

Growing with purpose

Sustainability Report 2019



Kelly[®]

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Our business

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Recognition



Message from our President and CEO

At Kelly®, we know who we are. We are a talent company with a deep sense of purpose: to connect people with work in ways that enrich their lives. And, we carry out our purpose in ways of welcoming and celebrating the varied backgrounds, talents, ideas, contributions, and workstyles of all. Being a champion for people to succeed in their work/life journey is how we win in a global, competitive market, and most importantly make a positive impact on the world and people everywhere.

Our approach to sustainability relates to making a positive environmental and social impact, being strategic to our business values, rather than being philanthropic. Designed on the concept of social investment, it ensures the creation of future development capacities instead of aiding on isolated occasions. We support initiatives where our employees can actively engage in the causes they believe in that are also connected to our sustainability strategy. In 2019, I had the honor of participating as a volunteer in the first *Engage* (our corporate volunteer program) event held at

our corporate headquarters. Hosting a community volunteer event in-house provided for a rewarding experience for both our guests, as well as us as volunteers.

Based on six key pillars, our sustainability strategy focuses on an Environmental, Social, and Governance (ESG) structure, coinciding with our critical business values:

- *Environmental*: Health, Safety & Environment
- *Social*: Employees and People; Supply Chain and Customer Relations; Engagement
- *Governance*: Ethics and Business Conduct; Communications and Reporting

As sustainability initiatives continue to be a forefront of ambition for positive change in the world and workplace, Kelly is on a path of continuous improvement, setting impressive goals ingrained in our business values that help address the world's environmental and social challenges, while adding value for all our stakeholders. As of 2019, Kelly

began supporting the UN Global Compact and we are committed to aligning our initiatives to the Sustainable Development Goals. We have also created processes and procedures to advance sustainability proactively, resulting in an increase to our performance and scoring in all our external assessments and auditing processes.

Thank you for joining us on our journey of sustainability, as we continue to grow with purpose. We are proud of the positive impact we have had on our communities, our world, and people, where together we thrive.



Peter Quigley
President & Chief Executive Officer
Kelly Services

A note about Kelly's COVID-19 response

Since the Coronavirus outbreak was first reported in December 2019, Kelly has been carefully monitoring the situation. The Covid-19 pandemic has dramatically affected the rhythm of our daily life with severe health and economic impacts. During this difficult, uncertain time, we reinforce our commitment to helping our employees and customers with information and support to navigate the crisis.

Our **Emergency Management Team** is leading the company's global response plan and business continuity actions, ensuring the health and safety of our employees and customers. Every day, this group monitors the Covid-19 situation, evaluates our readiness to respond, and adopts strategic decisions to support our Kelly community around the globe. In the wave of the Covid-19 crisis, we have implemented a specific business continuity plan for preparing and responding to pandemics. This plan includes infectious control measures, communication, education, and travel safety mechanisms.

Kelly operations remain open. We have allocated as many resources as possible to support those displaced from their jobs and find them employment within our Kelly network. The health and safety of our employees and workers continue to be a priority, and we have implemented health and safety protocols to ensure social distancing in essential jobs and avoid the unnecessary risk of transmission. Our industry and its valuable temporary workers are actively serving health care, science, technology, and education organizations that are on the front lines of fighting the Coronavirus.

We established a dedicated page on our website to stay connected with our workers and collaborators and provide updated information and responsive actions across the world. It includes helpful information for employers and employees alike, such as virtual work best practices and resources, tips for balancing their work and personal lives during the crisis, and the Kelly Cares Hotline (855.Kelly.06), which was launched to more rapidly connect with employees and help them find what's next. With a

keen focus on personal well-being, we made training available through the Kelly Learning Center (KLC) around topics such as health and safety, wellness, stress and anxiety management, and remote work readiness. We also made counseling sessions available to our employees and created a follow-up plan for those directly impacted by the pandemic. You can find more information [here](#).

The depth and breadth of our global field network and our shared services operations allow us to continue offering our customers the support they need to maintain their operations, even from a remote location. Kelly's business continuity team is supporting local responses across all customers and regions, following guidelines and recommendations from the World Health Organization (WHO), the U.S. Center for Disease Control (CDC), and the European Center for Disease Prevention and Control. We continue working closely with our customers to provide individualized business continuity plans and encourage collaboration and action.

“An experienced crisis team at Kelly is working around the clock to assess and decisively act on the latest Coronavirus information so that we can help protect our workers everywhere.”

Peter Quigley
President and CEO

A timeline of Kelly's Corporate Sustainability Strategy

In 2017, Kelly made a formal commitment to maintaining and reinforcing its corporate ethics—specifically, in terms of sustainable development, which is to invest in the resources of the present and ensure those resources are available for future generations. The following year, we began a process of self-evaluation and stakeholder engagement, to create a comprehensive strategy for corporate social responsibility and sustainability that combines the needs of our stakeholders—including customers, collaborators, suppliers, control entities, and the community. The main objective: To generate medium- and long-term sustainable development processes that help all Kelly stakeholders thrive.

With this model, Kelly can generate real and significant changes in a sustainable way over time; it's a balance between the social, environmental,

and economic aspects of the organization, and one that fully integrates our stakeholder needs and expectations. This comprehensive corporate sustainability strategy is also a transverse axis within the entire company, thus influencing all functional areas and emerging as part of the company's DNA.

As the Corporate Sustainability Lead, I am particularly proud of the integration and active participation of our stakeholders in the development of our strategy. It is for this reason that our strategy's content and vision for the future is endorsed by our stakeholders, generating a strong sense of belonging; creating added value; promoting respect and equity; strengthening the idea of common good; and rescuing the value of engagement. It is an exercise in corporate ethics that demonstrates the high values and principles which make up our organization.

In 2019, Kelly's commitment to sustainable development increased, as we adhered to the United Nations Global Compact in order to contribute to the achievement of its Sustainable Development Goals and Impact 2030 Agenda.

We are very pleased to present Kelly's Sustainability Report, Growing with Purpose, for the year 2019.

Belen Benitez
Corporate Sustainability Lead



Our business

It's an exciting time at Kelly! We have a compelling and vivid voice in the marketplace, we are the number one recognized brand, and we're boldly embracing the future of work. Late in 2018, Kelly introduced its revitalized brand identity with the tagline: What's Next. This new identity indicated that it was time for us to #DitchTheScript and visibly challenge the stigma attached to temporary work, to champion those who choose to work in "independent" ways (temporary, contract, gig, freelance, etc.), and to help them discover what's next for their careers.

Revitalizing our brand is a multi-faceted initiative. Knowing where Kelly wants to go next and envisioning our future, Peter Quigley, President & CEO, recently announced the next step in our exciting journey—Kelly's new vision:

To be the most creative, insightful, and agile talent company, committed to uniting vital talent with great organizations where, together, we thrive. >

This refreshed vision is an aspirational declaration of the company we want to be. It describes what winning looks like for Kelly. It illustrates what will uniquely set us apart from the competition. And, it is inspired by our Noble Purpose: **We connect people to work in ways that enrich their lives.** It's our WHY.

We ARE a **talent** company – *inspired directly by our Noble Purpose.*

We ARE **creative** – *our roots are as founders of the industry; innovation is at our core.*

We ARE **insightful** – *we know our stuff better than anyone; applying our insights and knowledge will help us solve complex problems today and in the future.*

We ARE **agile** – *speed is key in our industry; we favor practicality over perfection. We will readily adjust to change, both externally and internally.*

During these times of constant change, there are certain things that will never falter: our commitment to our Noble Purpose; our commitment to integrity and ethics; our commitment to our talent and our customers; and our commitment to each other.



Mergers, acquisitions, investments, and divestitures

Acquisitions in 2019

- **Global Technology Associates LLC (GTA)**, a leading provider in engineering, technology, and business consulting services to the telecommunications/5G industry
- **NextGen Global Resources, LLC (NextGen)**, a leading provider of telecommunications, wireless, and connected technology staffing solutions in the U.S.

Both companies provide services to the largest carriers and original equipment manufacturers in the telecommunications industry, positioning Kelly as one of the largest engineering workforce solutions companies in the fast-growing 5G technology space.

Divestitures in 2018

At the end of 2018, we completed the sale of our legal staffing and document review operations to Trustpoint.One, and our healthcare staffing operations to InGenesis, a longtime Kelly partner.

