

A photograph of three business professionals (two men and one woman) sitting around a table in a modern office setting, looking at a tablet. The background features large windows with a view of a mountain landscape. The image is overlaid with a green header and footer, and two text boxes. The text boxes are green and orange, and the text is white. The overall tone is professional and collaborative.

A commitment to

global sustainability

OUR VISION

To provide the world's best workforce solutions

OUR CHARACTER

We are authentic, the industry founder. We believe in relationships, not transactions. We value teamwork, realizing that we are stronger together than as individuals. We take seriously the promises we make. We are passionate, dedicated, and driven to excel. With us it has never been about being the biggest. It has always been about being the best and doing the right thing. At our core, we are a community. Each day we welcome into our community the varied talents of all people who embrace our culture of service, teamwork, and integrity. We offer the opportunity to work with the best companies in the world, and to make a difference in the communities in which we live and work.

OUR VALUES

We are judged, collectively and individually, by the return we provide to our shareholders. We choose to provide that return with the following values:

- We are personally responsible for our actions, outcomes, and reputation.
- We build strong relationships and create Kelly advocates for life.
- We own and resolve customer and candidate issues with urgency.
- We treat every customer, employee, and supplier with respect and integrity.
- We continuously seek opportunities to innovate and improve the Kelly experience.

To our stakeholders:



At Kelly Services®, we believe that making a profit and making a difference can—and should—go hand in hand. Our daily work is closely aligned to the core concepts of social responsibility, and we're passionate about leaving a positive impact on the society in which we operate. Together with our stakeholders around the world, we are helping to build a better future that works for all.

By connecting nearly 500,000 people with work each year, our business is focused on improving the lives of our employees, our suppliers' employees, their families, and the communities where we live and work. We embrace the responsibilities we bear, the part we play, and the value we contribute to society in fulfilling this mission. After all, the future of work is really about the future of humankind.

As a results-focused company, Kelly® has a continuous commitment to advancing corporate social responsibility (CSR). Our CSR efforts are built around ongoing engagement and progress in four critical areas: employees and people, ethics and governance, engagement, and environment. This 2016 – 2017 CSR report details our company's impact on these areas, and how our commitment to being a responsible corporate citizen and economic growth driver is helping to move all of us forward—the company, and our employees, clients, partners, suppliers, and communities.

Thank you to all of our stakeholders for your engagement and support, and thank you for your interest in learning more about our CSR efforts. Together, we are making the world a better place.

George Corona
President and Chief Executive Officer

June 2017

Corporate social responsibility policy statement

Our corporate social responsibility commitments are built around four critical areas:

Employees and people

Our business is truly our people. As a global company, we understand our responsibilities to protect, support, and prepare workers for successful careers, and to advocate on their behalf. Our efforts are focused on providing career opportunities and resources to the global workforce, and leading by example in areas such as workplace safety, health and wellness, diversity and inclusion, military support, and training and development. We are firm in our commitment to equal employment opportunity, the protection of human rights, and the prevention of slavery and human trafficking.

Ethics and governance

Kelly is committed to doing the right thing—conducting ourselves in a legal, ethical, and trustworthy manner. We are strict in complying with regulatory obligations and internal policies, and ensuring that we hold ourselves, and our suppliers, accountable.

Engagement

Kelly knows that in order to make an impact on the areas where we live and work, we all must play a part. We partner with organizations to create a brighter future for all by engaging in activities such as community service, philanthropy, and support for small, minority, women, and disadvantaged businesses. We also look to build relationships with workforce suppliers who operate using socially responsible business practices and adhere to the professional code of conduct outlined by the World Employment Confederation (WEC).

Environment

Kelly recognizes a shared responsibility to protect and maintain our planet. We are committed to reducing the environmental impact of our business through preservation, conservation, and waste reduction practices. While our facilities and operations have relatively small ecological footprints, we continue to look for new ways to implement environmentally responsible business practices across our company.



Our core policies

Underlying our corporate social responsibility program is a set of core policies that outline our approach and guide our activities.

Since our founding in 1946, Kelly has embodied the true spirit of corporate social responsibility, and we are committed to the highest standards of corporate citizenship. Our culture and values are rooted in service, integrity, and taking personal responsibility for our actions, outcomes, and reputation. As a leading global workforce solutions provider, we connect people with employment opportunities and make a difference in the communities in which we live and work. Given the worldwide span of our workers, clients, suppliers, and partners, we recognize the global reach of our business practices and our public accountability.

- **Code of Business Conduct and Ethics:** Our Code of Conduct provides mechanisms to prevent dishonest or unethical conduct, and fosters a culture of honesty and accountability. This Code outlines the responsibilities of our employees, including ensuring that our suppliers are aware of their obligation to conduct themselves in a legal and ethical way.

- **Labor and human rights:** Globally, we treat all employees with dignity and respect and follow all applicable laws and legislation related to labor and human rights. Below are examples of initiatives we have in place:
 - **Equal employment opportunity:** It is the policy of Kelly Services to protect the employment rights of qualified applicants and employees regardless of an individual's race, color, sex, age, religion, national origin, genetics, sexual orientation, gender identity/ expression, disability, and/or other protected categories under applicable laws.
 - **Affirmative action:** Kelly is committed to taking affirmative action to employ and advance women, minorities, qualified disabled individuals, disabled veterans, recently separated veterans, and other protected veterans.
 - **Accommodations policy:** It is the policy of Kelly Services to comply with all applicable laws concerning the employment of persons with disabilities. Consistent with that commitment, it is our policy not to discriminate against qualified individuals with disabilities in regard to application procedures, hiring, advancement, discharge, compensation, training, or other terms, conditions, and privileges of employment.

- **Anti-harassment policy:** Kelly is committed to maintaining a work environment that is free from harassment. As such, Kelly will not tolerate harassment of, or by, its employees.

We are individually and collectively accountable for upholding our corporate social responsibility commitments. We encourage participation across our organization, and we work with external stakeholders to continually advocate on behalf of the global workforce, improve our workplaces, contribute to the communities we serve, and ensure our actions are socially, ethically, and environmentally responsible.



Corporate social responsibility key performance indicators

Kelly Services is committed to advancing our CSR efforts across the company. As a way to track our progress and continue moving forward, we established the following key performance indicators (KPIs) in 2016. Since establishing these KPIs, we have started setting targets against this baseline data.

KEY PERFORMANCE INDICATOR	2016 STATUS* <i>*Full-year 2017 data not available at the time this report was published</i>
Employees and people	
Total recordable incidence rate (per 100 full-time workers):	0.2 (the lowest recorded rate in company history)
Days away restricted and transferred rate (per 100 full-time workers):	0.8
Percent acknowledgement of Human Trafficking Policy Statement:	95.5%
Ethics and governance	
Percent acknowledgement of Code of Business Conduct and Ethics:	94%
Engagement	
Percent acknowledgement of Supplier Code of Conduct:	100%
Percent of employees participating in a volunteer day:	19%
Environment	
Corporate campus GHG emissions (annual metric tons of CO ₂ per building):	Headquarters: 4,014 Annex: 624 Kirts: 1,086 Lindsey: 760
Corporate campus energy usage (annual GWh of usage per building):	Headquarters: 158,444 Annex: 100,378 Kirts: 62,348 Lindsey: 62,246
Total weight of waste:	2,316.66 tons

We continue to look for ways to improve upon our performance, and monitor and evaluate our performance against standards such as EcoVadis and Carbon Disclosure Program (CDP). While we continue to perform among the very best in our industry in areas such as total recordable incidence rate and days away restricted and transferred rate, we know there is always room for improvement—as we push to further exceed industry and company standards.

A man with grey hair and a beard, wearing a light blue shirt and a green tie, is looking down at a tablet. A woman with long dark hair, wearing a dark blue sleeveless top, is also looking at the tablet. They are standing in front of a large window with a view of a city. The image has a green overlay on the left side.

Employees

and people

More than 70 years ago, Kelly Services founded the temporary staffing industry and made a promise to invest in people. Today, with nearly 500,000 people working in various capacities around the globe, we believe our talent is at the core of our storied success. Together with our customers, supplier partners, and employees, we continue to work toward ensuring that our legacy will remain strong for generations to come.

Our people. Our business.



At Kelly Services—by the very nature of what we do—talent is truly our business. No matter what industry or client we are serving, our business hinges on delivering the best talent and skills. And because many companies allocate nearly 60 percent of their expense to talent, our partnerships with customers offer them a critical resource through ongoing consultation and real-time workforce strategies.

Kelly provides employment opportunities to nearly 500,000 individuals around the globe. Our goal with these workers, and the global workforce at large, is to be a source of ongoing opportunity—great jobs where workers can get their foot in the door, learn new skills, and build a better life. Our commitment to people in turn drives our obligation to social responsibility. Kelly maintains a number of initiatives that promote good corporate citizenship:

- A **Code of Business Conduct and Ethics** deployed globally, with annual acknowledgment
- Harassment, diversity, and ethics training for all full-time employees
- Consistent communication of our **Vision, Character, and Shared Values** to our global network of employees
- Standardized hiring practices that ensure we comply with all applicable laws and regulations

As a leader in providing career opportunities and resources to the global workforce, we believe we have a responsibility to lead by example in areas such as workplace safety, health and wellness, training and development, and diversity and inclusion. We believe in opportunities for all and are unwavering in our commitment to equal opportunity employment, the protection of human rights, and the prevention of human trafficking.

