



Corporate Governance Principles

As of August 4, 2020

The Board of Directors (the “Board”) is responsible for overseeing the business and affairs of Kelly Services, Inc. (the “Company”).

The Board has adopted the following Principles in order to provide, along with the Company’s Amended and Restated By-Laws and the charters of the Board committees, the framework for the governance of the Company. The Board recognizes the importance of effective governance practices, and regularly reviews these Principles and other aspects of governance to promote effective functioning of the Board.

Responsibilities of the Board

As part of its oversight responsibilities, the Board (directly or through its committees) performs a number of specific functions, which include the following:

- review and, where appropriate, approve major financial and strategic objectives, business plans and actions, and monitor performance relative to achievement of those plans;
- consider long-range strategic issues and material risks facing the Company, together with management’s actions to address and mitigate these risks and put in place monitoring and reporting systems and controls reasonably designed to elevate information about material risks to the Board;
- select, oversee, evaluate the performance of, and determine the compensation of the Chief Executive Officer and oversee management succession planning;
- with the advice of the Chief Executive Officer, appoint, assess and determine the compensation of senior management, and oversee their development;
- establish executive compensation plans and practices with an awareness of the potential impact of compensation structures and programs on business priorities and risk-taking, as well as investor views on compensation;
- set the tone at the top to support a corporate culture that emphasizes ethical standards, professionalism, integrity, and compliance, while setting and implementing strategic goals;
- oversee corporate policies and processes to promote and maintain the integrity of the Company – in terms of accurate financial reporting, legal and ethical compliance, and relationships with customers and suppliers; and
- oversee the development and implementation of the Company’s Corporate Sustainability Strategy which is based on the pillars of ethics and business conduct; employees and people; engagement; occupational health, safety, and environment; supply chain and customer relations; and communications, evaluation, and reporting.

Status as a Controlled Company

The Nasdaq Global Market (“Nasdaq”), on which the Company’s common stock is listed, has established specific exemptions from its governance requirements for “controlled companies.” The Company is a “controlled company” by virtue of the fact that a trust established by the late Terence E. Adderley, a



member of the Company's founding family and the former Chairman of the Board, has the power to vote more than fifty percent of the Company's outstanding voting stock.

In keeping with the Company's historic recognition of the importance of having a majority of independent directors, the Company has elected to comply voluntarily with all the listing standards of Nasdaq that otherwise do not apply to controlled companies. Thus, a majority of the Board are independent directors, all members of the Compensation Committee, Corporate Governance and Nominating Committee, and Audit Committee are independent directors.

Leadership Structure

The Board is responsible for establishing and maintaining the most effective leadership structure for the Company. At the present time, the Board has determined that the roles of the Chairman of the Board and the Chief Executive Officer should be separate.

The Chairman of the Board's duties include consulting with the Chief Executive Officer, presiding over meetings of the Board, and, together with the Chief Executive Officer, presiding over meetings of stockholders. The Chairman of the Board's duties also include serving as liaison among the Chief Executive Officer and the independent directors, establishing the schedule for Board meetings in consultation with the Chief Executive Officer, developing and approving the agendas for Board meetings, approving the information sent to the Board for meetings, establishing the schedule and agendas for and presiding over meetings of the independent directors in executive session, providing feedback to the Chief Executive Officer on those executive sessions, and facilitating discussion among independent directors on key issues outside of Board meetings.

In the event that the Chairman of the Board is not an independent director, the independent directors of the Board will elect one of their number to serve as Lead Director and fulfill many of the Chairman of the Board's current responsibilities, as determined by the independent directors.

The Chief Executive Officer is responsible for managing the business and affairs of the Company, subject to the oversight of the Board. The Chief Executive Officer's duties include leading the Company's management team, representing the Company externally, consulting with the Chairman of the Board about developments in the Company, to keep the Board reasonably informed and communicating with all directors about key issues outside of Board meetings when reasonably required.

This leadership approach is intended to maintain the integrity of the oversight function of the Board.