Investments in 2019

Our first three investments from the Kelly Innovation Fund, launched in 2018:

- **Kenzie Academy**, a college alternative that provides job education in Software and UX engineering to grow digital skills on new talent
- **IPSE-U.S.**, a nonprofit association passionate about giving independent workers a powerful voice at the policy-making table
- **The Business Talent Group (BTG)**, which delivers specialized independent talent through a human cloud model, connecting skilled talent with client needs



Kelly by the numbers



Approximately **1,000** employees at the Corporate Headquarters in Troy, Michigan, and **6,700+** throughout our global network



Worldwide coverage in **56 countries**



45,000 customers worldwide



Leader in **PK-12 educational workforce solutions**



440,000+ temporary employees hired on behalf of customers around the globe in 2019



World's largest provider of **scientific staffing** in markets where we operate



Among the top 5 global **MSP providers**



Number 1 provider of **substitute teachers** in the U.S.



Among the top 10 **engineering staffing** providers in the U.S.



2019 revenue of **\$5.4 billion**



Gross profit: **18.1%**

Recognition

- **HRC Corporate Equality Index 2020** – For the third year in a row, Kelly has achieved the top score (100) on the Human Rights Campaign (HRC) Foundation’s Corporate Equality Index and is one of 686 companies to earn a “Best Place to Work for LGBTQ Equality” designation.
- **Flexjobs 2019 and 2020 “Top 100 Companies for Remote Work” List** – For the seventh year in a row, Kelly has been named as a Top 100 company for remote work, helping job seekers and employers “ditch the script” on old ways of thinking about work, and earning the No. 8 spot on the list.
- **INTEL Supplier Continuous Quality Improvement Award** – KellyOCG® received the 2018 Intel SCQI award for Supplier Achievement with distinguished performance in the category of safety.
- **Great Place to Work® Certification** – KellyOCG in India and Australia are named a Great Place to Work-Certified company; this is the first year for India to receive this recognition.
- **Best of the Best by IAOP®** – IAOP’s The Best of The Global Outsourcing 100® list recognizes the world’s best outsourcing service providers—with this year’s list, a culmination of the very best of the best from the last 10 years. KellyOCG is proud to be recognized in the categories of Top Leaders, Top Customer References, Top Corporate Social Responsibility, and Multiple Appearances. IAOP is the global standard-setting association and advocate for outsourcing professionals and the organizations that they support.
- **Human Resources Vendor of the Year for 2019** – KellyOCG in Malaysia and Singapore both received the Gold level award in the category of Best Recruitment Process Outsourcing Partner as a Human Resources Vendor of the Year for 2019. This is the fourth year in a row for KellyOCG in Malaysia to place at the Gold level, and the second year for KellyOCG in Singapore.
- **Michigan Minority Supplier Diversity Council (MMSDC) ACE Awards** – Kelly was recognized by the Michigan Minority Supplier Diversity Council as a 2019 ACE Awards recipient for “Corporation of the Year” Professional Services, the 10th time in 10 years.
- **Forbes’ list of America’s Best Recruiting Firms for 2019** – Kelly earned the fourth spot (out of 250) on Forbes’ 2019 list of America’s Best Professional Recruiting Firms.
- **Michigan Association for College Admission Counseling Achievement Award** – Kelly has been recognized for partnering with the Michigan Association for College Admission Counseling (MACAC) in support of legislation focused on Michigan school counselors advising students on future careers.



Our Corporate Sustainability Strategy

Environmental

Environment

- Energy efficiency
- Water consumption
- Waste management

Occupational health & safety

- Occupational health & safety: employees
- Occupational health & safety: customers

Social

Employees and people

- Our people
- Diversity and inclusion
- Human rights

Supply chain and customer relations

- Our supply chain (KellyOCG)
- Supplier risk management
- Supplier Code of Conduct
- Diverse supplier strategy

Engagement

- Social investment programs
- Disaster recovery

Governance

Ethics and business conduct

- Governance
- Code of Business Conduct and Ethics
- Privacy and data protection

Communication and reporting

- Internal communications
- External communications - sustainability standards
- Transparency and integrity line

Corporate Sustainability Strategy

We consider sustainability to be a guiding principle in strengthening the relationship with our global workforce, suppliers, and customers. As a leading provider of global workforce solutions, we connect people with employment opportunities and make a difference in the communities in which we live and work. Through our programs and initiatives, we seek to contribute to improving the quality of life of our employees, their families, as well as the communities in which they operate. Given the worldwide span of our workers, clients, suppliers, and partners, we recognize the global reach of both our business practices and our public accountability.



Two years ago, Kelly embarked on a transformation from a Corporate Social Responsibility model, to a new Corporate Sustainability Strategy aligned to our business core. This new approach, rather than focusing on philanthropic initiatives, is strategic to our business values and embodies our mission of connecting people to meaningful work opportunities in ways that enrich their lives, while strengthening our relationship with our global workforce, suppliers, and customers, where together we thrive.

Our Corporate Sustainability Strategy aims to guide all our subsidiaries and collaborators in the planning, management, and implementation of responsible and sustainable practices for creating meaningful, measured, and impactful shared value to all our stakeholders. This strategy is embedded across our business operations and has been developed with consideration given to the perceptions of our stakeholders, as well as its impact on our business operations.

Our strategy is built on six key pillars:

- Occupational health & safety (OH&S) and environment
- Employees and people
- Engagement
- Supply chain and customer relations
- Ethics and business conduct
- Communication, evaluation, and reporting

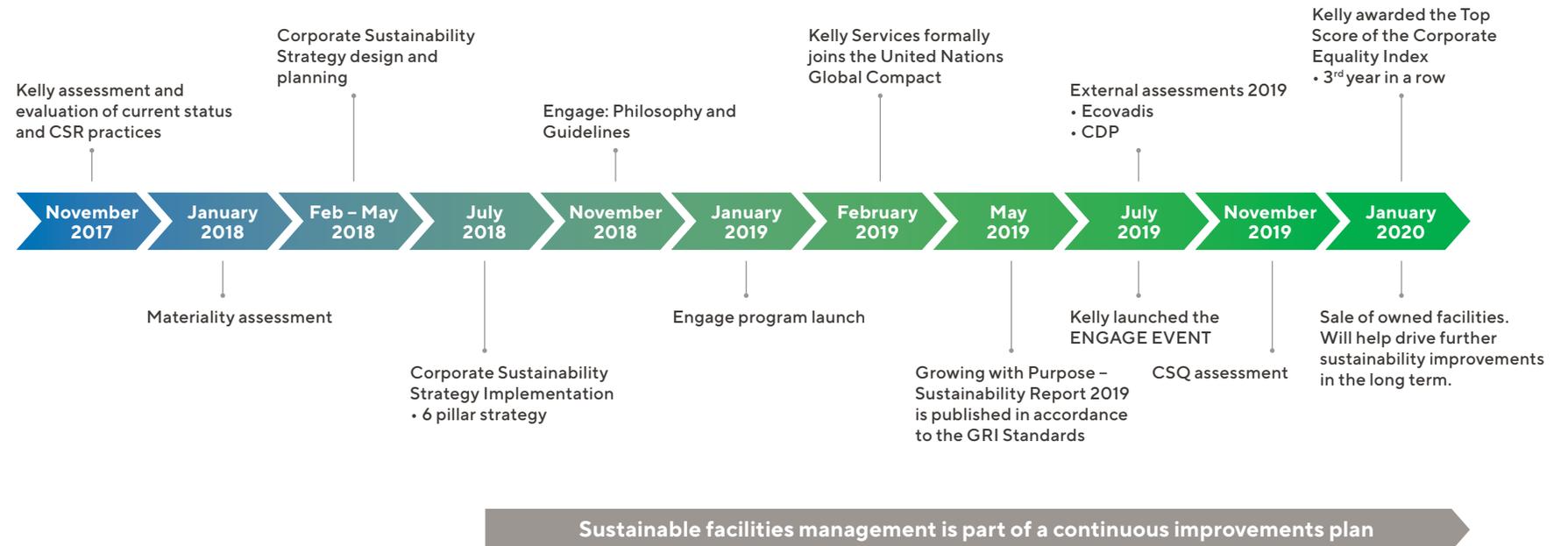
In 2018, we achieved significant milestones in our Sustainability Strategy. For the first time, Kelly conducted a materiality assessment that helped define the policies and guidelines to develop our sustainability agenda. This process helped us identify the main concerns and actions needed to focus on supporting the Triple Bottom Line*.

