
SG&A expenses	281.2	190.1	76.9	—	548.2
Goodwill impairment charge	—	102.0	—		102.0
Business unit profit (loss)	$ 25.6	$ (48.3)	$ 28.5	$ —	$ 5.8
Corporate SG&A					(41.3)
Gain on sale of EMEA staffing operations					4.3
Depreciation and amortization[4]					(37.9)
Consolidated earnings (loss) from operations					(69.1)
Other income (expense), net					(7.1)
Earnings (loss) before taxes					$ (76.2)

[1] Cost of services represents those costs directly associated with the earning of revenue. The primary examples of these types of costs are temporary employee wages, along with other employee-related costs, including associated payroll taxes, temporary employee benefits, such as service bonus, holiday pay, health insurance and workers' compensation costs. These costs differ fundamentally from SG&A expenses in that they arise specifically from the action of providing the Company's services to customers whereas SG&A costs are incurred regardless of whether or not the Company places temporary employees with the Company's customers.

[2] Direct salaries refers to the compensation expenses for employees directly related to the Company's operations and service delivery. These expenses include salaries, related payroll taxes, various benefits and performance-based incentives and bonuses for these employees.

[3] Other segment expenses includes shared services costs for IT, human resources, legal and finance support, other professional services and overhead expenses, facilities and equipment-related costs and operational software licenses.

[4] Represents total company depreciation and amortization of intangibles, including the amortization of hosted software.

Depreciation and amortization expense is included in SG&A expenses in the consolidated statements of earnings. Depreciation and amortization expense amounts below include amortization of implementation costs for hosted software, which are excluded in the presentation of depreciation and amortization in the consolidated statements of cash flows. The depreciation and amortization amounts by segment are as follows:

	Third Quarter		September Year-to-Date	
	2026	2025	2026	2025
Depreciation and amortization:				
Enterprise Talent Management	$ 4.2	$ 2.5	$ 8.8	$ 8.4
Science, Engineering & Technology	8.8	8.0	23.4	23.2
Education	2.2	2.1	6.5	6.3

15. New Accounting Pronouncements

Recently Adopted

In July 2025, the FASB issued ASU 2025-05, Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets. This ASU allows for a practical expedient to be used when estimating expected credit losses on current accounts receivable and/or current contract assets arising from transactions under Topic 606. The new guidance was effective for annual periods beginning after December 15, 2025, with early adoption permitted. This ASU applies to trade accounts receivable and could impact the calculation of the allowance for uncollectible accounts receivable. The Company adopted this guidance in the first quarter of 2026 and the adoption did not have a material impact to the Company's consolidated financial statements.

Recently Issued Accounting Pronouncements Not Yet Adopted

In December 2025, the FASB issued ASU 2025-11, Interim Reporting, which is intended to improve the navigability of the guidance in ASC 270, Interim Reporting, and clarify when it applies. The amendment specifies when an entity is subject to ASC 270, and addresses the form and content of financial statements and interim disclosure requirements. The ASU clarifies that an entity must disclose events since the end of the last annual reporting period that have a material impact. The ASU is effective for interim reporting periods within annual reporting periods beginning after December 15, 2027, and early adoption is permitted. The Company does not expect this update to have a material impact to the Company's consolidated financial statements.

In September 2025, the FASB issued ASU 2025-06, Intangibles—Goodwill and Other - Internal-Use Software (Subtopic 350-40). This ASU simplifies and modernizes guidance for internal-use software by clarifying capitalization thresholds, improving comparability and reducing judgment diversity across all software development methodologies. This ASU is effective for annual reporting periods beginning after December 15, 2027, with early adoption permitted. The Company is currently evaluating the impact of the new guidance on the Company's consolidated financial statements and related disclosures.

In November 2024, the FASB issued ASU 2024-03, Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses. This ASU requires additional information about certain expense categories in the notes to the financial statements. The new guidance will be effective for annual periods beginning after December 15, 2026, and interim periods within annual periods beginning after December 15, 2027, with early adoption permitted. The Company is currently evaluating the impact of the new guidance on the Company's consolidated financial statements and related disclosures.

In October 2023, the FASB issued ASU 2023-06, Disclosure Improvements: Codification Amendments in Response to the SEC's Disclosure Update and Simplification Initiative, which modifies several disclosure and presentation requirements in the FASB Accounting Standards Codification to align them with SEC regulations. The effective date for each amendment will be the date on which the SEC's removal of that related disclosure from Regulation S-X or Regulation S-K becomes effective, with early adoption prohibited. For any amendments in which the SEC has not yet removed the applicable requirement from its regulations by June 30, 2027, the pending content of the related amendment in the FASB codification will not be effective. The Company does not expect this update to have a material impact to the Company's consolidated financial statements.

Management has evaluated other recently issued accounting pronouncements and does not believe that any of these pronouncements will have a significant impact to the Company's consolidated financial statements and related disclosures.