Size of the Board

The number of directors constituting the whole Board shall be no fewer than five and no more than eleven, which number shall be fixed, and may be modified from time to time, by resolution of the Board. The size of the Board should not exceed a number that, as determined by the Board, will permit it to function efficiently in discharging its duties.

Selection of Directors

The Corporate Governance and Nominating Committee is responsible for identifying and recommending to the Board qualified candidates for Board membership with the goal of building a Board that is effective, collegial, diverse and responsive to the current and anticipated needs of the Company. The Committee considers the following criteria: (i) ethics, character and judgment; (ii) business and other experience, expertise, skills and knowledge relevant to the Company's business and strategy; (iii) objectivity and independence of thought; (iv) diversity of background, experience and personal characteristics such as gender, race, ethnicity, sexual orientation and age; and (v) the interplay of the candidate's qualities with those of other members of the Board. In determining whether to recommend a director for re-nomination,



the Committee also considers the director's recent contributions and potential for continuing contributions to the work of the Board.

Director Independence

Independent directors shall meet the independence criteria set forth in the Nasdaq listing rules. The Corporate Governance and Nominating Committee shall make initial determinations and recommendations to the Board as to the independence of each director and director nominee recommended for election at the annual meeting of stockholders. The Board shall make an affirmative determination with respect to the independence of each director. Each director shall keep the Committee fully and promptly informed as to any development that might affect the director's independence.

Service on Outside Boards

While there is no specified limit on the number of other public company boards on which a director may serve, the number of board memberships shall be a consideration, along with any other time commitments a director or nominee may have, in determining his or her ability to serve effectively. Directors must be willing and able to devote sufficient time to carrying out their duties and responsibilities effectively and have an intention to serve an appropriate length of time in order to make a meaningful contribution to the Board and the Company. A director should engage in discussion with the Chair of the Corporate Governance and Nominating Committee prior to accepting an invitation to serve on an additional public company board or accepting an invitation to chair a committee of a public company board he or she currently serves on.

Tenure of Directors; Material Job and Other Changes

The Board does not have term or age limits. The perceived value of such limits is outweighed by the contributions of directors who have been able to develop, over a period of time, increasing insight into the Company's operations and strategic direction, and, therefore, provide an increasing contribution to the effectiveness of the Board as a whole.

A director shall promptly notify the Company's Corporate Secretary in the event of (i) a material change in occupation or duties, resignation, termination, or retirement from his or her current occupation or (ii) another event or circumstance that might reasonably be considered to adversely affect the director's reputation or ability to continue to serve as a director of the Company (any of the foregoing, a "Change"). The notice shall include a description of the Change. Following receipt of such notice, the Corporate Secretary shall notify the Chair of the Corporate Governance and Nominating Committee, who, in turn, shall notify the Committee. The Committee shall determine whether, in light of the potential effect of the Change on the director's Board service, the director should submit his or her resignation to the Board for consideration. If the Committee makes such a determination, it shall request that such director tender his or her resignation from the Board and the director shall comply with such request. The Committee shall then make a recommendation to the Board regarding whether the Board should accept such resignation.

A director who is an officer of the Company shall tender his or her resignation from the Board at the time of resignation, retirement, or termination as an officer of the Company.

The Board, upon recommendation of the Corporate Governance and Nominating Committee, retains sole discretion to determine whether to accept or reject any director resignation.

Until the Board determines whether to accept or reject a director's resignation, the director shall continue to serve as a director; provided, however, no director who has tendered his or her resignation shall participate in the deliberations to determine whether his or her own resignation shall be accepted or rejected.



Director Orientation and Continuing Education

Management, working with the Corporate Governance and Nominating Committee, shall provide an orientation program for new directors. The program shall address the Company's business, history, vision, strategic direction, competitive landscape, core values, ethics, corporate governance practices, financial matters, key policies and senior leadership, and shall be conducted by means of, as appropriate, written materials, briefings by the senior management, and visits to Company facilities. Directors are also encouraged to participate in continuing director education programs that include presentations on business, financial, accounting, legal, and other subjects relevant to the Company's business. Reasonable costs and expenses incurred for continuing education will be reimbursed by the Company.