As we continue developing and monitoring our Sustainability Strategy, we work closely with cross-functional areas to assess our outreach and impact, considering an interdisciplinary perspective. We also have formalized the oversight of our Environment, Social, and Governance (ESG) efforts through a sustainability governance committee represented by executive leaders and supervised by the Board.

In early 2019, Kelly signed the United Nations Global Compact, which continues to inform its commitment to the United Nations Sustainable Development Goals (UN SDGs). Our progress is reported to our stakeholders following international sustainability frameworks through the Global Reporting Initiative (GRI), CDP (formerly Carbon Disclosure Project), UN SDGs, and several investor- and customer-facing external disclosures.

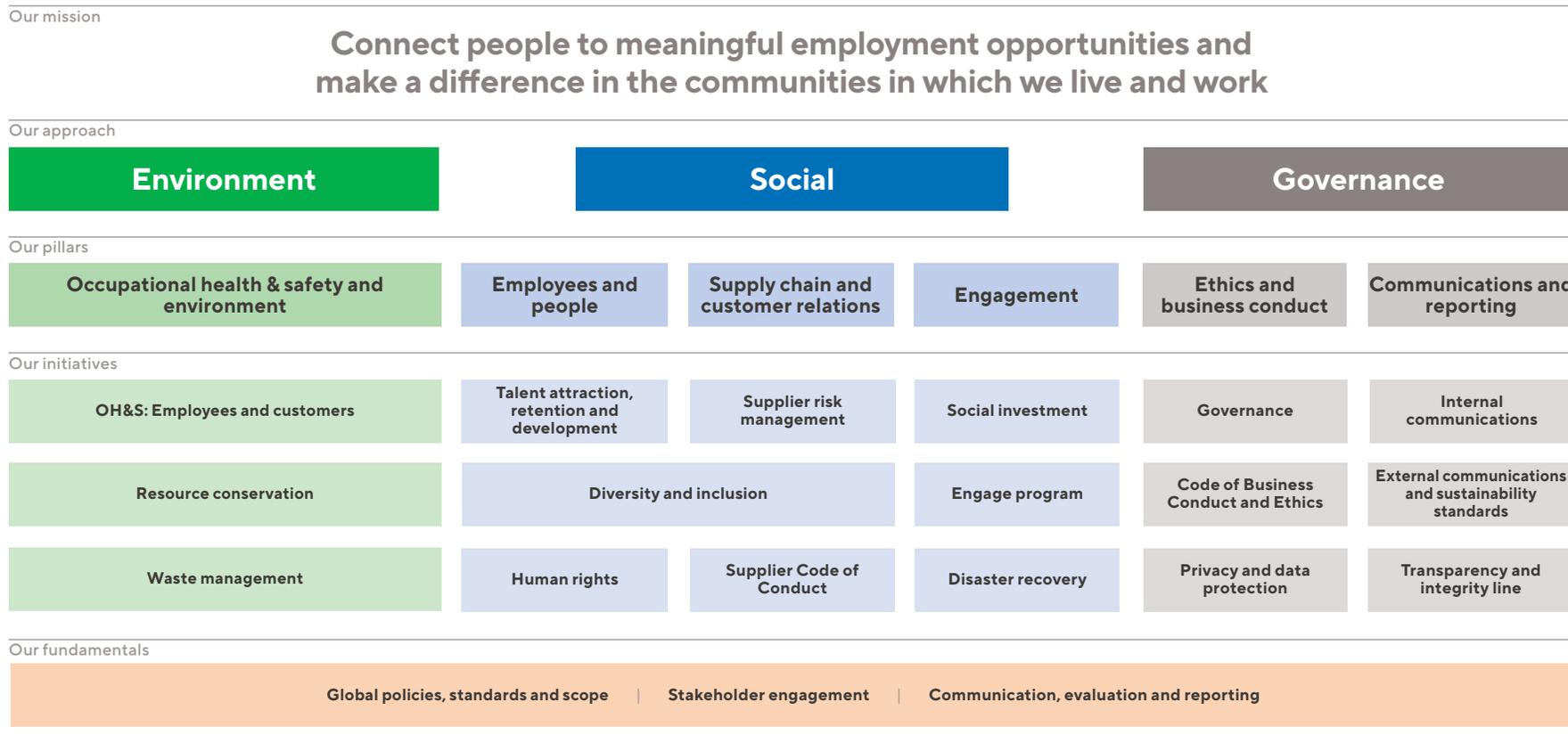
* The Triple Bottom Line (TBL) is a concept that includes social and environmental considerations to the business model, in addition to the financial ones. It measures a company's degree of social responsibility, its economic value, and its environmental impact.

Transitioning to a Corporate Sustainability Strategy



Alignment to SDG

Kelly recognizes the importance of actively working toward the achievement of UN Sustainable Development Goals (SDGs) and the 2030 Agenda for Sustainable Development. Our Corporate Sustainability policy is based on six pillars that are aligned with these Sustainable Development Goals. This policy sets out guidelines and strategies to ensure universal principles of human rights, labor, environment, and governance to advance societal goals. We have been signatories since 2019, and are committed to the 10 business principles of the UN Global Compact.



Environmental

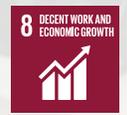
Environment

- Energy efficiency
- Water consumption
- Waste management

Occupational health & safety

- Occupational health & safety: employees
- Occupational health & safety: customers

Our ambition in occupational health & safety and environment contributes to SDGs. >



Key milestones and figures



Between 2007 and 2019, we have reduced our corporate campus buildings' carbon footprint by 39.89%.



We purchased 3,687 square yards of carbon-neutral flooring for our HQ campus. This will result in the reduction of 32 metric tons of CO₂ in our atmosphere.



Since 2007, the energy consumption in our corporate campus has decreased 16.05%. Energy consumption in the Kirts building decreased 48.06%, in the Lindsey Center 16.41%, and in our HQ, 84.05%.



Scope 1 emissions: 771 metric tons of CO₂.



Scope 2 emissions: 5,762 metric tons of CO₂.



Scope 3 emissions: 2,747.07 metric tons of CO₂ from air travel and 2.07 metric tons of CO₂ from rail travel.



We launched the Rocketrip Travel Rewards Program to promote smart business travel decisions and reduce Scope 3 greenhouse gas (GHG) emissions.



The Shred-it program recycled more than 275,900 lbs. of paper. This is equivalent to saving 2,357.72 trees. This program has contributed to saving approximately 1,810,550 gallons of water in 2019.



5,750 electronic items were properly recycled, representing approximately 37,997 pounds of electric waste.



Our Absolute Zero program recorded the lowest recordable incident rate in our history.



Kelly received the Gold Standard for Safety Excellence.

Environmental

Environment

- Energy efficiency
- Water consumption
- Waste management

Kelly is committed to its responsibility to protect and maintain our planet for future generations. We strive to keep our ecological footprint to a minimum and promote internal environmental initiatives in order to promote a culture of preservation, conservation, and waste reduction.



We acknowledge the importance of contributing to addressing climate change, and we are adopting internal practices to reduce our environmental impact and climate-related risk. Our commitment is to establish companywide environmental policies and practices to reduce our ecological footprint and support our customers in adopting their own environmental sustainability goals.

Since 2017, we have implemented environmental guidelines across our operations to identify issues, measure progress, reduce our carbon footprint, and report on our performance regarding climate-related issues. Our environmental practices are formally disclosed through environmental guidelines that involve external compliance standards, ensuring transparency and accountability. In the CDP, we report our environmental impact regarding measurements of energy usage in our building operations, as well as CO₂ emissions from air and rail travel by employees.

Our efforts are focused on reducing our GHG emissions and increasing the energy efficiency of our Corporate Headquarters; integrating



green building procedures in our facilities; and promoting smart environmental decisions from our employees, in addition to having implemented our robust remote work program, “Kelly Anywhere.” Although Kelly is not a water-intensive user, we aim to improve our water management and implement better waste management in our direct operations.