16. Related Party Transactions

Hunt Equity Opportunities, LLC ("Hunt Equity") controls approximately 92.2% of the outstanding shares of Kelly Class B common stock as of May 19, 2026. There were no material transactions between the Company and Hunt Equity during the third quarter of 2026.

17. Subsequent Events

On November 4, 2026, the Company’s board of directors declared a dividend of $0.075 per share. The dividend is payable on December 2, 2026 to stockholders of record as of the close of business on November 18, 2026.

On November 4, 2026, the board of directors approved the renewal and extension of the Company's share repurchase program without an expiration date and authorized the repurchase of up to $50.0 million of Class A common stock. The new authorization is inclusive of the $30.0 million that remained available under the prior authorization, which was superseded and replaced by the new authorization.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Executive Overview

In the third quarter, we delivered results that reflect positive trends across much of the portfolio. We achieved a third consecutive quarter of sequential revenue improvement on a year-over-year basis as we capitalized on increasingly constructive demand trends and as the impact of the previously disclosed discrete impacts continued to diminish. Our results reflect improvement in our gross profit margin and continued SG&A discipline.

ETM pivoted to positive reported revenue growth on a year-over-year basis in the quarter. Talent Solutions grew on a year-over-year basis for the third consecutive quarter, driven by strong demand for our MSP and RPO offerings. While reported Staffing revenue declined year-over-year, strong demand for temporary talent across our client base contributed to another quarter of positive revenue growth in Staffing on an underlying basis excluding the discrete impacts.

SET delivered another quarter of sequential revenue improvement driven by double-digit growth in Outcome-Based Solutions and Permanent Placement revenue on a year-over-year basis, although total SET revenue decreased year-over-year. Across SET's specialties, Science delivered another quarter of revenue growth, Engineering pivoted to growth on healthy pipeline conversion, and Technology continued to strengthen driven by demand for Outcome-Based Solutions.

In Education, year-over-year revenue trends reflect continued enrollment pressure in key K-12 public school districts to begin the new school year, and shifts in the mix of roles placed in the quarter. These dynamics offset renewal momentum and net new business wins that Education delivered in the second quarter. In each business, we continued to align resources with demand and maintained a disciplined approach to expense management overall.

Our performance in the quarter reflects growing operational momentum as we continue to execute our growth and efficiency initiatives. We remain well positioned to capitalize on improving demand trends, driving profitable growth and long-term value creation.

Financial Measures

Reported percentage changes are computed based on millions. Prior year percentage changes were computed based on actual amounts in thousands. Prior year percentage changes have been recast to conform to the new presentation, which is calculated based on millions. All dollar amounts are presented in millions, except for per share data.

Days sales outstanding ("DSO") represents the number of days that sales remain unpaid for the period being reported. DSO is calculated by dividing average net sales per day (based on a rolling three-month period) into trade accounts receivable, net of allowances at period end. Where secondary supplier revenues are recorded on a net basis (net of secondary supplier expense), secondary supplier revenue is included in the daily sales calculation in order to properly reflect the gross revenue amounts billed to the customer.

NM (not meaningful) in the following tables is used in place of percentage changes where: the change is in excess of 500%, the change involves a comparison between earnings and loss amounts, or the comparison amount is zero.

Results of Operations
Total Company
(in millions)

	Third Quarter			September Year-to-Date		
	2026	**2025**	**% Change**	**2026**	**2025**	**% Change**
Revenue from services	$ 927.2	$ 935.0	(0.8)%	$ 3,006.1	$ 3,201.7	(6.1)%
Gross profit	194.4	194.0	0.2	602.8	656.0	(8.1)
SG&A expenses excluding integration, realignment, restructuring charges, and depreciation and amortization	173.3	178.7	(3.0)	537.4	569.7	(5.7)
Integration, realignment and restructuring charges	5.1	3.1	64.5	12.7	19.8	(35.9)
Total SG&A expenses excluding depreciation and amortization	178.4	181.8	(1.9)	550.1	589.5	(6.7)
Depreciation and amortization	15.2	12.6	20.6	38.7	37.9	2.1
Total SG&A expenses	193.6	194.4	(0.4)	588.8	627.4	(6.2)
Asset impairment charge	0.2	—	NM	2.4	—	NM
Goodwill impairment charge	—	102.0	NM	—	102.0	NM
Gain on sale of EMEA staffing operations	—	(0.3)	NM	—	(4.3)	NM
Earnings (loss) from operations	0.6	(102.1)	NM	11.6	(69.1)	NM
Other income (expense), net	(1.1)	(1.6)	31.3	(4.4)	(7.1)	38.0
Earnings (loss) before taxes	(0.5)	(103.7)	99.5	7.2	(76.2)	NM
Income tax expense	1.2	46.4	(97.4)	3.4	49.1	(93.1)
Net earnings (loss)	$ (1.7)	$ (150.1)	98.9%	$ 3.8	$ (125.3)	NM
Gross profit rate	21.0 %	20.8 %	0.2 pts.	20.1 %	20.5 %	(0.4) pts.