THE EVOLUTION OF KELLY SERVICES



- **1946 – 1950s:** Kelly Services is founded in Detroit, Michigan, and rapidly expands throughout the U.S.



- **1960s:** We grow from hundreds of employees to thousands—filling light industrial, marketing, and technical positions.



- **1970s:** After expanding to all 50 states, Kelly Girl® goes to Paris.



- **1980s:** The Kelly workforce diversifies, and sales exceed \$1 billion.



- **1990s:** Kelly launches engineering, IT, law, finance, education, healthcare, and science specialty business units.



- **2000 – 2008:** Kelly expands its global presence to 40 countries and territories; Kelly Outsourcing and Consulting Group (KellyOCG®) becomes a global leader in total workforce management.



- **2009 – current:** We now provide employment opportunities to nearly 500,000 individuals around the globe.

Kelly offers employment opportunities in some of the fastest-growing, most innovative industries. Every year, Kelly places thousands of employees with clients in green jobs/industries—covering state-of-the-art areas such as renewable energy, recycling and waste reduction, energy efficient design, and environmental science.



ABSOLUTE ZERO IS OUR GOAL

Our Absolute Zero program solidifies our commitment to:

- Zero accidents
- Zero injuries
- Zero harm

A PARTNERSHIP IN SAFETY

Our commitment to employee safety led us to partner with one of our customers, a leading global chemical company, to achieve world-class safety performance. During the relationship spanning more than 20 years, we have collaborated with this customer to drive safety performance on a number of fronts. This includes placing Kelly safety professionals at key customer sites to provide support for managing worker safety with this customer. Whether these professionals are working in the field, the lab, or elsewhere, they help set high expectations, participate in various site safety teams, monitor safety behaviors on-site, and align with leadership to set objectives. The result of this arrangement is a truly integrated, world-class safety performance.

Workplace safety

Our commitment to employee safety is an integral part of our culture and a key to our continued success. We believe every employee has the right to a safe and healthy workplace. We also believe the most important number when it comes to employee safety is zero: zero on-the-job accidents, zero on-the-job injuries, and zero on-the-job illnesses.

Our **Absolute Zero** program ensures we maintain the standards of worker safety protection to instill confidence in our workforce that they can feel safe and secure in the workplace. More than just compliance with health and safety legislation, Absolute Zero recognizes the importance of each and every employee—and provides the processes, training, and companywide commitment necessary to ensure their safety.

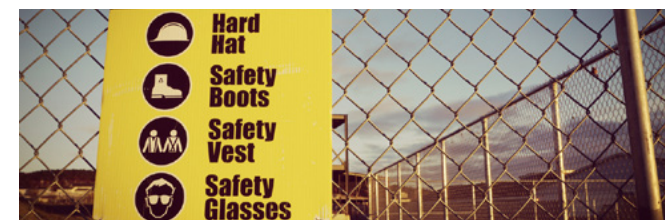
We expect our leadership to demonstrate that employee health and safety is a priority, our customers to provide and continually foster a safe work environment, and our employees to act safely, while looking out for their co-workers' safety as well. To assist our customers



in preparing the workplace for our employees, we have created a global safety program that includes pre-assignment risk assessment and worker training. Kelly safety managers are responsible for working with customers to proactively identify potential issues, and preparing employees to complete their work tasks in a safe and healthy manner.

Safety training and the introduction of our safety handbook are critical orientation and on-boarding activities. We also help employees become familiar with customers' work environments, safe work practices, emergency procedures, and protective equipment. As mandated by law and corporate policy, employees have the right to refuse unsafe work. Employee safety and customer service are paramount in our business; as such, we help employees understand how to recognize safety hazards and report them to on-site management.

We believe our management, employees, and customers have joint responsibility for upholding our safety commitments. And this commitment has translated into a very successful program: our **total recordable incidence rate** and **days away restricted and transferred (DART) rate** are consistently only one-third to one-fourth of what the staffing industry average is. In 2016, we made significant strides toward our goal of Absolute Zero with a 0.2 total recordable incident rate—the lowest in our history—and a 0.8 DART rate.

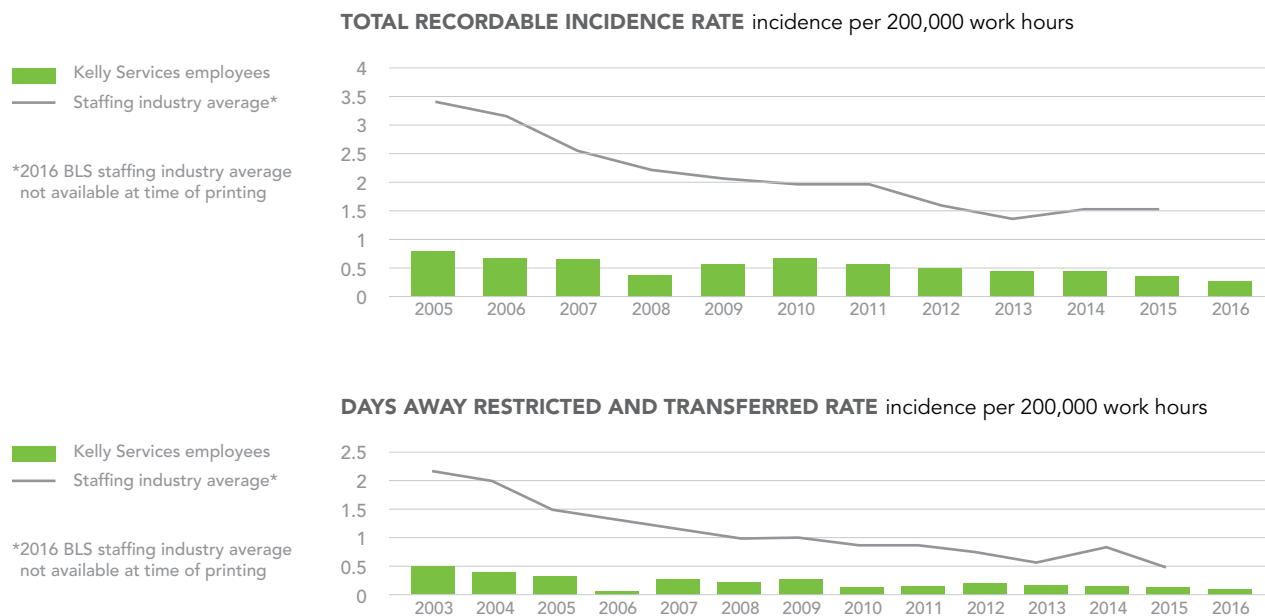


MAINTAINING AN INDUSTRY LEADERSHIP ROLE IN SAFETY

Kelly has played a leadership role in driving safety across the staffing industry. This includes working with industry peers and government agencies to design best practices-based guidelines, and to provide recommendations to help staffing firms and their customers establish a culture of safety in their work environments and companies. Kelly is involved in initiatives such as:

- **Development and implementation of Employee Safety Best Practices (ESBP)** by the American Staffing Association's Employee Safety Committee. Since being introduced in 2011, the guidelines have helped to improve the industry's safety record, and have positively impacted productivity, turnover, and insurance costs.
- **Participation in the Occupational Safety and Health Administration's (OSHA) Temporary Worker Initiative**, launched in 2013 to help staffing agencies and host employers understand their OSHA compliance and safety program obligations, and to provide specific enforcement and compliance tools. OSHA has stipulated that "staffing agencies and host employers are jointly responsible for maintaining a safe work environment for temporary workers—including, for example, ensuring that OSHA's training, hazard communication, and recordkeeping requirements are fulfilled." The cooperation with OSHA helps Kelly and its customers manage compliance on a day-to-day basis.

COMMITMENT TO SAFETY TRANSLATES INTO SUBSTANTIALLY LOWER INCIDENCE RATES FOR KELLY



The above rates were calculated using OSHA recordable injuries to full-time and directly supervised employees only.

Health and wellness

Kelly Services provides workforce solutions for a diverse array of industries and locations. Therefore, it is important for us to help our employees remain physically and mentally healthy—and ready for a wide variety of tasks and responsibilities. We provide a number of programs aimed at supporting the health and wellness of our employees around the world, including access to weight management programs, fitness centers, and healthy nutrition support. Plus, employees can take advantage of flexible or alternative work schedules, remote working assignments, and more.

We recognize that stress management is an essential factor in wellness, which is why we offer many forms of

assistance to employees. All of our employees in the U.S., Canada, Puerto Rico, Australia, and New Zealand have access to our Employee Assistance Program (EAP) at no cost. This gives employees and their immediate families 24/7 access to licensed counselors who can provide support on issues such as work-life balance, parenting, childcare, elder care, divorce, financial services, and legal services.

Plus, in the UK, we offer a helpline that employees of Kelly can call for support at no cost. The helpline responds to issues such as family crisis, mental illness, and stress. We also provide access to counseling services for bereavement, mental illness, and family crisis.