Environmental recognition:

- **The Outstanding Building of the Year (TOBY) Award 2019:** Presented by the Building Owners and Managers Association of Metro Detroit (BOMA), the TOBY award recognizes quality in office buildings, rewarding excellence in office building management—taking energy consumption data, as well as environmental, regulatory, sustainability, ENERGY STAR® ratings, and waste programs into account. In 2019, we received the award for the Lindsey Centre Building in the “Corporate Facility under 100,000 Sq. Ft.” category.
- **National Air Filtration Association:** Kelly was awarded the Clean Air Award for 2017-2019 at our Annex and Headquarters buildings.



Energy efficiency

We measure energy consumption in the organization based on the electricity and natural gas used for operations at the corporate campus, located in Troy, Michigan. Our business operations are limited to four building/office spaces: Kirts, Lindsey Centre, the Annex, and HQ, as well as a significant amount of personnel working remotely, through our Kelly Anywhere program.

Since 2017, our corporate campus has been undergoing a remodeling process in all its offices that is expected to alter business as usual, in terms of energy consumption. Once the renovation process is completed, the operational baseline will be reviewed to establish more assertive, measurable targets and to enhance our performance in reducing emissions and increasing energy efficiency. The remodeling process also seeks to implement the use of materials and technologies that can help us reduce the ecological footprint of our operations.

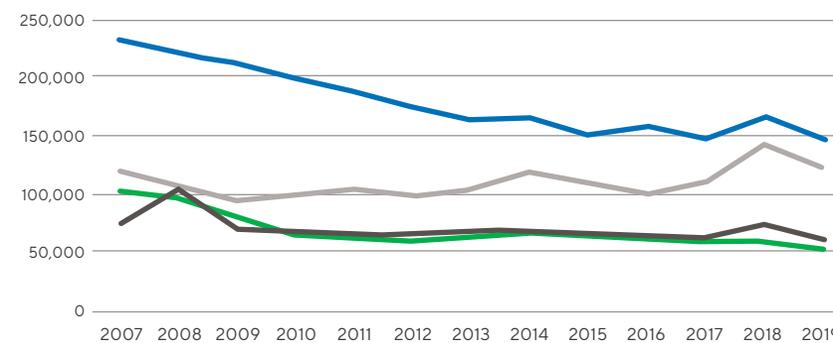
Energy consumption

We reduced the energy consumption in our Headquarters campus by 16.05 percent between 2007 to 2019. The energy reduction is partly due to IT services’ transition to cloud technology, as well as the implementation of conservation and efficiency initiatives in our facilities. In the Kirts and Lindsey Centre buildings, this reduction was 48.06 percent and 16.41 percent, respectively. In our HQ, this reduction was 84.05 percent. However, the Annex building in our corporate campus reported an increase of 3.72 percent in energy consumption, due to relocation of employees to this building during the remodeling process.

In December 2019, we sold our Lindsey Centre and Annex buildings. Additionally, we entered into a definitive agreement to sell and lease back our Corporate Headquarters in Troy for the next 20 years. This agreement will help us expand our Kelly Anywhere initiative and consolidate our employees into two buildings. We will co-manage our emissions reductions in collaboration with the new facility owner.

Energy Usage Index (EUI)

Per building by year in kBtus, or thousands of British thermal units

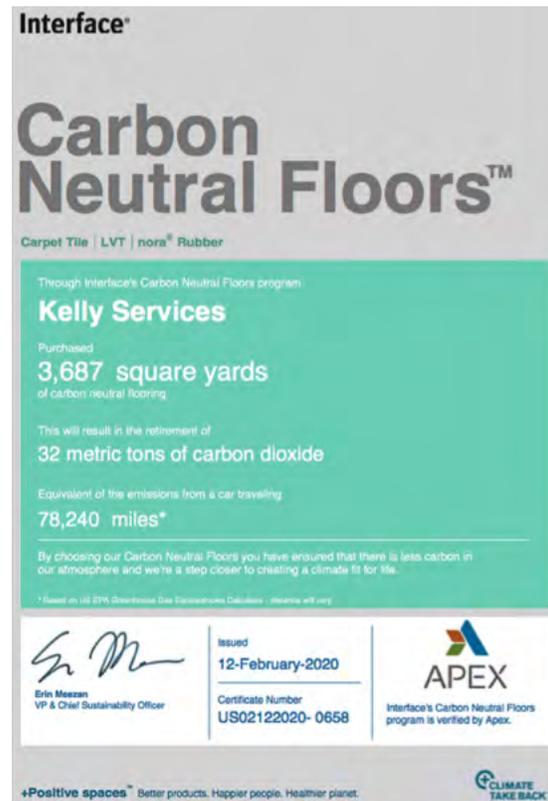


● Headquarters ● Annex ● Kirts ● Lindsey

Energy Consumption is measured by the Energy Usage Index (EUI) that analyzes the energy efficiency per building, per year. 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. This Index allows us to measure the energy actually consumed, including factors affecting consumption, rather than its total monetary cost. These factors refer to occupants’ habits, the building’s outer surface, as well as the effect of weather. The lower the value, the more efficient the building.

The adoption of green building procedures in our corporate campus and the implementation of our Kelly Anywhere program have contributed to increasing our energy efficiency and reducing our carbon footprint.

- In 2019, we purchased 3,687 square yards of carbon-neutral flooring for remodeling two complete floors in our HQ building. This certification, verified by APEX, will result in the reduction of 32 metric tons of carbon dioxide from our atmosphere.
- Our corporate and field offices use LED lights—which contribute to reducing our long-term energy usage.
- Kelly’s lighting systems are integrated into an energy management system to monitor our energy efficiencies.
- All boilers and hot water systems in 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.



Kelly Anywhere: Kelly has developed Kelly Anywhere for employees seeking consistent and flexible work arrangements for the long term. The program allows employees to collaborate with coworkers and managers while working online, and not necessarily being present at the work space. This initiative is an opportunity to balance personal life and work—responding to a need to adapt to new ways of working and reducing commutes, including the social and environmental impacts associated with transportation. This program is currently available for exempt employees working at the HQ in Troy, Michigan, and eligible employees working remotely due to business need. Currently, Kelly has 400-plus employees participating in the Kelly Anywhere program.

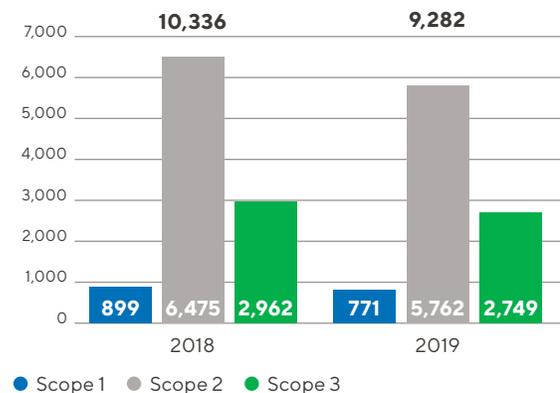
Remote workers: Considering our global operations and disposition to offer flexible work opportunities, Kelly has an increasing number of employees working remotely. This initiative responds to market trends, allowing us to promote and offer flexible opportunities to better balance employees’ work/life. Our KellyConnect® call center program has 6,800 employees working remotely.

Rocketrip Travel Rewards Program: In June 2019, Kelly launched an innovative corporate travel benefits program for U.S. and Puerto Rico full-time employees. This program rewards employees for making smart business travel decisions by providing Rocketrip points that can be redeemed in gift cards and even charities, including the Kelly Relief Fund. Employees can earn points by making decisions for choosing a cheaper flight, staying with a friend, increasing online meetings, and others.