Third Quarter Results

Revenue from services in the third quarter decreased 0.8% year-over-year with decreases in the SET and Education segments, offset by an increase in the ETM segment. Compared to the third quarter of 2025, the decrease is primarily due to declines in revenue from staffing services of 6.5%, partially offset by increases in revenue from talent solutions of 11.6% from the prior year.

Gross profit increased 0.2% year-over-year, largely driven by higher permanent placement fees. The gross profit rate increased 20 basis points (“bps”) to 21.0%, primarily due to higher permanent placement fees and lower employee-related costs, partially offset by changes in business mix. Permanent placement revenue has very low direct costs of services and has a disproportionate impact on gross profit rates. The gross profit rate decreased in the SET and Education segments and increased in the ETM segment.

Total SG&A expenses decreased 0.4% year-over-year, primarily due to expense management actions to reduce volume-related costs, partially offset by an increase in intangible amortization expense. SG&A expenses in the third quarter of 2026 include $5.1 million of integration and realignment costs related to continuation of ongoing initiatives, $0.1 million of executive transition costs, and $0.1 million of transaction costs primarily related to costs incurred in connection with our controlling shareholder change in the first quarter of 2026. Included in SG&A expenses in the third quarter of 2025 were $3.1 million of integration and realignment costs related to initiatives to integrate MRP and align our processes, $0.8 million of executive transition costs, and $0.4 million of transaction costs arising from the sale of our EMEA staffing operations. Excluding integration and realignment, transaction costs, executive transition costs, and depreciation and amortization, SG&A expenses decreased 2.5% from the prior year.

The asset impairment charge of $0.2 million in the third quarter of 2026 relates to certain right-of-use assets and reflects our ongoing realignment of our lease portfolio.

The goodwill impairment charge of $102.0 million in the third quarter of 2025 was primarily driven by reduced demand, integration of MRP and Softworld acquisitions and the realignment of reporting units in the SET segment.

The gain on sale of EMEA staffing operations relates to the January 2024 sale. In the third quarter of 2025, we recognized a gain of $0.3 million upon the settlement of working capital and other adjustments.

Income tax expense was $1.2 million for the third quarter of 2026 compared to income tax expense of $46.4 million for the third quarter of 2025. The decrease was primarily driven by the non-recurring valuation allowance and goodwill impairment charges recorded in the third quarter of 2025, partially offset by the tax effect of changes in pretax income largely attributable to the goodwill impairment in 2025 and lower work opportunity tax credit benefit in 2026 compared to 2025.

September Year-to-Date Results

Revenue from services September year-to-date 2026 decreased 6.1% year-over-year with decreases in the ETM, SET, and Education segments. Compared to September year-to-date 2025, the decrease is primarily due to declines in revenue from staffing services and outcome-based services of 9.9% and 1.0%, respectively, partially offset by growth in revenue from talent solutions of 7.1%.

Gross profit decreased 8.1%, largely driven by lower revenue volume. The gross profit rate decreased 40 bps to 20.1%, primarily due to higher employee-related costs in the beginning part of the year and changes in business mix, partially offset by higher permanent placement fees. Permanent placement revenue has very low direct costs of services and has a disproportionate impact on gross profit rates. The gross profit rate decreased in all segments.

Total SG&A expenses decreased 6.2%, primarily due to expense management actions to reduce volume-related costs and reflects the benefits of the ongoing structural actions including integration and realignment efforts. SG&A expenses in the first nine months of 2026 include $12.7 million of integration and realignment costs related to continuation of ongoing initiatives, $1.9 million of executive transition costs and $0.9 million of transaction costs primarily related to costs incurred in connection with our controlling shareholder change in the first quarter of 2026. Included in SG&A expenses in the first nine months of 2025 were $19.8 million of integration costs related to initiatives to integrate MRP and align our processes, $1.3 million of executive transition costs and $0.8 million of transaction costs related to the sale of our EMEA staffing operations. Excluding integration and realignment, transaction costs, executive transition costs, and depreciation and amortization, SG&A expenses decreased 5.8% from the prior year.

The asset impairment charge of $2.4 million for the first nine months of 2026 relates to certain right-of-use assets and reflects our ongoing realignment of our lease portfolio.

The goodwill impairment charge of $102.0 million for the first nine months of 2025 was primarily driven by reduced demand, integration of MRP and Softworld acquisitions and the realignment of reporting units in the SET segment.

The gain on sale of EMEA staffing operations relates to the January 2024 sale. In the first nine months of 2025, we recognized a gain of $4.3 million upon the settlement of working capital and other adjustments.