THE IMPORTANCE OF PLANNING AHEAD FOR NATURAL DISASTERS

In order to ensure the safety of our employees, customers, and operations, we plan ahead for natural disasters as much as possible. When Hurricane Matthew threatened the East Coast in 2016, Kelly was actively monitoring the path of this tropical storm and preparing for its potential impact on the U.S.

Our Global Security Programs and Risk Management department was in contact with operations along the East Coast as the storm approached to ensure our employees' safety. The local teams proactively contacted customers and active employees to notify them that operations would be closing.

Because of our advanced planning, many offices were able to forward phones to other locations or direct callers to the Employee/Field Service Center. This proactive communication made it so our customers never went without service or information. Managers also prepared call trees so that they could keep in contact with their internal teams.

While it's never easy to work under the circumstances and unpredictability of a natural disaster, planning ahead allowed our employees in the area to focus on what is most important: their personal safety, and that of their families.

In March 2015, Kelly Services was invited to share our cross-border recruitment expertise with global experts, business leaders, members of the Singapore government, and representatives from the United Nations in an effort to draft a roadmap for the Eradication of Human Trafficking and Abolition of Unethical Recruitment Practices for Migrant Labor.



A strong advocate for human rights

Kelly Services is committed to preventing the mistreatment of humans through sex slavery, forced labor, selling of organs, or other forms of human trafficking. In addition to our internal policies prohibiting human trafficking, we will not partner with any organization that condones or has participated in human trafficking. We also conduct annual quality audits to confirm and reinforce our regulatory and corporate policy obligations related to human rights. We believe increased transparency, improved oversight, detailed compliance, and other checks and balances are necessary and effective means of ensuring the protection of human rights around the world.

Our **Code of Business Conduct and Ethics**, our **Human Trafficking Policy Statement**, and our **UK Modern Slavery Transparency Act Statement** address this issue in greater detail.



Employee training and workforce development

As a global employer, we play a major role in building future talent and shaping a diverse workforce, no matter the industry. To achieve this, we work to develop tomorrow's workforce while providing today's talent with the resources and support tools necessary to advance their careers.

We offer a variety of specialized programs to address the unique needs and capabilities of the disabled, minority groups, military members and their families, young people, and the semi-retired. We are also dedicated to addressing market trends and needs for specific hard and soft skills—including skills for science, technology, engineering, and math (STEM) careers.

Examples of our workforce development partnerships and career resources include:

- Kelly Learning Center (KLC), a learning and development platform that offers employees the ability to enroll in virtual instructor-led courses, web-based training, and view quicker, just-in-time videos that enable employees to learn and grow.

The KLC offers thousands of online classes and digitized learning tools available 24/7. Topics range from project management to software courses to Six Sigma®, and more. Kelly Services makes this online learning community available to all employees.

- Our career resources, available globally, are free programs dedicated to building and advancing careers for all candidates. Topics range from job search strategies to career development and employment trends advice. We make these resources available via numerous online channels, including our websites and social media channels.
- In Switzerland, Kelly partners with the Battenberg nonprofit organization to reintegrate individuals with health impairments back into the workforce. The organization focuses on placing skilled workers in the watch industry, a key market for our Switzerland operations.
- Kelly also partners with leading educational institutions in the U.S., including the University of Phoenix® and DeVry University®, to offer tuition savings, fee waivers, and flexible payment programs for employees.





Developing the next generation of workers

In addition to focusing on the development of our employees and candidates, we feel a responsibility to help prepare and shape the next generation of workers. Because we work so closely with a variety of industries, we know what capabilities these industries and employers need—and we can help young people prepare themselves for those jobs. In particular, with a global economy centered on innovation and technology, there is significant unmet demand for workers with knowledge, skills, and interest in science, technology, engineering, and mathematics (STEM).

Kelly Services has created a Building Future Talent outreach approach, under which we partner with organizations to promote a variety of programs:

- **Manufacturing Day:** Kelly Services is a founding sponsor of Manufacturing Day, and hosted a manufacturing job fair in Frankfurt, Illinois, in 2016. The event helped raise awareness of the important role manufacturing plays in local communities, and introduced candidates to the careers available in the

industry. Demand for skilled manufacturing talent across the U.S. remains high, as experienced workers retire and technology reshapes the skill requirements for advanced work environments created by the modern manufacturing industry.

- **Winning Futures:** An award-winning nonprofit organization, Winning Futures empowers students through life skills and mentoring programs. Kelly employees are mentors to students in various high schools, helping them prepare for the business world and develop a five-year life plan.
- **College Day at Kelly Services in New York and New Jersey offices:** For several years, Kelly has hosted a “boot camp” for the high school/college students who are family members and friends of Kelly employees. Participants learn about writing a compelling résumé, developing an effective LinkedIn® profile, interviewing and interacting with hiring managers, and establishing themselves as viable job candidates.

Internships and scholarships for future scientists and engineers

- Future Scientists Program and Scholarship:** Kelly has a number of *Fortune* 500® customers within the chemical, pharmaceutical, and biotechnology industries. Those relationships make it possible for us to help match hundreds of college students with science internships each year. In 2016, we placed more than 200 interns in these industries. In addition to pairing top talent with our customers, we award five scholarships to the interns who write the strongest essays on contemporary science topics. Since the program's inception in 2000, we have placed more than 7,000 interns on projects in biomanufacturing, quality control, field research studies, biology, and biochemistry, among others.
- Future Engineers Program and Scholarship:** Every year, thousands of engineering students in the U.S. and Canada get ready to launch their careers. Kelly shares their enthusiasm and dedication, and supports students as they work to achieve their goals. Each year, Kelly awards one US\$5,000 scholarship to a second- or third-year college engineering student as a way of recognizing and rewarding the stand-out scholars in the next generation of engineering talent. The award is given based on a written essay, academic performance, and demonstrated potential for a career in engineering.



In 2017, Cathleen Lupien, a chemical engineering student at Dalhousie University in Halifax, was awarded the Future Engineers Scholarship—making her the first Canadian winner in the program's 14-year history.



BRIDGING THE STEM GAP WITH SUPPORT FOR WOMEN ENGINEERS

There is currently a shortage of skilled science, technology, engineering, and math (STEM) talent in the workplace. It doesn't help that research shows young women drop out of these subjects starting as early as middle school and continuing through high school. That's why Kelly Services partnered with B~STEM Project, a national organization that focuses on engaging young girls and women in business and STEM-related disciplines across various industries, to mentor and guide young women in the hopes of bridging the STEM gap.

In 2016, Kelly Services partnered with B~STEM to hold a "virtual hackathon" powered by Microsoft®, which included a multicity, one-day product development and design business incubator inside Microsoft stores. High school and college participants worked in teams to develop, design, and pitch their products to a panel of industry experts. In addition, a coding workshop was offered throughout the day for girls ages 8 – 13.

At Kelly, we understand the demand for skilled talent, and hope to increase the pipeline of women trained in STEM-related disciplines to help prepare them for successful careers.

Equal employment opportunity, diversity, and inclusion



Kelly Services has a long history of diversity, inclusion, and engagement—starting with our founding in 1946 and the employment of women. It is a longstanding Kelly policy to provide equal employment opportunity in recruitment, selection, training, compensation, promotion, job transfer, and assignments.

Today, we have a diverse workforce of more than half a million employees globally. It is important to us that our workforce reflects the diverse regions, industries, and customers that we serve.

We recognized at our inception that every person deserves an opportunity for gainful employment. While the landscape of the national and global economy has changed dramatically over the years, this basic principle still applies: we believe a skilled, diverse workforce delivers greater innovation and creativity, and provides our customers with the best business solutions.

We understand that diversity and inclusion don't just happen. They must be an everyday consideration, and we demonstrate our commitment to diversity and inclusion through our participation in, and support of, a wide variety of initiatives and organizations.

Diversity recruitment

At Kelly, our industry experience and leadership uniquely position us to leverage existing and customized approaches to support our customers in creating diverse workforces. Each of our initiatives helps us increase the diversity of our talent pool and understand the factors that influence our capacity to hire a wide range of differing employees.

These initiatives are one reason Kelly earned an outstanding score of 95 out of 100 on the 2016 and 2017 Corporate Equality Index—a national benchmarking survey and report on corporate policies and practices relating to lesbian, gay, bisexual, transgender, and queer (LGBTQ) workplace equality, administered by the Human Rights Campaign Foundation.

Our diversity recruitment strategy is built on the following foundational approaches:

- **Knowledge:** We use advanced labor intelligence tools to help us understand fluctuations in the demographic makeup of the labor market. The data, combined with trending and forecasting intelligence, allows us to more strategically target and attract a diverse pool of job seekers.
- **Reach:** It's essential that our job opportunities reach a diverse job seeker audience. In today's globalized and interconnected world, we make every effort to meet diverse candidates where they are when they begin to search for jobs.
- **Customized approaches:** We have partnered with our customers to create and execute diversity recruitment action plans. These plans include building relationships with specific area organizations that support diverse talent, promoting our job opportunities via postings on niche job boards, or hosting specialized recruitment events.