GHG emissions

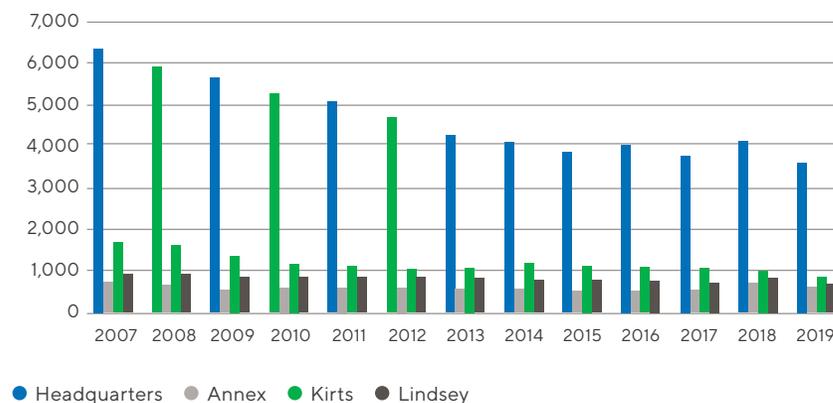
As a non-energy intensive industry, our goals are mainly focused on measuring and reducing our greenhouse gas emissions from our HQ campus buildings, (Scope 1) and (Scope 2), based upon electrical (kWh) and natural gas (MMBtu) consumption, as well as from our business travels (Scope 3). From 2007 to 2019, Kelly has made significant improvements in reducing the energy usage in our corporate campus buildings, as well as the carbon footprint, by 39.89 percent over the years.

Global GHG Emissions by Scope (CO₂e MT)



Carbon footprint

Per building by year in metric tons of CO₂



Scope 1: Direct GHG emissions

Our baseline emissions have been estimated at 700 metric tons of CO₂ on our Scope 1-direct GHG emissions, which came from our own operations in 2017. In 2018, our emissions increased due to construction and remodeling of our facilities, increasing to 899 tons for Scope 1-direct emissions. However, in 2019, we reported emissions of 771 metric tons of CO₂, fulfilling our aim to reduce our footprint and not exceed our baseline target by the end of 2020. Our medium-term goal is expected to reduce our emissions by three percent over a three-year period until 2020.

Scope 2 (location-based): Indirect GHG impact

Our Scope 2 GHG emissions are measured by the energy we purchase to power our offices. In 2019, we reported emissions of 5,762 metric tons of CO₂, based on our location-based analysis, using information from the utility consumption in our own buildings. All leased locations are excluded from this measurement, as we do not have access to electricity supplier or residual emissions factors.

Scope 3: GHG impact from business travel

Our Scope 3 measures only GHG emissions from business travel via air and rail from our employees. Metrics are calculated using Carson Wagonlit Travel's AnalytIQs, which measures emissions based upon the locations of airports and traveled distance. In 2019, our CO₂ emissions from air travel generated in U.S. operations were 2,747.07 metric tons CO₂e. For rail travel, this value was 2.07 metric tons CO₂e.

The energy intensity ratio measures the amount of energy used by our employees in the U.S. In 2019, the energy intensity ratio was 4.5 tons of GHG emissions, which is calculated estimating the average annual number of employees in our HQ campus (est. 1,000) and employees working remotely in our Kelly Anywhere program (est. 449), against Scope 1 and Scope 2 GHG emissions reporting.

Water consumption

We are not a water-intensive user; our water usage is relatively small. We only use water in our offices for domestic purposes, irrigation, and operational processes. Still, we strive to evaluate water-related issues and opportunities to prevent resource depletion and reduce our ecological footprint. With the renovation of the HQ campus, we have adopted green building practices to minimize the amount of water usage in our everyday operations and consolidate the measurement of water consumption within our building facilities. Inside our HQ offices, we installed water conservation faucets and toilets.

Outside our campus, we use controlled irrigation systems that reduce water use and have impermeable brick pavers to mitigate storm water runoff. Our external gardens have low water consumption plants and grass, which require less irrigation during the summer and also have a better re-growth process during spring. We also have implemented initiatives to increase awareness of water conservation with our employees. The Shred-it program has contributed to saving approximately



1,810,550 gallons of water in 2019. According to Shred-it, each ton of recycled paper can reduce energy consumption by 65 percent and water by 58 percent, reducing air pollution by 60 lbs. as it reduces the demand for new lumber and resources for manufacturing. The program also helps plant more trees to balance gases in the atmosphere.

Waste management

Kelly manages its waste generation by implementing recycling initiatives from our operations and electronic equipment (e-waste), in order to improve efficiency and reduce operating costs. In our corporate campus, we implemented the Shred-it program to recycle more than 517,300 lbs. of paper in 2019. This is equivalent to saving 4,420 trees.

We intend to use resource-efficient workplaces that can help us to reduce our ecological footprint and waste generation. We also have implemented responsible procurement guidelines to acquire and use our office products made from 100-percent recycled content and environmentally friendly materials.

The creation of a recycling center at our corporate campus has guaranteed the final environmental disposition of electronic items. We have collected old phones, batteries, cables, PCs, laptops, and other electronic items, following stewardship standards for responsible e-waste management. In partnership with vendors, Kelly has implemented standardized procedures for proper separation and recycling of IT assets and equipment. Vendors are responsible for deleting information from machines



in order to remarket the devices or ensure the final environmentally friendly disposal of assets and all their components. We also work with our vendor, Staples, to reuse and guarantee the final disposition of toner cartridges from printers and copiers in our office buildings. This program has recycled more than 5,750 items, representing approximately 37,997 pounds of electronic waste.

Environmental

Occupational health & safety

Occupational health & safety: employees

Occupational health & safety: customers

Kelly recognizes a shared responsibility to protect our people and planet. Our human capital is our most important asset. We are committed to achieving zero accidents and occupational hazards to create working environments with the highest standard of safe and healthful conditions.



Occupational health & safety: employees

Our commitment to employee safety is an integral part of our culture and a key to our continued success. Kelly maintains a safe and healthful working environment through the highest safety standards and proactive initiatives to prevent occupational illnesses and injuries. Our **Absolute Zero** program provides internal processes, training, and companywide guidelines to ensure that we maintain standards of worker safety protection that instill a sense of confidence and security in our workplaces. Safety training and an introduction to our safety handbook are critical elements of our orientation program for all new employees. Beyond just compliance with health and safety legislation, the Kelly Safety team, through our Absolute Zero program, recognizes the importance of each and every healthful employee—solidifying our commitment to zero accidents, zero injuries, and zero harm.

We hold managers, employees, and customers responsible for understanding, leading, and upholding our commitment to safety standards in the workplace. We train our employees to become familiar with customers' work environments, safe work practices, emergency procedures, and protective equipment. All employees are expected to follow and promote safety standards, recognize safety hazards, and report them in a timely fashion to on-site management.

Occupational health & safety: customers

Our health and safety workplace commitment extends to our customers. As a global workforce supplier, we strive to help our customers prepare for and ensure the highest safety standards at the workplace for our employees through our Global Safety and Health Program. This program provides pre-assignment risk assessments, worker training, and analysis of incident reports to assess customers' commitment to safety standards, determining what conditions exist at the workplace, which hazards may be encountered, and how to best ensure protection for temporary workers. This program also leads a Health & Safety committee in which our temporary employees actively participate.

Kelly managers are responsible for working with customers to assess work conditions, identifying potential issues, and preparing employees to complete their work while following safe and healthy procedures. All customers are assessed prior to servicing and are regularly monitored under their health and safety performance through performance evaluation and safety committees. The Global Safety and Health Program is aligned with the Occupational Health

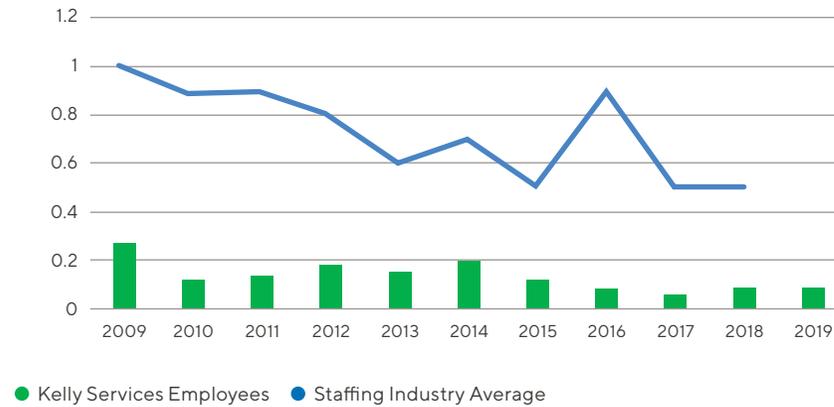


and Safety Assessment (OHSAS 18001) and is analyzed in accordance with two measurements: Total Recordable Incident Rate (TRIR), and Days Away Restricted and Transferred (DART) rate. This measurement consistently represents just one-third to one-fourth of the industry average.