Income tax expense was $3.4 million for the first nine months of 2026 compared to income tax expense of $49.1 million for the first nine months of 2025. The decrease was primarily driven by the non-recurring valuation allowance and goodwill impairment charges recorded in the third quarter of 2025, partially offset by the tax effect of changes in pretax income largely attributable to the goodwill impairment in 2025 and lower work opportunity tax credit benefit in 2026 compared to 2025.

Operating Results By Segment
(in millions)

	Third Quarter			September Year-to-Date		
	2026	**2025**	**% Change**	**2026**	**2025**	**% Change**
Revenue from Services:						
Enterprise Talent Management	$ 496.1	$ 484.5	2.4%	$ 1,440.8	$ 1,530.0	(5.8)%
Science, Engineering & Technology	302.1	308.3	(2.0)	892.9	956.7	(6.7)
Education	134.2	143.3	(6.4)	681.8	717.6	(5.0)
Less: Intersegment revenue	(5.2)	(1.1)	372.7	(9.4)	(2.6)	261.5
Consolidated Total	$ 927.2	$ 935.0	(0.8)%	$ 3,006.1	$ 3,201.7	(6.1)%

Third Quarter Results

The increase in ETM revenue from services of 2.4% was primarily driven by an increase of 11.6% in talent solutions driven by new customer wins and volume increases and an increase of 19.0% in permanent placement fees. These increases were partially offset by a decrease of 1.2% in staffing services resulting from lower hours volume primarily at certain large customers and a decrease of 0.6% from outcome-based services primarily due to the relationship exit of a large contact-center customer that ended as of the third quarter of 2025.

The decrease in SET revenue from services of 2.0% was primarily driven by declines in hours volume in our staffing specialties, largely from changes in demand related to IT services, partially offset by an increase in permanent placement fees.

The decrease in Education revenue from services of 6.4% was driven primarily by a reduction in demand in key markets.

September Year-to-Date Results

The decrease in ETM revenue from services of 5.8% was primarily driven by a decrease of 9.6% in staffing services resulting from lower hours volume primarily at certain large customers and a decrease of 10.6% from outcome-based services primarily due to the relationship exit of a large contact-center customer that ended as of the third quarter of 2025. Permanent placement fees decreased 17.8%, reflecting lower market demand. These decreases were partially offset by an increase of 7.1% in talent solutions driven by new customer wins and volume increases.

The decrease in SET revenue from services of 6.7% was primarily driven by declines in hours volume in our staffing specialties, largely from changes in demand related to U.S. federal government contractors and IT services, partially offset by an increase in permanent placement fees.

The decrease in Education revenue from services of 5.0% was driven primarily by the impact of prior year delayed contract decisions, weather-related school closures and a reduction in demand in key markets due to declines in student enrollment.

Operating Results By Segment (continued)
(in millions)

	Third Quarter			September Year-to-Date		
	2026	2025	Change	2026	2025	Change
Gross Profit:						
Enterprise Talent Management	$ 100.1	$ 96.1	4.2%	$ 285.2	$ 306.8	(7.0)%
Science, Engineering & Technology	75.8	77.8	(2.6)	224.1	243.8	(8.1)
Education	18.5	20.1	(8.0)	93.5	105.4	(11.3)
Consolidated Total	$ 194.4	$ 194.0	0.2%	$ 602.8	$ 656.0	(8.1)%
Gross Profit Rate:						
Enterprise Talent Management	20.2 %	19.8 %	0.4 pts.	19.8 %	20.1 %	(0.3) pts.
Science, Engineering & Technology	25.1	25.2	(0.1)	25.1	25.5	(0.4)
Education	13.8	14.1	(0.3)	13.7	14.7	(1.0)
Consolidated Total	21.0 %	20.8 %	0.2 pts.	20.1 %	20.5 %	(0.4) pts.

Third Quarter Results

Gross profit for ETM increased on higher revenue volume. The gross profit rate increased by 40 bps primarily due to lower employee-related costs.

The SET gross profit decreased on lower revenue volume. The gross profit rate decreased by 10 bps primarily due to changes in business mix, partially offset by higher permanent placement fees.

Gross profit for the Education segment decreased on lower revenue volume. The gross profit rate decreased by 30 bps primarily due to changes in business mix and higher employee-related costs, partially offset by higher permanent placement fees.

September Year-to-Date Results

Gross profit for the ETM segment decreased on lower revenue volume. The gross profit rate decreased by 30 bps primarily due to higher employee-related costs and lower permanent placement fees.

The SET gross profit decreased on lower revenue volume. The gross profit rate decreased by 40 bps primarily due to changes in business mix and higher employee-related costs, partially offset by higher permanent placement fees.

Gross profit for the Education segment decreased on lower revenue volume. The gross profit rate decreased by 100 bps primarily due to higher employee-related costs and changes in business mix.