In addition, the Kelly Supplier Diversity Development Team helps customers create greater diversity in their workforce. These programs drive business success for customers, and also provide development, growth, and revenue opportunities for our strategic suppliers.





Support for military veterans

While many learned skills and tools for success are industry-specific, some highly valued traits are universally sought across a variety of industries and occupations. Our clients seek universally accepted attributes such as leadership, adaptability, problem-solving, dependability, and persistence. These are often key attributes of current and former members of the armed services.

In order to match those traits with job opportunities, we have created multiple initiatives to engage with U.S. veterans, current reservists, and military spouses. On average, Kelly hires 20 veterans per day, 600 per month, and 7,200 per year. Since 2015, Kelly has hired more than 18,000 veterans. We are proud to support veterans through a variety of programs as they pursue civilian work and advance their non-military careers:

- **Kelly Veteran Employment and Transition Services (KVETS):** KVETS is our in-house military recruiting program that supports veterans in all stages of transition by aligning their military skills and experience to customer-defined requirements.

- **Government solutions team:** Our government solutions team is primarily made up of veterans, and looks to fill open positions with veterans as well. Ninety-five percent of the team's time is focused on recruiting service members, veterans, and military spouses—both with and without security clearance.
- **U.S. Military Pipeline:** The U.S. Military Pipeline is a cloud-based solution that assists veterans in locating jobs after completing their military duties. It allows veterans to create candidate profiles that can be matched to appropriate employment opportunities within our customer base. The U.S. Military Pipeline also feeds into the Hero2Hired program, which matches those who have served in the National Guard and any of the Reserves to jobs and careers.
- **Customer-specific programs:** On a case-by-case basis, Kelly helps customers tap into former members of the military and their families, particularly in areas with military bases.



As a result of our efforts to support military personnel and their families, Kelly received the designations of **Military Friendly® Employer** and **Military Friendly Spouse Employer** from Victory Media, publisher of *GI Jobs* and *Military Spouse* magazines. We are also a Bronze Award recipient of Military Friendly in the category of companies with more than \$1 billion in annual revenue. We take great pride in our work with U.S. military members and their families, and these awards, and look forward to continuing our long history of support for the military.



- **United Service Organizations:** Our local branches actively participate with, volunteer with, and donate to the USO, which is a nonprofit organization that provides programs, services, and live entertainment to U.S. service members and their families.
- **RecruitMilitary.com:** Kelly has expanded its partnership with RM for 2017, allowing us to participate in RM-sponsored career fairs across the country. Plus, we have a select number of account holders within Kelly who have the capacity to search the RM database of more than 1 million U.S. veteran candidates to find and hire someone who suits their needs.
- **Military Spouse Employment Partnership® (MSEP):** MSEP matches U.S. military families with companies in need of “job-ready” applicants. In 2017, we are celebrating 10 years of partnership with this program, previously known as Army Spouse Employment Partnership. Since 2011, MSEP partners have hired more than 100,000 military spouses and posted more than 5 million jobs to the MSEP site. Through our relationship with MSEP, we are also notified of hiring fairs and networking events sponsored by the U.S. Chamber of Commerce and Hiring Our Heroes®.



A global champion for worker advocacy

At Kelly, we leverage our expertise as a workforce supplier to advocate for workers in all walks of life around the world. We believe it is our responsibility to take action in support of our workers, our customers, and our industry. This includes advocating for access to health care, living wages, educational standards, temporary employment standards, and more. We take action in a number of ways to move toward a reality where workers with disabilities, free agents, workers in emerging markets, and others are afforded the same opportunities and protections as others in the workforce.

- **Kelly is committed to complying with the U.S. Americans with Disabilities Act and similar requirements around the world.** We value having a diverse employment population, which includes employing and accommodating those with disabilities and creating opportunities for everyone to contribute their unique skills to our company and for the benefit of our customers. We also maintain relationships with vocational rehabilitation organizations, professional networking associations that support the disabilities community, as well as partnerships with government or publicly funded disability resource programs.

- **A full one-third of the U.S. workforce—nearly 50 million people—are working as free agents, many of whom choose that work style for its freedom and flexibility.** However, many free agents struggle with the loss of a safety net—as they lack the necessary protections of workers' compensation, unemployment insurance, retirement plans, and clarity around how their work is classified and taxed. To help accelerate change in this area, in early 2017, Kelly hosted a policy forum in Washington, D.C. "Advancing the Social Contract for Gig Economy Workers" was sponsored by The Conference Board® and attended by government officials, industry thought leaders, business leaders, and others interested in defining policy challenges and offering recommendations for change. There are still roadblocks to change ahead, but creating opportunities for open dialogue about the issues provides a starting place on the way to change.
- **In emerging markets, we have been particularly active in helping to implement educational standards that address work skills.** We have also been instrumental in helping staffing industry associations and government agencies around the world set standards for the staffing industry and drive best practices.

We believe that setting and meeting high expectations for worker opportunities and protections benefits all stakeholders, and ensures that employees and people will always remain at the top of our priority list.





Judy Snyder, senior vice president and chief information officer for Kelly Services, serves as chair of the Leadership in Action (LIA) resource group. Above, she kicks off a networking event at the Kelly corporate headquarters.

WOMEN IN LEADERSHIP

Kelly Services was founded in 1946, at a time when women were beginning to enter the workforce in large numbers. The introduction of the “Kelly Girl” was the first true recognition of the free agent principle. Husbands and sons had left to fight a war, leaving women to make ends meet financially. We recognized this trend, and provided opportunities for women to earn an income and balance their commitments outside of the workplace.

That commitment continues today. In 2016, more than 50 percent of our temporary employee base in North America was made up of women, many of whom look to Kelly to help them advance their careers. Our operations also reflect the growing role of women in the workforce: women hold more than 40 percent of leadership positions at the global senior vice president level and above. Additionally, 30 percent of our board of directors is female.

In fact, our efforts to recruit, retain, and promote women leaders have resulted in a variety of honors and recognition, including recognition on the Michigan Women’s Leadership Index: a biennial snapshot on the status of women at the highest levels of governance and leadership in Michigan’s largest 100 publicly traded companies.

Our commitment to leadership development is further exemplified in our Leadership in Action (LIA) business resource group. Previously, the group focused solely on supporting the advancement of qualified women within Kelly and in the global marketplace. Now, the group has expanded to include support for all leaders at manager-level and above. We believe it’s vital to reach Kelly leaders earlier in their careers so they can receive the education and support necessary to create a healthy and inclusive work environment for all. From 2016 – 2017, membership in LIA has increased from approximately 400 to 700 participants. Kelly has two LIA chapters globally, North America and EMEA.



MICHIGAN’S TOP 100 WORKPLACES 2016

Kelly Services has been repeatedly recognized as one of Michigan’s “Top Workplaces” by the Detroit Free Press®. Companies were selected based on the results from an employee survey that measured aspects such as company leadership, communication, career opportunities, working environment, and managerial skills.

100 TOP COMPANIES FOR REMOTE JOBS

In 2016, Kelly Services was once again named to the “100 Top Companies to Watch for Remote Jobs” list by FlexJobs®, making this the third consecutive year that Kelly has received this recognition.



A woman with curly hair, wearing a dark blue shirt, is pointing her finger at the chest of a man in a suit. The man is looking at her with a thoughtful expression. In the background, another person is partially visible. The scene is set in a bright, modern office environment with large windows.

Ethics and

governance

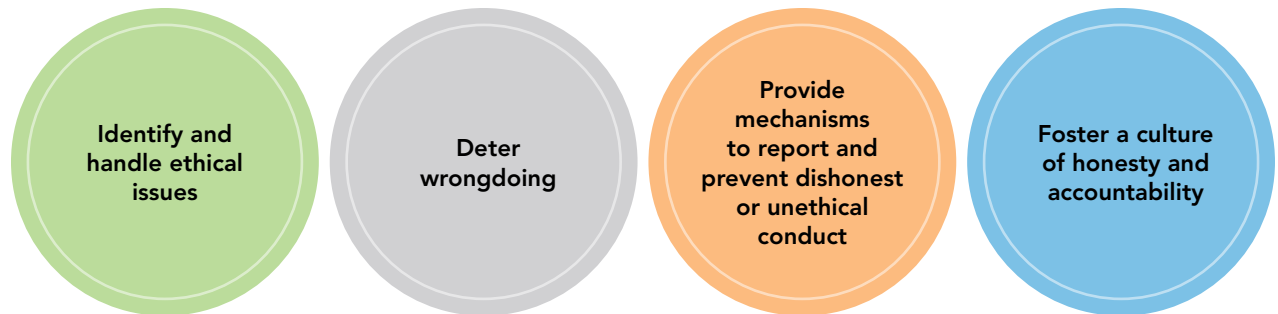
At Kelly Services, we take pride in our commitment to conducting business legally, ethically, and responsibly. We are strict in our adherence to regulatory obligations and internal policies, as they ensure that we remain accountable for our actions and to our goals. In the future, just as in the past, we will strive to reach our business objectives solely through legal and ethical means.