Meetings

The Chairman of the Board and the Chief Executive Officer shall establish the annual schedule of Board meetings. Generally, the Board will hold regular meetings following the close of each calendar quarter as well as a separate meeting dedicated primarily to strategic planning for the Company. Each of the Chairman of the Board, the Chief Executive Officer, and a majority of directors then in office may call special meetings in accordance with the notice provision set forth in the Company's Amended and Restated By-Laws.

The Chairman of the Board has the authority to call meetings of the independent directors, shall determine the schedule and agenda for such meetings, and shall preside at such meetings. The independent directors shall meet in executive session in conjunction with every regular meeting of the Board.

The Chairman of the Board shall regularly attend and preside at meetings of the Board and, together with the Chief Executive Officer, at stockholder meetings.

The Chairman of the Board shall assist the Chief Executive Officer in developing, and shall approve, the agenda for each Board meeting. All directors may suggest the inclusion of items on the agenda, request the presence of or a report by any member of the Company's senior management or, at any meeting, raise subjects that are not on the agenda for that meeting.

The Chairman of the Board and Chief Executive Officer shall work together to ensure that information flows to the Board to facilitate understanding of, and discussion regarding, matters of interest or concern to the Board. In general, management will provide appropriate materials on a timely basis in advance of Board and committee meetings. In certain cases, however, it may not be possible to circulate materials in advance of a meeting given timing and other considerations.

Minutes of each meeting shall be prepared under the direction of the Corporate Secretary and circulated to each member of the Board for review and approval.

The Corporate Secretary shall have responsibility for the preparation of proxy materials for meetings of the stockholders, subject to the oversight of and approval by the Board.

Director Access to Management and Advisors

The Board has complete access to the employees of the Company. Any meeting or contact requested by a director may be arranged by the Chairman of the Board, the Chief Executive Officer, the General Counsel, the Corporate Secretary, or directly by the director. It is assumed that Board members will use judgment to ensure that any contact with Company employees is not disruptive to the business operations of the Company and when appropriate they are expected to copy the Chief Executive Officer on any written communications resulting from such contact.



The Board has the authority to retain the legal, financial, and other expert advisors that it deems appropriate to assist the directors in the discharge of their duties. Management will cooperate with any such engagement and will ensure that the Company provides adequate funding.

In discharging his or her responsibilities, a director is entitled to rely in good faith on the Company's records and upon the information, opinions, reports or statements provided by management, Board committees, expert advisors or other persons as to matters the director reasonably believes to be within such person's professional or expert competence and who has been selected with reasonable care by, or on behalf of, the Company.

Management Evaluation and Succession Planning

The Compensation Committee shall oversee the development of appropriate performance objectives for the Chief Executive Officer annually, monitor and evaluate the Chief Executive Officer's performance against these objectives, and present the Compensation Committee's performance evaluation to the Chief Executive Officer.

At least annually, the Chief Executive Officer shall meet with the Compensation Committee to review the performance of the members of senior management and other critical positions, including potential succession plans. In light of the importance of executive leadership to the success of the Company, the Board will also work with senior management to ensure that effective plans are in place for management succession. The Board will evaluate potential successors to the Chief Executive Officer and certain other senior management positions.

Board Committees

The standing Board Committees are the Audit, Compensation and Talent Management, and Corporate Governance and Nominating Committees. Each Committee shall have a written charter of responsibilities, duties, and authorities, which shall be reviewed at least annually by the Board and updated as needed to promote effective Committee functioning. Each Committee shall report to the full Board with respect to its activities, findings, and recommendations after each meeting held. The Board has the authority to form additional committees for such purposes as it deems necessary.

The Corporate Governance and Nominating Committee shall recommend to the Board assignments of Board members to standing and temporary Committees and the appointment of Committee chairs, subject to the provisions of each Committee's Charter.

The Audit, Compensation and Talent Management, and Corporate Governance and Nominating Committees shall be composed entirely of independent directors.

Each Committee shall have the full power and authority to retain, at the Company's expense, consultants, legal counsel or other advisors, as the Committee deems necessary or appropriate.