Operating Results By Segment (continued)
(in millions)

	Third Quarter			September Year-to-Date		
	2026	2025	% Change	2026	2025	% Change
SG&A Expenses (excluding depreciation and amortization):						
Enterprise Talent Management	$ 85.1	$ 87.4	(2.6)%	$ 260.7	$ 281.2	(7.3)%
Science, Engineering & Technology	56.6	57.8	(2.1)	172.5	190.1	(9.3)
Education	24.5	24.5	—	76.5	76.9	(0.5)
Corporate	12.2	12.1	0.8	40.4	41.3	(2.2)
Consolidated Total	$ 178.4	$ 181.8	(1.9)%	$ 550.1	$ 589.5	(6.7)%

Third Quarter Results

The 2.6% decrease in ETM SG&A expenses excluding depreciation and amortization was primarily due to lower salary-related costs and performance-based incentive compensation as a result of operating efficiencies and expense management actions.

The 2.1% decrease in SET SG&A expenses excluding depreciation and amortization was primarily due to lower salary-related costs and performance-based incentive compensation as a result of operating efficiencies and expense management actions in response to lower revenue volume compared to the prior year.

Education SG&A expenses excluding depreciation and amortization were flat in the third quarter of 2026 as compared to the prior year primarily due to expense management actions.

Corporate expenses were flat in the third quarter of 2026 as compared to the prior year primarily due to expense management actions.

September Year-to-Date Results

The 7.3% decrease in ETM SG&A expenses excluding depreciation and amortization was primarily due to lower salary-related costs and lower shared service costs as a result of operating efficiencies and expense management actions in response to lower revenue volume compared to the prior year.

The 9.3% decrease in SET SG&A expenses excluding depreciation and amortization was primarily due to lower salary-related costs and performance-based incentive compensation as a result of operating efficiencies and expense management actions in response to lower revenue volume compared to the prior year.

The 0.5% decrease in Education SG&A expenses excluding depreciation and amortization primarily related to lower performance-based incentive compensation.

The 2.2% decrease in Corporate expenses was primarily driven by lower integration, realignment, and restructuring charges, partially offset by investment in the Growth Office and other corporate initiatives in the first nine months of 2026 as compared to the prior year.

Operating Results By Segment (continued)
(in millions)

	Third Quarter			September Year-to-Date		
	2026	2025	% Change	2026	2025	% Change
Business Unit Profit (Loss)						
Enterprise Talent Management	$ 15.0	$ 8.7	72.4%	$ 24.5	$ 25.6	(4.3)%
Science, Engineering & Technology	19.0	(82.0)	NM	49.2	(48.3)	NM
Education	(6.0)	(4.4)	(36.4)	17.0	28.5	(40.4)
Business unit profit (loss)	28.0	(77.7)	NM	90.7	5.8	NM
Corporate	(12.2)	(12.1)	0.8	(40.4)	(41.3)	(2.2)
Gain on sale of EMEA staffing operations	—	0.3	NM	—	4.3	NM
Depreciation and amortization	(15.2)	(12.6)	20.6	(38.7)	(37.9)	2.1
Consolidated total earnings (loss) from operations	$ 0.6	$ (102.1)	NM	$ 11.6	$ (69.1)	NM

Third Quarter Results

ETM business unit profit increased compared to the prior year due to higher revenue and gross profit along with lower SG&A expenses. SET business unit profit increased primarily due to a non-recurring goodwill impairment charge recorded in the prior year. Excluding the goodwill impairment charge, SET decreased compared to the prior year due to lower revenue and gross profit, partially offset by lower SG&A expenses. Education business unit profit decreased compared to the prior year primarily due to lower revenue and gross profit.

September Year-to-Date Results

ETM and Education business unit profit decreased compared to the prior year primarily due to lower revenue and gross profit, partially offset by lower SG&A expenses. SET business unit profit increased primarily due to a non-recurring goodwill impairment charge recorded in the prior year. Excluding the goodwill impairment charge, SET decreased compared to the prior year due to lower revenue and gross profit, partially offset by lower SG&A expenses.

Financial Condition

Historically, we have financed our operations through cash generated by operating activities and access to credit markets. Our working capital requirements are primarily generated from temporary employee payroll, which is generally paid weekly, and customer accounts receivable, which is generally outstanding for longer periods. Since receipts from customers lag payroll to temporary employees, working capital requirements increase substantially in periods of growth. Conversely, when economic activity slows, working capital requirements may substantially decrease. This may result in an increase in our operating cash flows; however, any such increase would not be sustainable in the event that an economic downturn continued for an extended period. We also experience material seasonal fluctuations in working capital in our Education segment due to schools being mostly out of session during the summer.

As highlighted in the consolidated statements of cash flows, our liquidity and available capital resources are impacted by four key components: cash, cash equivalents and restricted cash, operating activities, investing activities and financing activities.