THE KELLY CODE OF CONDUCT ADDRESSES AREAS SUCH AS:

- **Conflict of interest:** A “conflict of interest” occurs when Kelly employees’ individual private interests interfere, or appear to interfere, in any way with the interests of the company. Employees are responsible for avoiding such situations.
- **Anti-bribery/anti-corruption:** Kelly employees have an obligation to comply with the U.S. Foreign Corrupt Practices Act (FCPA) as well as all other country-specific anti-bribery and anti-corruption laws. Employees may not give, promise, or offer anything—no matter how small in value—to any customer, government employee, or other person for the purpose of improperly influencing a decision, securing an advantage, avoiding a disadvantage, or obtaining or retaining business. Each employee is required to take the FCPA and anti-bribery training provided by the company and to certify compliance with the principles outlined in the training and the Code annually.
- **Confidentiality and privacy:** Kelly employees must maintain the confidentiality and privacy of information and personal data entrusted by the company, employees, and customers, and comply with the Kelly Privacy Statement.
- **Protection and proper use of company assets:** Employees must protect the company’s assets and ensure their efficient use. No one is to use company assets for personal benefit.

The Kelly Code of Conduct

Kelly Services is committed to full implementation of its **Code of Business Conduct and Ethics**, which is reviewed annually and with each new employee. The Code acts as a guide for employees, customers, supplier partners, and vendors to help us:



Employees must comply with the Code and conduct themselves in a legal and ethical manner. Employees are also responsible for ensuring that our suppliers, agents, and representatives are aware of their obligations to do the same. We place great value in our partnerships, and we expect and require ethical behavior from our partners. We do not tolerate any form of unethical behavior.

The Code of Conduct is reviewed each year, and Kelly is committed to continuously improving it. We conduct annual benchmarking to measure the Code against

those of our peers and best-in-class performers. The Code requires employees, suppliers, and customers to report any suspected violations to the Kelly global reporting system. This system, which is administered by a third party, allows users to remain anonymous. Acknowledgement of our Code of Business Conduct and Ethics was 94 percent in 2016.



SUPPLIER AND PARTNER EXPECTATIONS

We also hold our suppliers and partners to a high standard, expecting them to meet the same ethical standards that we have internally. With a talent supply chain spanning across the globe, we recognize that many of our partners and suppliers operate in environments where business practices and regulations may differ from our own. However, full compliance with all applicable laws and regulations is a must and cannot be negotiated. In markets where applicable laws are less restrictive than our Supplier Code, we expect our suppliers to work together with Kelly to improve the way business is conducted.

OUR SUPPLIER CODE OF CONDUCT ADDRESSES:

- **Ethical and professional conduct:** We expect our partners and suppliers to do the right thing. This includes conducting themselves in a legal, ethical, and trustworthy manner, upholding regulatory obligation, and following the letter and spirit of applicable laws and policies.

- **Employees and people:** Partners are expected to help protect, support, and prepare workers for successful careers and advocate on their behalf. This includes providing career opportunities and resources to a global workforce, and leading by example in areas such as workplace health and safety, employment conditions, and diversity and inclusion.
- **Human rights:** Kelly seeks ways to honor the principles of international human rights and we expect our partners and suppliers to do the same. When faced with possible conflicting requirements between our standards and a country's regulations, Kelly and our partners strive to uphold our responsibility to protect human rights.
- **Environmental sustainability:** Our partners and suppliers are expected to take account of the need to protect the environment, public health, and safety, and to conduct their business in a way that contributes to the goal of sustainable development.

Enterprise risk management

Managing risk and ensuring the continuity of our business in the event of an emergency are critical to our ability to serve our global customer base. As a result, Kelly has developed a comprehensive Enterprise Risk Management (ERM) program that includes support for disaster recovery, data privacy, wage-hour risk mitigation, and strategic safety partnerships.

We track key metrics and stay current on the latest risks and issues that our employees and customers face. Over time, the ERM program continues to evolve in order to address new threats and potential risks. Newer components include insider threat program and General Data Protection Regulation (GDPR) implementation. Our insider threat program was established in late 2016 and looks to help detect, deter, and mitigate insider threats.

Due to the unique nature of our business, education and training are the most critical parts of the program. This is done through the distribution of a quarterly security newsletter and insider threat training available through the Kelly Learning Center. GDPR, which was passed in early 2016 by the European Union, is a regulation on

data privacy that Kelly is integrating into the business. The program highlights the issue of data security, and ensures that our decisions and actions always include an understanding of how they may impact data privacy. While these particular components are new, they also involve formalized extensions of what the company has already been doing/what has been underway.

Additionally, we launched our “Doing the Right Thing” series, which includes regular communications reminding all employees of company policies while updating them on newly enacted laws and regulations. Nearly two dozen company leaders with a wide variety of subject-matter expertise—including social media, cyber security, and employee safety—contribute to the series.

At Kelly, we also remain keenly aware of cybersecurity threats. Our Privacy and Security Awareness program helps employees understand the role they have in ensuring information security. The program trains employees on how to recognize “phishing” attempts, social engineering scams, and other security threats. Plus, employees receive regular reminders to stay diligent and take an extra moment to investigate the validity of any questionable communication.



Business continuity

Our focus on business continuity is a key component of our risk management program. Being prepared to respond quickly and effectively to situations such as natural disasters, safety and security concerns, and changing business conditions is critical to the health and safety of our employees, the interests of our shareholders and customers, and the viability of our company. Kelly utilizes a variety of scalable solutions and strategies to both ensure employee health and safety, and to enable us to continue critical business functions after experiencing virtually any type of disruption.

Key components of the program include:

- **Global incident monitoring:** Kelly invests in state-of-the-art technology solutions that enable us to globally track and monitor crisis events that may affect our employees and assets.
- **Communications:** We use a variety of methods to maintain communications with employees, customers, and vendors/suppliers before, during, and after a crisis event.
- **Emergency management team:** We have a team approach to decision-making in response to critical events that affect our employees and facilities.
- **Continuity of operations:** Based on the reach of our branch network as well as our integrated information systems, Kelly has the ability to quickly re-establish business operations at an alternative site if necessary.
- **Emergency Operations Resource Plan:** Our Emergency Operations Resource (EOR) Plan is available to support field operations in the case of major events, whether natural or manmade, which significantly impact our ability to serve employees and customers.



KELLY RECEIVES PRIVACY SHIELD FRAMEWORK CERTIFICATION

At Kelly, we take our role in data and information privacy very seriously. To further establish our company's dedication, Kelly completed a self-certification of the EU-U.S. Privacy Shield Framework, which was affirmed by the U.S. Department of Commerce in late 2016.

While joining the Framework is voluntary, once a company makes the public commitment with the requirements, the commitment is enforceable by U.S. law. This certification continues our practice of being a responsible business partner to our clients and employees, and solidifies our obligation to protect the personal information entrusted to us.



PLANNING AHEAD FOR NATURAL DISASTERS

Hurricane Matthew, California wildfires, earthquakes in Italy—Kelly planned ahead and was prepared to respond to these and other natural disasters around the world.

In all cases, Kelly develops contingency plans to support its operations and evaluate how the situations may impact our customers, vendors, and employees. For example, the plans address how we will communicate to our key stakeholder groups, how we will assist our employees if they are affected by such an event, and ways to service our customers if our employees have difficulty getting to the workplace.

Advanced planning and quick action after the danger has passed have enabled Kelly to resume service to our customers and employees significantly faster than would be possible otherwise.

Situations have included:

- Assisting business operations during the U.S. Northeast snowstorm in early 2017
- Planning for and responding to Hurricane Matthew when it hit the U.S. Southeast Coast in 2016
- Recovering from severe flood damage in Baton Rouge, Louisiana, in 2016



Our board of directors

Our board of directors' primary responsibility is to provide effective governance over the affairs of the company for the benefit of its shareholders by acting in good faith, on an informed basis, and with the honest belief that the directors' decisions are in the best interests of the company. Kelly complies with the listing standards of the Nasdaq® Global Market pertaining to controlled companies. Our Executive Chairman and Chairman of the Board, Terence E. Adderley, owns 93 percent of our outstanding voting stock.

Our corporate governance principles provide a framework of responsibilities and procedures to guide the management of the board. These board regulations relate to our director qualifications, criteria for independent directors, board size, tenure, succession planning, director compensation, and more. Our board of directors review these principles and other aspects of governance regularly.

The board, management, and company of Kelly Services are judged by the return provided to shareholders. Diversity and inclusion is important to us throughout our business, including for our board. More than a third of our board members are women, and we are proud to be recognized by Women on Boards 20/20 as a "W" (Winning) company for having more than 20 percent female representation on our board. In early 2017, we were named to the organization's honor roll for being a "W" company for six consecutive years.



Engagement

To truly have an impact on the communities where we live and work, we all must play a part. At Kelly Services, we believe our combined efforts can lead to a happier, healthier world. We take seriously our responsibility to engage with customers, suppliers, and communities in order to create a brighter future together.

Customer collaboration

Kelly Services employees are dedicated to helping our customers reach their business objectives, which includes supporting our customers' key social responsibility initiatives and programs. We are honored to work in collaboration with our global customers, many of whom are actively engaged in their local communities. Our employees play an important role in helping our customers meet their CSR goals, and we are proud that our employees embrace the opportunity to help improve lives around the world through their work and civic involvement.