Each Committee Chair, in consultation with other Committee members and management, shall establish agendas and set meetings at the frequency and length appropriate and necessary to carry out its responsibilities. Each committee shall meet in executive sessions from time to time as required or requested by any member.

The Chairman of the Board shall not be a member of any standing Board Committee but may participate in all such Committee meetings.



Annual Performance Evaluations

The Corporate Governance and Nominating Committee shall organize and oversee an annual evaluation by the Board and its committees of their performance. The evaluation is intended to facilitate an examination and discussion by the entire Board and each Committee of its effectiveness in fulfilling its charter requirements and other responsibilities, its performance as measured against these Principles, and areas for improvement. From time to time the evaluation may also include individual director assessments.

Stockholder Communications with the Board

Stockholders may communicate with the Board. Such communications must be in writing, addressed to the Board of Directors and mailed to the Corporate Secretary, c/o Kelly Services, Inc., 999 West Big Beaver Road, Troy, MI 48084. All written stockholder communications will be reported to the Board at its regularly scheduled meetings.

Certain Expectations for Directors

General. Directors are expected to exercise their business judgement in the best interests of the Company and its stockholders, and to conduct themselves in accordance with their duties of care and loyalty. To the extent consistent with their duties to the Company and its stockholders, in exercising their business judgement to promote the long-term success of the Company, directors may also consider the interests of other Company stakeholders, including employees, customers, and the communities in which the Company does business.

Participation. Absent unusual circumstances, directors are expected to attend all meetings of the stockholders, all meetings of the Board, and all meetings of the committees on which they individually serve. The Board may from time to time determine that it is advisable to conduct meetings of the Board and its committees by conference telephone, video conference, or similar means. With respect to meetings that are to be held in person, directors should make every effort to attend such meetings in person, but attendance by conference telephone, video conference, or similar means may be used to facilitate a director's attendance on occasions when attendance in person is not possible. Directors are expected to review the materials distributed prior to each Board or committee meeting and should arrive prepared to discuss the issues presented.

Ethics. The Board has adopted a Code of Business Conduct and Ethics (the "Code") that applies to all directors, officers, and employees to help them recognize and deal with ethical issues, deter wrongdoing, provide mechanisms to report and prevent dishonest or unethical conduct, and help foster a culture of honesty and accountability. The Code addresses conflicts of interest, anti-bribery/anti-corruption, anti-competition, insider trading, corporate opportunities, confidentiality and privacy, protection and proper use of company assets, fair dealing, behavior in the workplace, compliance with laws, rules and regulations and company policies, risk tolerance, anti-human trafficking, reporting dishonest or unethical behavior and public company reporting requirements. The Code also provides an enforcement mechanism. Directors should be familiar with the Code's provisions and should consult with the Company's General Counsel in the event of any issues.

Stock Ownership. The Company and its stockholders are best served by operating under a long-term strategy that encourages the achievement of superior performance results. Stock ownership is an important tool to strengthen the alignment of interests of stockholders, directors, and Company management. As such, the Company has established stock ownership requirements for non-employee directors and senior officers.

Communications and Confidentiality. It is important that the Company speak to employees, investors and other outside constituencies with a single voice, and that management serve as the primary



spokesperson. If a situation does arise in which it seems necessary for a non-employee director to speak on behalf of the Company to one of these constituencies, the director should consult with the General Counsel or Chief Investor Relations Officer. The proceedings and deliberations of the Board and its committees shall be confidential. Each director shall maintain the confidentiality of information received in connection with his or her service as a director.

Director Compensation

The Compensation Committee biennially reviews director compensation practices to ensure the Company's directors are fairly compensated in relation to other publicly traded companies of comparable scope and size, and that compensation is designed to align directors' interests with the long-term interests of stockholders. Changes in director compensation, if any, are recommended by the Compensation Committee and considered by the full Board. Only non-employee directors receive compensation for Board service.

Annual Review of these Principles

The Corporate Governance and Nominating Committee will annually review these Principles and recommend any changes, if appropriate, to the full Board.