Cash, Cash Equivalents and Restricted Cash

Cash, cash equivalents and restricted cash totaled $26.3 million at the end of the third quarter of 2026 and $37.7 million at year-end 2025. As further described below, we used $30.7 million of cash for operating activities, generated $9.2 million of cash from investing activities and generated $10.0 million of cash from financing activities.

Operating Activities

In the first nine months of 2026, we used $30.7 million of net cash for operating activities, as compared to generating $94.0 million in the first nine months of 2025. The decrease was primarily due to higher working capital requirements as compared to the same period of the prior year.

Trade accounts receivable totaled $1.3 billion at the end of the third quarter of 2026. Global DSO was 68 days at the end of the third quarter of 2026 and 61 days at year-end 2025.

Our working capital position (total current assets less total current liabilities) was $486.3 million at the end of the third quarter of 2026, an increase of $39.8 million from year-end 2025. The current ratio (total current assets divided by total current liabilities) was 1.5 at the end of the third quarter of 2026 and at year-end 2025.

Investing Activities

In the first nine months of 2026, we generated $9.2 million of cash from investing activities, as compared to generating $21.9 million in the first nine months of 2025. Cash generated by investing activities in the first nine months of 2026 is primarily driven by $13.7 million of proceeds from company-owned life insurance, partially offset by $4.3 million of cash used for capital expenditures. Included in the cash generated by investing activities in the first nine months of 2025 is $21.8 million of proceeds from the sale of our EMEA staffing operations, $6.4 million of cash from the sale of the PersolKelly investment and $1.6 million of proceeds from company-owned life insurance, partially offset by $6.8 million of cash used for capital expenditures.

Financing Activities

We generated $10.0 million of cash from financing activities in the first nine months of 2026, as compared to using $131.4 million in the first nine months of 2025. The change in cash generated from financing activities was primarily driven by net proceeds of $20.6 million on our credit facilities in 2026 compared to net payments of $121.0 million on our credit facilities in 2025. Dividends paid per common share were $0.075 in each of the first three quarters of 2026 and 2025.

Debt-to-total capital (total debt reported in the consolidated balance sheets divided by total debt plus stockholders' equity) is a common ratio to measure the relative capital structure and leverage of the Company. Our ratio of debt-to-total capital was 11.1% at the end of the third quarter of 2026 and 9.4% at year-end 2025.

Critical Accounting Estimates

For a discussion of our critical accounting estimates, see "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our 2025 Form 10-K.

Contractual Obligations and Commercial Commitments

There were no significant changes to our contractual obligations and commercial commitments from those disclosed in the section "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our 2025 Form 10-K. We have no material unrecorded commitments, losses, contingencies or guarantees associated with any related parties or unconsolidated entities.

Liquidity

We expect to meet our ongoing short-term and long-term cash requirements principally through cash generated from operations, available cash and equivalents and our credit facilities. Additional funding sources could include additional bank facilities or sale of non-core assets. To meet significant cash requirements related to our nonqualified retirement plan, we may utilize proceeds from Company-owned life insurance policies.

We have historically managed our cash and debt closely to optimize our capital structure. As our cash balances build, we tend to pay down debt as appropriate, unless it is needed for organic or inorganic investments that align with our overall growth strategy. Conversely, when working capital needs grow, we tend to use corporate cash and cash available in the global cash pooling arrangement (the "Cash Pool") first, and then access our borrowing facilities. We expect our working capital requirements to increase if demand for our services increases.

We assess and monitor our liquidity and capital resources globally. We use the Cash Pool, intercompany loans, dividends, capital contributions, and local lines of credit to meet funding needs and allocate our capital resources among our various subsidiaries. We periodically review our foreign subsidiaries' cash balances and projected cash needs. As part of those reviews, we may identify cash that we feel should be repatriated to optimize our overall capital structure. We expect our international cash will be needed to fund working capital growth in our local operations as working capital needs, primarily trade accounts receivable, increase during periods of growth.

As of third quarter-end 2026, we had $150.0 million of available capacity on our $150.0 million revolving credit facility and $84.9 million of available capacity on our $250.0 million securitization facility. The revolving credit facility carried no long-term borrowings on the floating or term benchmark lines of credit. The securitization facility carried $122.5 million of long-term borrowings and $42.6 million of standby letters of credit related to workers' compensation. The credit facilities also include provisions that would allow for expansion of our combined borrowing capacity by $250.0 million.

Together, the revolving credit and securitization facilities provide us with committed funding capacity that may be used for general corporate purposes subject to financial covenants and restrictions. We believe our cash flow from operations, the availability of liquidity under our credit facilities, including the expansion provisions which allow us to increase our borrowing capacity and our ability to access capital from financial markets will be sufficient to meet our anticipated cash requirements, while maintaining sufficient liquidity for normal operating purposes. As of third quarter-end 2026, we met the debt covenants related to our revolving credit facility and securitization facility.