Kelly employees around the globe participate in customer-driven community engagement activities, such as bringing medical treatments to people in rural areas and disaster sites, supporting local schools and universities, and helping to host local food or blood drives.



*Our headquarters employees volunteer as mentors for the **Women of Tomorrow Scholarship Program**. The Women of Tomorrow Mentor and Scholarship program is designed to inspire, motivate, and empower at-risk young women to live up to their full potential through scholarship opportunities and mentoring with highly accomplished professional women.*



Kelly employees in the Seattle area volunteered at an annual holiday party held by Mary's Place—an organization that assists homeless women, children, and families by providing practical tools and resources to help women find housing and employment. At the 2016 event, Kelly employees helped participants choose and wrap gifts for family members.

Our engagement with external stakeholders is focused in three critical areas:



Partnering with customers to help them achieve their CSR goals



Working with suppliers to promote responsibility, with a particular focus on diversity



Being active in the communities where our offices are located

SUPPORTING OUR CUSTOMERS' PRODUCT STEWARDSHIP GOALS

For many of our customers, CSR is a key focus of their business and products. For instance, one of our customers, a global medical device supplier, is committed to evaluating and trying to minimize new products' impact on the environment throughout their life cycle. As a result, the customer has created a certification process for products to ensure that they have been designed and are manufactured, distributed, used, and disposed of in a manner that minimizes their environmental impact. To determine if the product meets the requirements, new products are reviewed by a board of internal and external stakeholders, including Kelly Services staff.

As a result, the customer's team has designed new ways to create, package, and use the company products to ensure that they follow the strict guidelines. Starting several years ago and continuing in 2016 and 2017, Kelly employees have been recognized numerous times by our client for their ability to provide support and ideas throughout this process.



Supply chain accountability

We hold our suppliers to the same high level of accountability to which we hold ourselves. We seek to engage with workforce suppliers that abide by socially responsible business practices and adhere to the professional code of conduct outlined by the World Employment Confederation (WEC). The **WEC Code of Conduct** places emphasis on respecting ethical and professional conduct, laws, transparency of terms of engagement, free-of-charge provision of services to job seekers, safety at work, diversity, workers' rights, confidentiality, professional knowledge, quality of service, and fair competition. Employees must ensure that all of our suppliers—both procurement and workforce—conduct themselves in a legal and ethical manner, in accordance with our Code of Conduct.

At KellyOCG, the Outsourcing and Consulting Group of Kelly Services, we pride ourselves on our vast global network of partners and suppliers—which is one of our strongest competitive advantages, but also one of our biggest responsibilities. Accordingly, we work closely with our partners and suppliers to ensure that they too meet our high standards of ethics and business conduct. We established our **Supplier Code of Conduct** to address this issue.

Partners' and suppliers' performance on ethical and business conduct issues plays an integral part in the purchasing and partnering decisions of KellyOCG. It is our aspiration that our partners' and suppliers' standards on these matters are as rigorous as our own.



Supplier diversity and inclusion

Our commitment to supplier diversity development began in 1979 and has been integral to our global evolution. Today, it remains integrated into our vision, mission, shared values, and global workforce solutions strategy. We continue to accelerate diversity and inclusion as a multidimensional strategy across emerging and mature markets to maximize business results.

Through our supplier diversity initiative, we oversee two diverse supplier management models:

- **Procurement suppliers:** companies that provide commodities, goods, and services that support our operations directly
- **Workforce suppliers:** companies interested in partnering with Kelly as independent contractors or providers of temporary/contract staff and subcontractors

Our workforce supplier relationships are a crucial factor in our ability to develop and deliver an effective talent supply chain approach to meet the needs of our shared clients. Our partners and suppliers must meet our performance and compliance standards so that we can remain ready at all times to fulfill the requirements of our customers. We continually strive to establish and refine innovative processes that will enable us to collaborate more effectively around the globe, improve service levels, and contribute to our mutual success.

Our supplier diversity and inclusion development process is deeply ingrained in our daily operations, and a key focus and commitment for our leadership. We continue to lead the industry with our Kelly Supplier Diversity Development (KSDD) program, which guides our efforts.



The Michigan Minority Supplier Development Council (MMSDC) has named Kelly Services as its “Corporation of the Year” in the Professional Services category for 10 years, including in 2016. The MMSDC honors corporations, minority businesses, and individuals who excel in engaging, mentoring, and advocating for diverse suppliers.

Through KSDD, we:

- Encourage and assist Minority, Women, and Disadvantaged Business Enterprises (MWDBEs)
- Help develop diverse companies into strong supply and staffing partners
- Facilitate diverse suppliers' access to new business opportunities

Through this program, Kelly aims to connect and engage diverse suppliers in our global procurement opportunities. Our investment strategy focuses on ensuring that all suppliers have the resources and opportunities necessary for success. Focus is on the

quality of the engagement, not the quantity. We also provide suppliers with access to our learning opportunities and resources, such as *Source*: our monthly newsletter for suppliers, supplemental insurance services, the Supplier Service Center, and mentoring and training from our professionals.

Our mentoring programs provide consultation on conducting business with large client organizations and developing best-in-class service delivery models. We support diverse suppliers as they continue to operate individually and retain their identities, while leveraging our global footprint.



In 2016, our supplier diversity program was recognized on the “Best of the Best” list for the top supplier diversity programs by *Hispanic Network Magazine* and *Professional Woman’s Magazine*.

Diversity development awards and recognitions



Top Corporation for Women Business Enterprises Award, from the Women's Business Enterprise National Council: 2010 – 2016



Corporation of the Year, Professional Services Award, from the Michigan Minority Supplier Development Council: 2000, 2003, 2006, 2009 – 2014, 2016



Excellence in Supplier Diversity Award, from the Great Lakes Women's Business Council: 2014 – 2016



Corporate 101: Most Admired Companies in Supplier Diversity, from Minority Business News USA Magazine: 2016



Top 100 Leaders in Corporate Supplier Diversity, from WE USA: 2017

Supplier diversity development by the numbers

\$3.6 billion

combined diverse spend under management since 2012

100%

of suppliers audited annually on regulatory and contract terms

32%

Net Promoter Score® (NPS®) given to Kelly Services by our diverse supplier partners; this is a “best-in-class” rating versus the SIA industry benchmark (-58%)

600+

certified diverse suppliers across geographies, skill sets, and verticals

20%

year-over-year diverse spend growth

32%

average for diverse spend for the past five years

Insurance program breaks down barriers to entry for diverse suppliers

The effort Kelly Services has made to seek out and engage diverse suppliers has provided us with the opportunity to gain insight into some of the challenges these companies face. Two challenges in particular have stood out to us: affordable company insurance (a requirement when working with larger corporations), and difficulty with financing due to payment terms. We have developed solutions to address these obstacles.

First, we created the “Exclusive Insurance Program” for our qualified partner staffing suppliers. The program provides a low-cost insurance option for Kelly suppliers that would previously be unable to secure required

insurance limits for maintaining or securing new business through staffing arrangements managed by Kelly. The Exclusive Insurance Program continues to provide access to opportunities and value to our supplier community. Over the past three years, the Exclusive Insurance Program has issued more than 140 new policies, allowing suppliers to gain access to business opportunities with Kelly Services. Second, because payment terms imposed by larger customers can sometimes create a burden on smaller, diverse suppliers, Kelly works directly with the customer to arrange more favorable terms.



Kelly in the community

Kelly Services aims to improve the lives of individuals and society as a whole by partnering with organizations in the communities where we live and work, and by engaging in community service and philanthropy.

Kelly and our employees participate in multiple charitable causes—including serving on nonprofit boards, donating food and time to local food banks, and participating in blood drives. We also support several large-scale, national organizations such as:

- **United Way®**, which helps individuals and families achieve their potential through education, income stability, and healthy lives. Kelly Services has partnered with United Way, especially in the Southeast Michigan area, for more than four decades. In the last nine years alone, Kelly employees have donated more than \$1.2 million to United Way for Southeastern Michigan. Kelly raises funds for United Way through our pledge card program, jeans days, raffles, and special events such as team bowling outings and tailgate parties. Through fundraising efforts at corporate alone, Kelly raised more than \$264,000 from 2015 to 2016.

- **March of Dimes®**, which helps moms have full-term pregnancies, healthy babies, and shares best practices in perinatal health. We have supported March of Dimes since 2002 by holding silent and live auctions, sponsoring March of Dimes jeans days, and assembling teams of Kelly employees to walk in the March of Dimes to Help Babies. Since 2002, our charitable contributions to the March of Dimes have totaled nearly \$700,000.
- **Susan G. Komen Race for the Cure®**, which is committed to supporting the fight against breast cancer. Several of our branch offices and employees across the U.S. have organized teams to participate and raise funds for the Susan G. Komen Foundation. In 2017, the Kelly corporate team set out to donate \$20,000 to Race for the Cure (fundraising was continuing as this report was published). Funds are raised through a variety of events including family bowling nights, jeans days, silent auctions, raffles, a euchre tournament, and more.