In 2019, our Absolute Zero program recorded a 0.15 total recordable incident rate—the lowest in our history—and a 0.08 DART rate. Data rates were calculated using OSHA recordable injuries to full-time and directly supervised U.S. employees only.

DART – Days away restricted and transferred rate

incidence per 200,000 work hours



TRIR – Total recordable incidence rate

incidence per 200,000 work hours



*2019 BLS staffing industry average not available at time of printing.

Kelly maintains an industry leadership role in safety

Our commitment to health and safety workplaces has allowed us to keep our leadership in driving safety standards across the staffing industry. We collaborate with industry peers and government agencies to design and share best practice guidelines that provide recommendations to help other staffing firms and their customers ensure a culture of health and safety in their work environments.

In 2019, Kelly participated in two significant safety initiatives to increase safety awareness and encourage staffing firms to adopt standards to foster and measure continuous safety improvements. In partnership with the American Society of Safety Professionals Greater Detroit Chapter, Kelly hosted the sixth annual event for the Coffee with MIOSHA to share best practices that improve the safety of Michigan's workers across all sectors.

Kelly also participated in the Michigan Safety Conference, the largest safety educational event in the state that gathers professionals from human resources, safety, and risk management, as well as employee representatives. This year, Kelly was invited by our partner, Ford Motor Company, to present on the topic: Temporary Employee Safety, The Division of Responsibility.

Kelly received the Gold Standard for safety excellence

The **Houston Business Roundtable (HBR)** awarded Kelly with the **Gold Level Award for Safety Excellence**. This marks the fourth consecutive year that Kelly has earned this recognition among 1,500 industry representatives from both owner and contractor companies. Kelly was proudly nominated by The Dow Chemical Company (Dow) and ExxonMobil, based on factors including level of contingent worker safety engagement and overall safety performance for both customers.

Other safety recognition in 2019:

- Outstanding Safety Performance as the SAI Large Company Leader – presented by the SAI Team, ExxonMobil Baytown Complex
- Outstanding Safety Performance as the SAI Medium Company Leader – presented by the SAI Team, ExxonMobil Baytown Complex



Pictured (from left to right): Cheri Duggan, senior manager of Safety, Health and Environmental; Joe Erickson, manager of Safety, Health and Environmental - Onsite at ExxonMobil Baytown; Ashlee Bainbridge, manager of Safety, Health and Environmental - Onsite at Dow Texas Operations; and Jerry Plattenberg, director of Safety, Health and Environmental.

Kelly is involved in the following initiatives:

- **Development and implementation of Employee Safety Best Practices** by the American Staffing Association's Employee Safety Committee. Since 2011, the guidelines have helped to improve the industry's safety record, and have been used to analyze impacts on productivity, turnover, and insurance costs.
- **Participation in the OSHA Temporary Worker Initiative** – We launched this initiative in 2013 to help staffing agencies and host employers understand and manage their OSHA compliance and safety program obligations through 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—ensuring that OSHA's training, hazard communication, and recordkeeping requirements are fulfilled."

Social

Employees and people

- Our people
- Diversity and inclusion
- Human rights

Supply chain and customer relations

- Our supply chain (KellyOCG)
- Supplier risk management
- Supplier Code of Conduct
- Diverse supplier strategy

Engagement

- Social investment programs
- Disaster recovery



Our ambition in Equal Employment Opportunity (EEO) and our people, engagement, and supply chain and customer relations all contribute to SDGs: >

| | | | |
|-------------------------------|-----------------------------|---|--|
| 4 QUALITY EDUCATION | 5 GENDER EQUALITY | 8 DECENT WORK AND ECONOMIC GROWTH | 9 INDUSTRY INNOVATION AND INFRASTRUCTURE |
|-------------------------------|-----------------------------|---|--|

Key milestones and figures



91% of suppliers committed to our Supplier Code of Business Conduct.



eMeRGe (Kelly's millennial resource group) reached 83 members in 13 countries worldwide.



400-plus employees are participating in our corporate volunteering program. This represents more than 4,000 hours of service to their local communities.



We hired 10,000 veterans on behalf of our clients.



100% of Kelly full-time and temporary employees participated in new training that covers internal policies and guidelines: anti-harassment, diversity, and data protection.



Diverse supplier programs reached \$4-plus billion in investments to contribute to economic sustainability in minority communities.



Approximately \$115,000 USD was contributed to social development initiatives.



KellyConnect has engaged 700 individuals with disabilities for work opportunities with our clients.



Kelly was awarded the top score in the in the 2019 Corporate Equality Index, by the Human Rights Campaign Foundation.



Our Leadership in Action program reached approximately 800 participants—designed to develop and build our internal talent community.



The Kelly Relief Fund provided financial support to 13 of our employees who were impacted by climate-related issues.



We deployed a program to connect furloughed federal workers affected by the U.S. government shutdown to short-term assignments in 10 cities across the nation.



Our new Wellness Initiative allows our global workforce to integrate practices of being focused, balanced, and healthy, while enhancing our corporate culture.

Social

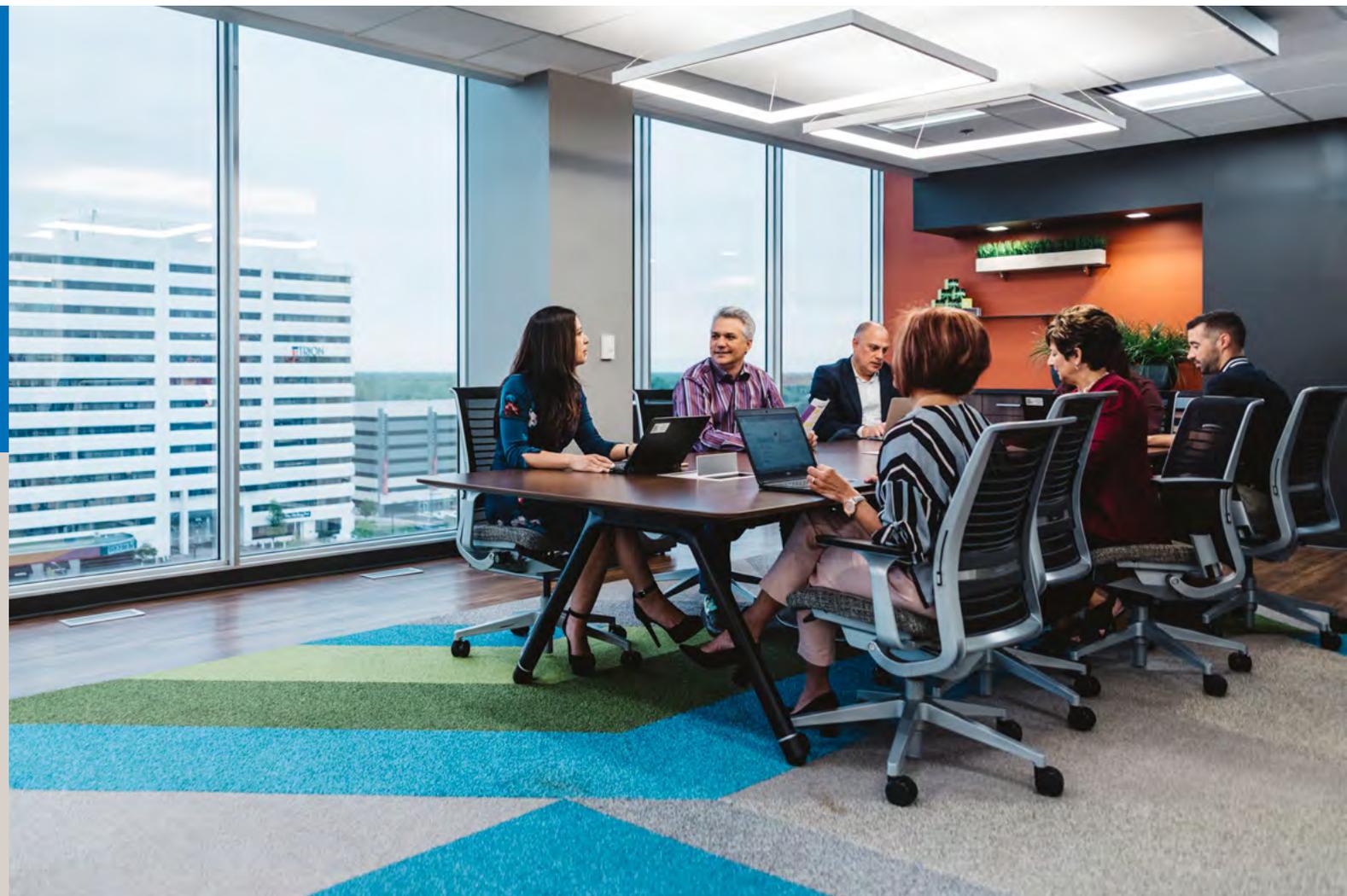
Employees and people

Our people

Diversity and inclusion

Human rights

Kelly takes seriously its responsibility to protect, support, and prepare workers for successful careers. Talent is at the core of our business, and we are committed to providing meaningful career opportunities, resources, and skills to the global workforce. Our goal is to enrich our communities and workers' lives while leading by example in areas such as workplace safety, health, wellness, diversity, inclusion, and training and development.