As of third quarter-end 2026, we had additional unsecured, uncommitted short-term local credit facilities totaling $3.0 million, under which we had no borrowings. Details of our debt facilities are contained in the Debt footnote in the notes to our consolidated financial statements.

We monitor the credit ratings of our banking partners on a regular basis and have regular discussions with them. Based on our reviews and communications, we believe the risk of one or more of our banks not being able to honor commitments is insignificant. We also review the ratings and holdings of our money market funds and other investment vehicles regularly to ensure high credit quality and access to our invested cash.

Forward-Looking Statements

Certain statements contained in this report and in our investor conference call related to these results are “forward-looking” statements within the meaning of the applicable securities laws and regulations. Forward-looking statements include statements which are predictive in nature, which depend upon or refer to future events or conditions, or which include words such as “expects,” “anticipates,” “intends,” “plans,” “believes,” “estimates,” or variations or negatives thereof or by similar or comparable words or phrases. In addition, any statements concerning future financial performance (including future revenues, earnings or growth rates), ongoing business strategies or prospects, and possible future actions by us that may be provided by management, including oral statements or other written materials released to the public, are also forward-looking statements. Forward-looking statements are based on current expectations and projections about future events and are subject to risks, uncertainties and assumptions about our Company and economic and market factors in the countries in which we do business, among other things. These statements are not guarantees of future performance, and we undertake no obligation to update them, except as required by law.

Actual events and results may differ materially from those expressed or implied by forward-looking statements due to a number of factors. The principal risk factors that could cause our actual performance and future events and actions to differ materially from such forward-looking statements include, but are not limited to, (i) changing market and economic conditions, (ii) disruption in the labor market and weakened demand for human capital resulting from technological advances, competitive pressures and pricing, loss of large corporate customers and government contractor requirements, (iii) the impact of laws and regulations (including federal, state and international tax laws), (iv) unexpected changes in claim trends on workers’ compensation, unemployment, disability and medical benefit plans, (v) litigation and other legal liabilities (including tax liabilities) in excess of our estimates, (vi) our ability to achieve our business's anticipated growth strategies, (vii) our future business development, results of operations and financial condition, (viii) damage to our brands, (ix) dependence on third parties for the execution of critical functions, (x) conducting business in foreign countries, including foreign currency fluctuations, (xi) availability of temporary workers with appropriate skills required by customers, (xii) cyberattacks or other breaches of network or information technology security, and (xiii) other risks, uncertainties and factors discussed in this report and in our other filings with the Securities and Exchange Commission, including those discussed under “Risk Factors” in Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 28, 2025. Actual results may differ materially from any forward-looking statements contained herein, and we undertake no obligation to update any forward-looking statement, whether as a result of new information, future events, or otherwise, except as required by law.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

There have been no significant changes to our exposure to market risk, foreign currency risk, or interest rate risk, or to our related risk management procedures, during the third quarter of 2026 as compared to the respective risk exposures and procedures disclosed in Quantitative and Qualitative Disclosures About Market Risk, set forth in Part II Item 7A, of our Annual Report on Form 10-K for the year ended December 28, 2025, other than factors discussed below.

Foreign Currency

We are exposed to foreign currency risk primarily related to our foreign subsidiaries. Exchange rates impact the U.S. dollar value of our reported earnings, our investments in and held by subsidiaries, local currency denominated borrowings and intercompany transactions with and between subsidiaries. Our foreign subsidiaries primarily derive revenues and incur expenses within a single country and currency which, as a result, provide a natural hedge against currency risks in connection with normal business operations. Accordingly, changes in foreign currency rates vs. the U.S. dollar and euro generally do not impact local cash flows. Intercompany transactions which create foreign currency risk include services, royalties, loans, contributions and distributions.

Interest Rates

We are exposed to interest rate risk through our use of our credit facilities and other local borrowings, when applicable. A hypothetical fluctuation of 10% of market interest rates would not have had a material impact on our operating results or cash flows.

We are exposed to market risk as a result of our obligation to pay benefits under our nonqualified deferred compensation plan and our related investments in company-owned variable universal life insurance policies. The obligation to employees increases and decreases based on movements in the equity and debt markets. The investments in mutual funds, as part of the Company-owned variable universal life insurance policies, are designed to mitigate, but not eliminate, this risk with offsetting gains and losses.

Item 4. Controls and Procedures.

Based on their evaluation as of the end of the period covered by this Form 10-Q, our Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934) are effective at a reasonable assurance level.

There was no change in our internal control over financial reporting that occurred during our most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings.