RACE FOR THE CURE

Kelly Services employees, family members, and friends participated in the 25th annual Komen Detroit Race for the Cure on May 13, 2017, at Comerica Park® in Detroit under the team name “The Kelly Services Cancer Crusaders.” Whether walking or running, team members were visible along the race route in their custom green t-shirts, or pink t-shirts for cancer survivors.

For the Kelly team, the race represented the culmination of a series of fundraising events and individual team member fundraising aimed at eradicating breast cancer. In addition to participating in the 2017 event, Kelly is also a proud sponsor of the Race and its children’s area, which provides an opportunity to educate families about breast cancer in a positive, fun environment.



**United Way
for Southeastern Michigan**

SUPPORT FOR UNITED WAY

- **4+** decades supporting United Way
- **\$3+ million** has been donated by Kelly Services employees over the course of our long-standing partnership
- **\$125,000+** on average donated each year by Kelly employees

Kelly is also heavily involved in initiatives that affect the communities where our employees live and work, including:

- We partnered with a local chapter of the **Society for Human Resource Management®** in 2016 to help a community youth club in Opelika, Alabama, gather shoe and book donations for at-risk children across the state. Our Opelika office served as a drop-off location and our employees donated items to this initiative.

- We raise funds annually for **HAVEN**, a comprehensive program for victims of domestic violence and sexual assault. Located in our headquarters community of Troy, Michigan, HAVEN provides shelter, counseling, advocacy, and educational programs for almost 30,000 people each year. Additionally, one of our female executives serves on the HAVEN board of directors.



Paid time off encourages employee volunteerism



As part of our commitment to remaining active in our local communities, Kelly offers our employees up to eight hours of paid time off for their personal volunteering efforts. This is in addition to employee participation in activities organized by Kelly. We recognize that our employees are passionate about interests and causes that they connect with on a personal level, and we encourage them to spend their time volunteering for these initiatives.

Nineteen percent of Kelly employees used their paid volunteer day in 2016, and we continue to encourage all employees to volunteer as a team or individually to give back to their local communities.



KELLY EMPLOYEES RALLY TO HELP COLLEAGUES IN NEED

In 2016, thousands of people in Chennai, South India, were displaced due to unprecedented rains in the region. The rains caused power outages and disrupted normal activity in the area for days, and residents suffered hardship due to limited access to clean water and food. The area is rebuilding, but it will take time.

Unfortunately, several of our colleagues at Kelly Services lost their homes and belongings during these floods. After the flood, Kelly employees in Asia conducted a “Support Chennai” initiative to raise funds to assist colleagues and their families. To provide additional support, we also held a jeans week fundraiser at our headquarters. Through these combined efforts, Kelly employees raised nearly \$4,000 for their co-workers in need.

A person in a business suit is riding a bicycle. The background is a scenic view of a lake, forest, and mountains. The image is overlaid with a green semi-transparent box containing the word "Environment".

Environment

At Kelly Services, we are aware of the shared responsibility to protect and maintain our planet. We are dedicated to a policy of preservation, conservation, and waste reduction—which holds us accountable for our company, community, and world. Our facilities and operations have a relatively small ecological footprint and are not energy-intensive. Still, we continually seek new ways to implement environmentally responsible business practices across all Kelly operations, while also supporting our customers' efforts to achieve their sustainability goals.

Our commitment to a greener planet

Our commitment to environmental responsibility is formalized through our companywide Recognize® program, which focuses on identifying and promoting green processes and standards. This program, which is led by a core group of employees, seeks to ensure companywide adherence to its policies. Its main objective is to drive participation and interest in green efforts. The Recognize® program uses collaborative thinking to establish new initiatives, while maintaining progress toward existing goals. Through this global program, we seek ways to instill sustainable business practices, reduce waste, and conserve water, while continuing to work on LEED®-related building initiatives.

The immediate benefits of our environmental initiatives include cost savings and carbon footprint reductions. We place a high value on the long-term benefits for future generations and the health of the planet. Indeed, green

isn't just our corporate color—it's the color of a healthy planet, and we are committed to working together to make a positive impact on the world around us.

We are dedicated to establishing permanent, companywide environmental policies and setting high benchmarks for our industry. To implement this vision, our Recognize program reflects a comprehensive approach that includes:

- Annually benchmarking Kelly-owned properties for ENERGY STAR® status from the U.S. Environmental Protection Agency (EPA)
- Participating in EPA's WasteWise® program
- Utilizing renewable, recycled, and recyclable materials where possible throughout our company
- Establishing new relationships with green partners and vendors, and encouraging our current partners to adopt green policies





BUYING INTO TRAVEL EFFICIENCY

Due to the nature of our business, our facilities and operations have a relatively small ecological footprint and are not energy-intensive. Because of this, we see the sustainability efforts of our vendor partners as an important extension of our business. We're proud to work with companies who see the value of sustainability and look to reduce their environmental impact, and help us reduce ours.

For example, we carefully monitor our CO₂ emissions from air travel. In 2016, our company's air travel generated 3,259,288 kg of CO₂ emissions. In addition, in 2016, our primary car rental provider, Enterprise Holdings®, reported that 49 percent of its U.S. and Canadian fleet averages 32 mpg or better. We're proud to book more than 90 percent of our car rentals through this company.

Setting a good example at our corporate headquarters

Our commitment to environmental responsibility starts at the top. Our company leaders and headquarters located in Troy, Michigan, set the standard and reinforce the importance of our Recognize program.

While we continue to make progress in several areas of environmental sustainability, we know that there is always room for improvement. Our headquarters is committed to participating in a combination of initiatives in preservation, conservation, waste reduction, and recycling, and sustainable business practices that help our company make a larger, greener impact. For example, we continue to work with a cleaning service that has reduced energy usage by approximately 25 percent, purchased approximately 17,000 pounds of recycled restroom paper products, and recycled more than 2,130 tons of asphalt and concrete from paving projects.



Each year, Kelly hosts recycling events to collect and recycle employees' personal electronic devices. Employees have the opportunity to bring used personal technology items—such as desktop computers, laptops, monitors, keyboards, printers, and cables—to Kelly headquarters where a vendor collects the devices for recycling. In 2016, we were able to recycle more than 35,000 electronic items through this program as a service to our employees.

OTHER ENVIRONMENTALLY RESPONSIBLE ACTIVITIES INCLUDE:

- An expanded recycling program that encourages widespread paper and plastic recycling in office buildings
- Recycling our used IT assets and equipment in an environmentally friendly manner
- Recycling all toner cartridges from printers and copiers
- Reducing the amount of papers printed through our “Think Before You Print” program
- Creating a dedicated recycling center at our corporate campus to collect old phones, batteries, and other items on a regular basis
- Joining the Detroit Audubon Society and signing on to its “Project Safe Passage,” which helps protect migratory birds from colliding with high-rise buildings as the birds pass through Michigan

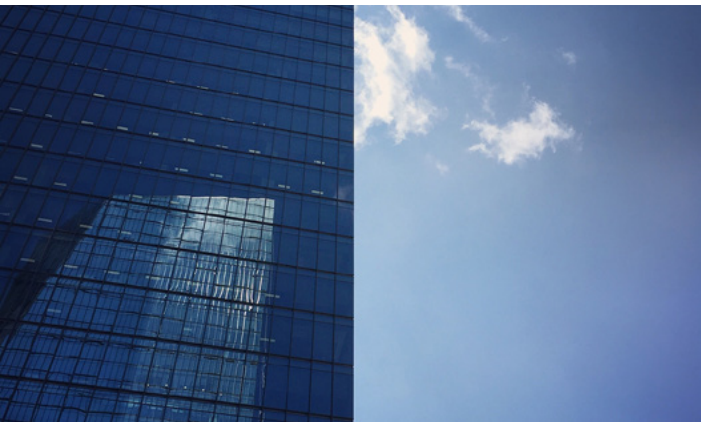
- Holding annual Earth Day events at our headquarters to educate employees and create awareness about our environmental initiatives

Additionally, on March 23, 2017, Kelly headquarters joined individuals and companies around the world in taking a stand against climate change by turning off the lights for one hour. Known as Earth Hour, this annual hour of darkness started in 2007 as a way to raise awareness and support energy conservation.

In recognition of Earth Hour, our corporate campus turned off the lights in the building, the parking lot, and the corporate headquarters sign.



Maintaining green facilities



As part of our Recognize initiative, we continue to strive to operate green buildings across our network of branches, regional offices, and corporate headquarters.

- In our branch offices, we switched from neon to LED signage—which lasts on average five years longer, and has reduced energy usage by more than 80 percent per sign.
- We use brick, permeable pavers to mitigate storm water runoff.
- Kelly lighting systems are integrated into an energy management system.

- All of the boilers and hot water systems on our corporate campus have night setback controls, which were installed to take advantage of periods when the buildings are not occupied or are at reduced occupancy.

We are pleased to report that such activities are occurring across our global footprint. In addition to the activities taking place at our company's buildings, we also encourage employees to implement green practices and recycling at their remote work locations.

Michigan corporate campus buildings earn environmental performance recognition



Kelly is proud to have several of our buildings recognized for outstanding environmental performance. Following are some of the most notable recognitions we received for our corporate campus buildings in Michigan during early 2017.