Our people

Kelly provides employment opportunities to more than 7,700 individuals around the globe. We truly believe in our responsibility of providing inclusive and fair working conditions that ensure our corporate citizenship in all our operations worldwide. We are committed to providing Equal Employment Opportunity and welfare for all our employees and ensuring the protection of human rights in our global operations.

Our business hinges on preparing our workforce for delivering the best talent and skills to meet the work expectations of the present and future labor market, regardless of which industry or client we are serving. Kelly provides the resources and skills that the global workforce needs to thrive in a more competitive and digitized world. Since many companies allocate nearly 60 percent of their expense to talent, our partnerships with customers offer a critical resource through ongoing consultation and real-time workforce strategies.

Talent attraction, retention, and development

Kelly has implemented worldwide standards to guarantee compliance with fair business practices and labor conditions, along with our global operations across our supply chain. All our working and labor practices and standards align with global initiatives such as the International Labour Organization (ILO) Convention or the UN Guiding Principles on Business and Human Rights. Although the outreach of our operations is global, working conditions are adapted to ensure compliance with local labor laws and regulations.

Kelly has implemented formal internal policies to guarantee non-discriminatory practices and equal employment opportunities in the workplace. We abide by our internal compensation guidelines to attract and retain our talent, endorse a pay-for-performance culture, and provide competitive benefits to support the health and financial well-being of all our full- and part-time employees and their families. We are proudly ranked in the top five percent of the supplier's assessment by EcoVadis regarding fair business practices.



We monitor our employment statistics as one measurement of our talent management effectiveness. >

New employee hires in 2019 (U.S.)

Full-time internal employees / Total hires: 980

BY AGE ● Under 30 ● 30 - 50 ● Over 50



BY GENDER ● Male ● Female



Employee turnover rate in 2019 (U.S.)

Total employees: 1,139

BY AGE ● Under 30 ● 30 - 50 ● Over 50



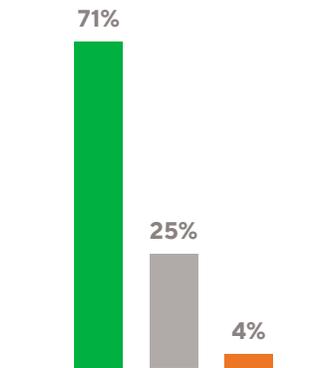
BY GENDER ● Male ● Female



Number of employees in 2019, globally

Permanent employees only

BY REGION ● Americas ● EMEA ● APAC



Permanent employees: 7,529

BY GENDER, in the U.S. ● Male ● Female

Full-time internal employees



Total 4,427

Understanding our data helps our company improve our performance and better allocate our resources. >



Employees in leadership roles, in the U.S.

Total: 64

BY GENDER ● Male ● Female



Employees in non-leadership roles, in the U.S.

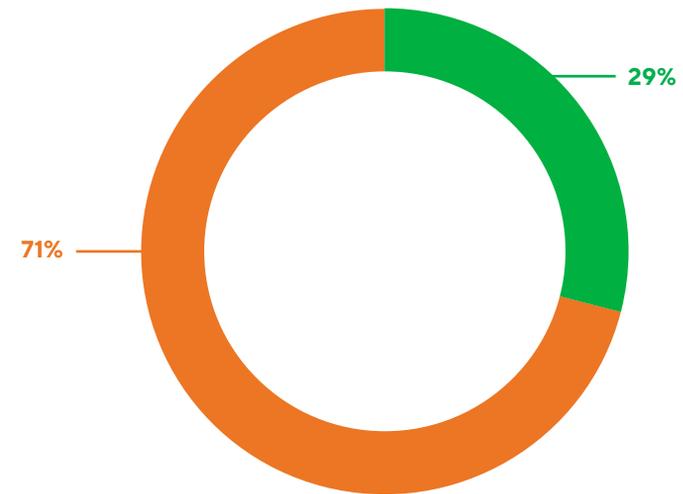
Total: 4,400

BY GENDER ● Male ● Female



Employment in 2019, in Americas

BY GENDER ● Male ● Female



Full-time employees

Competitive benefits

We provide additional standard benefits for all our employees, including:

- Medical insurance – health care, dental, and vision; health savings account; health care spending, and dependent care spending
- Life and Disability insurance – group term life; disability; accidental death and/or dismemberment; outpatient physician’s treatment; disability income (basic and supplemental), and more
- Retirement plans – Starting in 2020, Kelly has included a new Environmental, Social, and Governance fund option: Parnassus Core Equity
- Paid time off – holidays; personal time off; bereavement; volunteer day; birthday; and sick days
- Parental leave
- Employee Assistance Program – offers access to counselors, wellness, and mental health programs and resources; discount programs; life advisor coaching services, and others
- Supplemental plans – business travel accident plan; employee discount program; group home and auto program; transportation spending; vacation purchase; voluntary legal plan, as well as others
- Educational assistance – including the new Peanut Butter program that will help to tackle student debt
- Stock ownership
- Flexible work schemes



Parental leave

In 2019, our employees benefited from our paid parental leave program in the U.S.

BY GENDER ● Male ● Female



Participated in parental leave program: 82 employees

Return to work and retention rates

BY GENDER ● Male ● Female



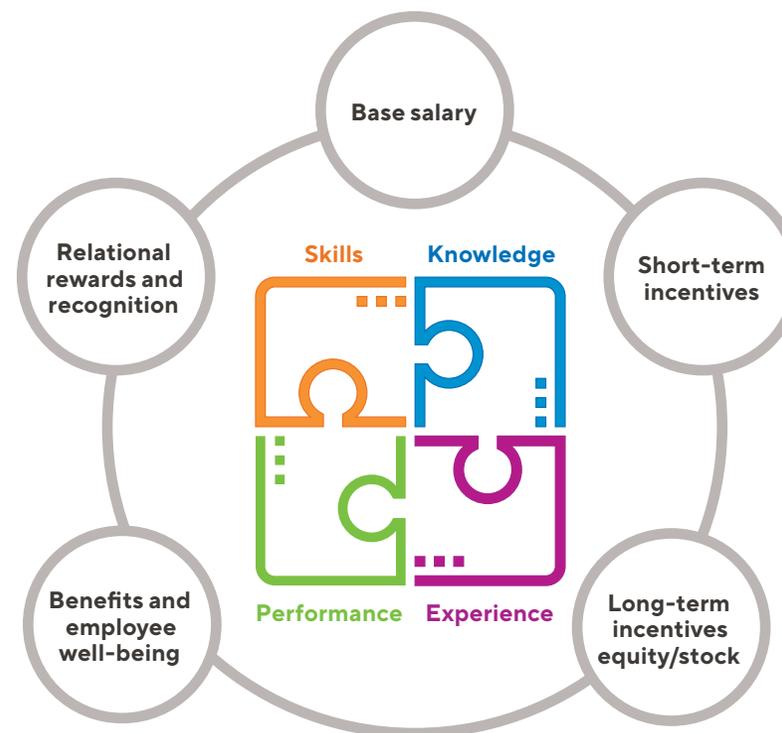
Non-discrimination and compensation philosophy

Our **Global Compensation Philosophy** establishes internal policies to guarantee equitable compensation to all our employees and provide comprehensive opportunities for their career development. This philosophy has formalized and enhanced transparency in our compensation practices, ensuring equal employment in recruitment, selection, training, compensation, promotion, job transfer, and assignments.