We are continuously engaged in litigation, threatened litigation, claims, audits or investigations arising in the ordinary course of our business, such as matters alleging employment discrimination, wage and hour violations, claims for indemnification or liability, violations of privacy rights, anti-competition regulations, commercial and contractual disputes, and tax-related matters, which could result in a material adverse outcome. We record accruals for loss contingencies when we believe it is probable that a liability has been incurred and the amount of loss can be reasonably estimated. Such accruals are recorded in accounts payable and accrued liabilities and in accrued workers' compensation and other claims in the consolidated balance sheets. We maintain insurance coverage which may cover certain claims. When claims exceed the applicable policy deductible and realization of recovery of the claim from existing insurance policies is deemed probable, we record receivables from the insurance company for the excess amount, which are included in prepaid expenses and other current assets and other assets in the consolidated balance sheets.

While the outcome of these matters currently pending cannot be predicted with certainty, we believe that the resolution of any such proceedings will not have a material adverse effect on our financial condition, results of operations or cash flows.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

(c) Issuer Repurchases of Equity Securities

During the third quarter of 2026, we reacquired shares of our common stock as follows:

Period	Total Number of Shares (or Units) Purchased	Average Price Paid per Share (or Unit)	Total Number of Shares (or Units) Purchased as Part of Publicly Announced Plans or Programs	Maximum Number (or Approximate Dollar Value) of Shares (or Units) That May Yet Be Purchased Under the Plans or Programs (in millions)
June 29, 2026 through August 2, 2026	2,745	$ 14.33	—	$ 30.0
August 3, 2026 through August 30, 2026	4,622	16.06	—	$ 30.0
August 31, 2026 through September 27, 2026	16,384	16.45	—	$ 30.0
Total	23,751	$ 16.13	—	

On November 26, 2024, our board of directors approved a share repurchase program authorizing the repurchase of up to an aggregate of $50.0 million of our Class A common stock. The authorization was scheduled to expire on December 2, 2026. Subsequent to the end of the quarter, on November 4, 2026, our board of directors approved the renewal and extension of the share repurchase program without an expiration date and authorized the repurchase of up to an aggregate of $50.0 million of Class A common stock, inclusive of the $30.0 million that remained available under the prior authorization, which was superseded and replaced by the new authorization.

We may also reacquire shares sold by employees to cover employee tax withholdings due upon the vesting of restricted stock. During the third quarter of 2026, 23,751 shares were reacquired solely to cover employee tax withholdings and not pursuant to the repurchase program.

Item 5. Other Information.

Securities Trading Plans of Directors and Executive Officers

During the third quarter of 2026, none of our directors or executive officers adopted, modified or terminated any contract, instruction or written plan for the purchase or sale of our securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or any “non-Rule 10b5-1 trading arrangement.”

Item 6. Exhibits.

Exhibit No.	Description
3.1	Amended and Restated Certificate of Incorporation, effective May 13, 2026 (Reference is made to Exhibit 3.1 to the Form 8-K filed with the Commission on May 13, 2026, which is incorporated herein by reference).
3.2	Amended and Restated Bylaws, effective May 7, 2026 (Reference is made to Exhibit 3.2 to the Form 8-K filed with the Commission on May 13, 2026, which is incorporated herein by reference).
31.1	Certification Pursuant to Rule 13a-14(a)/15d-14(a) of the Securities Exchange Act, as amended.
31.2	Certification Pursuant to Rule 13a-14(a)/15d-14(a) of the Securities Exchange Act, as amended.
32.1	Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data file because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document.
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

KELLY SERVICES, INC.

Date: November 5, 2026

/s/ Troy R. Anderson
Troy R. Anderson

Executive Vice President and
Chief Financial Officer
(Principal Financial Officer)

Date: November 5, 2026

/s/ Nicholas A. Zuhlke
Nicholas A. Zuhlke

Vice President, Corporate Controller
and Chief Accounting Officer
(Principal Accounting Officer)

Exhibit 31.1

CERTIFICATIONS

I, Christopher D. Layden, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Kelly Services, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 5, 2026

/s/ Christopher D. Layden
Christopher D. Layden
President and
Chief Executive Officer

Exhibit 31.2

CERTIFICATIONS

I, Troy R. Anderson, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Kelly Services, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 5, 2026

/s/ Troy R. Anderson
Troy R. Anderson
Executive Vice President and
Chief Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Kelly Services, Inc. (the "Company") on Form 10-Q for the period ended September 27, 2026 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Christopher D. Layden, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 5, 2026

/s/ Christopher D. Layden
Christopher D. Layden
President and
Chief Executive Officer

A signed original of this written statement required by Section 906 has been provided to Kelly Services, Inc. and will be retained by Kelly Services, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.2

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Kelly Services, Inc. (the "Company") on Form 10-Q for the period ended September 27, 2026 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Troy R. Anderson, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 5, 2026

/s/ Troy R. Anderson
Troy R. Anderson
Executive Vice President and
Chief Financial Officer

A signed original of this written statement required by Section 906 has been provided to Kelly Services, Inc. and will be retained by Kelly Services, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.