- **The Outstanding Building of the Year (TOBY) Award:** Presented by the Building Owners and Managers Association of Metro Detroit (BOMA), the TOBY award recognizes quality in office buildings and rewards excellence in office building management. In order to receive this award, applicants must submit a series of photos, documents, and statistics for review. Information submitted includes energy consumption data; environmental, regulatory, sustainability, and waste programs; and ENERGY STAR ratings. Two of our buildings received 2017 TOBY awards—in the “Corporate Facility” category, and in the “Under 100,000 Sq. Ft.” category.

- **EPA ENERGY STAR:** We received 2017 ENERGY STAR certification for three out of the four corporate campus buildings. Earning these ENERGY STAR certifications validates our commitment to reducing energy and conserving natural resources.
- **Building Owners and Management Association (BOMA) 360 Performance Program®:** Two of our corporate campus facilities received BOMA 360 designation—further illustrating that these buildings meet and exceed the industry’s highest standards of operations, management, and service. The designation remains in effect for three years. Areas measured in the BOMA 360 Performance Program include:
 - Operations/management
 - Tenant/occupant relations and community involvement
 - Training/education
 - Energy
 - Environment and sustainability
 - Life safety/security/risk management



CONTINUING THE USE OF SUSTAINABLE MATERIALS FOR FURNITURE AND DESIGN

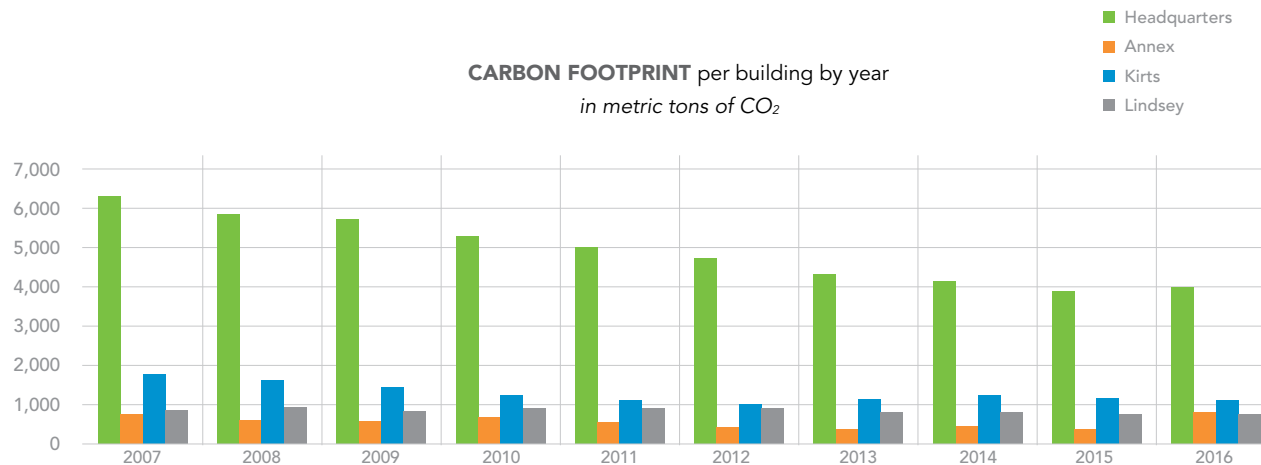
Kelly has extended its environmental commitment to the specifying and purchasing of office furniture and design materials. Our corporate standards include:

- **Chairs** must be assembled using 100 percent renewable power, contain at least 51 percent recycled content, not contain hexavalent chromium or polyvinyl chloride (PVC), and are up to 98 percent recyclable at end of life.
- **Desks** should be manufactured in a 100 percent zero landfill facility; certified as GREENGUARD Gold and BIFMA® Level 3; contain at least 47 percent recycled content; and be free of PVC, hexavalent chromium, and polybrominated diphenyl ethers (PBDEs).
- **Carpets** must be 100 percent recyclable with CRI/CCI Air Quality Test of Green Label Plus®.
- **Paint** must contain zero volatile organic compounds (VOCs).

Addressing our facilities' carbon footprint

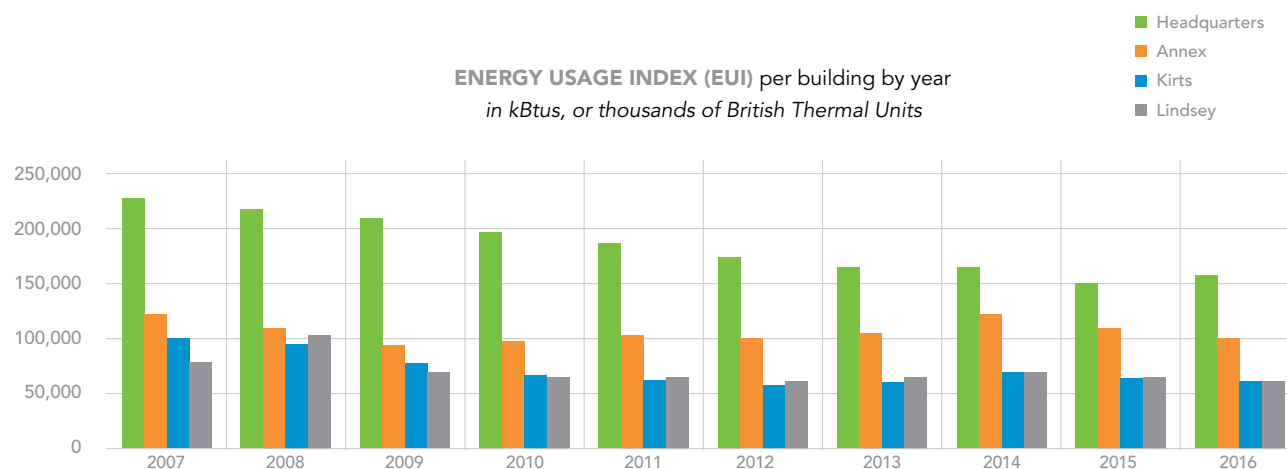
Kelly has made significant improvements in reducing our corporate campus buildings' carbon footprint and energy usage over the years, and we continue to explore ways to decrease the amount of energy used and

emissions produced year-over-year. While the majority of our buildings saw a decrease from 2015 to 2016, we recognize that there is still work to be done to further reduce our company's environmental impact.



Our carbon footprint (CO₂) is based upon the electrical (kWh) and natural gas (MMBtu) consumption of the Kelly Services corporate campus. For electricity, the values are based on related emissions (indirect emissions from power plants); for natural gas, they are based on emissions from stationary combustion.

ENERGY USAGE INDEX (EUI) per building by year
in kBtus, or thousands of British Thermal Units

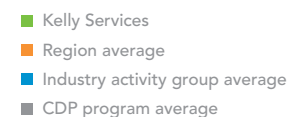


Energy Usage Index (EUI) measures the energy efficiency for a building, similar to miles per gallon for an automobile. EUI takes into account the different types of energy used by a building for one year and is calculated in units of energy (kBtus, or thousands of British Thermal Units) per square foot. Measuring the energy actually consumed, rather than its total dollar cost, is important because the impact over time remains constant even while the price of that unit changes over time. While factors affecting price cannot be controlled, factors affecting consumption can be controlled. These include occupants' habits, the building's energy efficiency, and the tightness of the building's outer surface, or "shell." EUI reflects these factors and the effect of weather. The lower the value, the more efficient a building is.

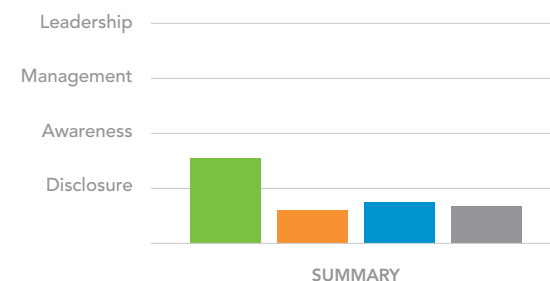
KELLY CDP RESULTS OUTPERFORM INDUSTRY'S AVERAGE

In an effort to measure our performance against industry standards, Kelly Services participates in the annual CDP (formerly known as the Carbon Disclosure Project) questionnaire, which evaluates *Fortune* 500 companies on their greenhouse gas emissions. Kelly Services is proud that its environmental performance ranks well above our industry's average. This is according to the "2016 CDP Climate Change Basic Performance Review Report" issued by ADEC Innovations®, an impact investing company.

OVERALL SCORE COMPARISON



SCORING LEVEL



Source: Kelly Services 2016 Climate Change Basic Performance Review Report, ADEC Innovations

ABOUT KELLY SERVICES

As a global leader in providing workforce solutions, Kelly Services, Inc. (Nasdaq: KELYA, KELYB) and its subsidiaries, offer a comprehensive array of outsourcing and consulting services as well as world-class staffing on a temporary, temporary-to-hire, and direct-hire basis. Kelly directly employs nearly 500,000 people around the world in addition to having a role in connecting thousands more with work through its global network of talent suppliers and partners. Revenue in 2016 was \$5.3 billion. Visit kellyservices.com and connect with us on Facebook®, LinkedIn®, and Twitter®.