Our aim is to guarantee our commitment to nondiscriminatory practices in the workplace, where all qualified applicants and employees enjoy the same right to employment and advancement opportunities, irrespective of race, color, sex, age, religion, national origin, sexual orientation, disability, veteran status, or any other category under applicable laws.

Kelly's total rewards framework is designed to attract and retain talent; provide differentiated rewards to recognize key talent; provide market-competitive and equitable compensation; align with the budget and financial performance of the company and business segments, and apply fair and equitable pay practices. It is applied using internal guidelines based on factors such as: roles and responsibilities; employee performance, skills, experience, and qualifications; external benchmarking; internal equity, and geographical location.

Kelly's total rewards framework entails five key components:



Career development opportunities and training

We play a significant role in preparing future talent and shaping a diverse workforce that effectively responds to workforce trends and labor opportunities in all industries where we operate. Our commitment is to facilitate employment opportunities and continuously provide today's talent with the necessary resources, skills, and supporting tools to advance in their careers and work opportunities.

The **Kelly Learning Center (KLC)** provides a learning platform that offers employees ongoing online training through virtual instructor-led courses, web-based training, and videos/seminars. This online learning community is available for free to all employees and aims to develop the skills, and/or re-skill employees, to be competitive in the current labor market.

The KLC also offers a career development program, which provides individual development needs through a development management tool that helps employees and businesses design career goals and provides skills-related training, while

offering a framework for the exchange of feedback. The program, as well as its objectives, is evaluated annually by managers and their team members, to help prepare the skills and select programs that best support their interests and individual career development.

In 2019, we launched the **Growth Zone initiative** that provides resources to support career development conversations to better track and measure performance, strengthen employees' skills, and help with their career planning model. We also presented the Internal Résumé Program to promote internal recruitment opportunities using internal résumé building and career profile tools.

In 2019, the KLC provided approximately 11 hours of training per employee. The KLC provides training opportunities, with more than 4,000 courses to all employees. Some of the available training opportunities in the KLC are:

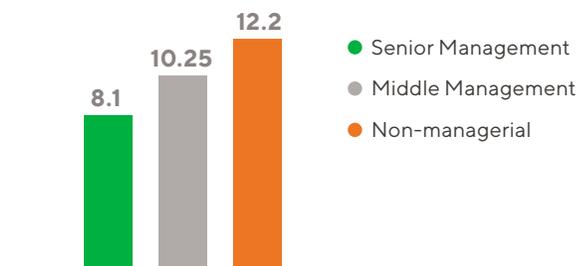
- General training for full-time and temporary employees, with global policies considering working conditions, health and safety; Employee Handbook and Code of Conduct; anti-harassment; diversity; and General Data Protection Regulation, including privacy and security awareness

- Leadership Development program, offering training on how to become a leader and enhance leadership skills, as well as offering experiential training, and learning from the framework of others; the Leadership Learning Circle focuses on specific leader skills, such as inclusion
- Transition assistance programs provided to facilitate continued employability, as well as the management of career terminations due to retirement or other causes
- Other specific skill development training:
 - SHRM Certification Program for selected Partnered Staffing employees
 - PMP Certification training in the learning management system and a study session led by Kelly project management professionals
 - Six Sigma Certification training curricula (Yellow, Green, and Black Belt)
 - AGILE training to improve program performance



Total training hours in 2019

Approximate average



TalentX

Kelly is on a continuous journey to better understand talent and deliver an exceptional experience that creates loyalty and continued engagement. As talent continues to become increasingly more selective and scarce, our objective is to remain on the forefront of what drives people to engage with Kelly and our clients. So, while it may appear that talent engagement should be simple, it is not. To be what's next for the best talent available means that we take seriously the notion of "getting to know talent beyond the résumé."

TalentX provides a talent research program to understand expectations during the sourcing, recruitment, and placement processes, in order to adjust our internal processes for both efficiency and responsiveness in the job search and placement process. Our qualitative and quantitative research findings have shown that the job search process is extremely stressful and riddled with moments of elevated anxiety.

With TalentX, we aim to provide dedicated virtual advisors from our U.S. Professional Technical Operations to help talent navigate and stay

connected with Kelly after onboarding through assignment completion and/or redeployment.

We understand that committed and engaged talent have higher job satisfaction, which leads to better on-the-job performance, contract extensions, more completed assignments, client leads, talent referrals, and higher chances of re-employment. This in turn leads to higher client satisfaction.

TalentX has reimaged our approach to candidate engagement. With an initial focus on professional and technical talent in the U.S., our **Talent Care Advisors** provide dedicated virtual assistance that establishes a strong human connection across our business, allowing us to differentiate ourselves from the competition and provide the best experience to retain top talent. Talent Care Advisors are aligned by skill areas to provide dedicated expertise to talent in their chosen industry. Talent Care Advisors are focused on:

- Building meaningful relationships with talent by understanding their job life desires, setting and

meeting expectations, and being a responsive and trusted point of contact

- Acting as their talent advocate to guide them through the lifecycle of their assignment
- Assisting with general payroll, benefits, absence requests, and assignment information
- Leading activities around talent referrals and redeployment

Kelly will continue to invest in improving the talent experience within each of our business units to optimize services and create differentiated experiences based on our audience needs and requirements. By driving meaningful and self-reflective conversations with our talent, we provide an easy way for talent to express themselves, relay their interests, self-identify motivations, and uncover what really matters to them.



"It is a very exciting time for Kelly! Putting talent first is the right thing to do. This is all-encompassing; it starts with our internal full-time talent rallying together, feeling enriched by the work we do and focusing our efforts outward to enrich the lives of those we impact every day with work. I am proud to work for a talent-centric organization that puts people first."

– Lisa Tamblin, Business Lead, TalentX Loyalty

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|---|--|--|--|---|
| <h3>ECONOMIC PRESSURES</h3> <ul style="list-style-type: none"> • Volatile market conditions • Increased expense control • Increasing competition to create variable workforce • Pressure to nimbly react to market demands • Increasingly dynamic and global business climate | <h3>SKILLS GAP</h3> <ul style="list-style-type: none"> • Increased demand for workers in emerging competencies • 40% of U.S. companies say they can't find the skills they need • U.S. companies spend \$1M on average each year to find workers with these emerging skills • Free agent culture is to re-skill for the next gig | <h3>TECHNOLOGICAL ADVANCEMENTS</h3> <ul style="list-style-type: none"> • Creates both disruption and opportunity • Mobile and virtual collaboration tools transform how business gets done and how companies connect with talent • Human cloud platforms are the backbone of the gig economy • Automation has increased the use of free agents | <h3>DEMOGRAPHIC SHIFTS</h3> <ul style="list-style-type: none"> • Millennials are the largest generation in the U.S. workforce • 81% of talent managers hiring gig workers are millennials • 53% of hiring managers report difficulty finding and retaining millennial talent • 41% of hiring managers plan to hire more freelancers in the next five years | <h3>WORK LIFE DESIGN</h3> <ul style="list-style-type: none"> • 78% of U.S. free agents choose free agency because it enables them to organize work around life • Higher skilled talent increasingly considers flexibility as a key factor in their employment • Boomers looking for a "soft" retirement • The skill gap creates an increased need to retain knowledge workers near retirement |
|---|--|--|--|---|

Sources: 1. McKinsey, 2. CareerBuilder, 3. Upwork

Kelly's Millennial Resource Group: eMeRGe

In October 2019, Kelly launched the new business resource group **eMeRGe** with the desire to attract and retain millennial talent. This program promotes a global employee resource group dedicated to impacting business results; advancing responses to concerns; and maximizing opportunities by engaging, enabling, and empowering millennials as subject-matter experts.

eMeRGe—as an acronym for Millennial Resource Group—targets employees born between 1981 and 1996 in all countries where Kelly has operations. The group brings opportunities for young professionals who are looking to network, develop relationships, and better themselves overall in their personal and professional lives.

eMeRGe has reached 83 members in 13 countries worldwide. Our aim is to engage new members and promote this group as a millennial subject-matter expert for business and employees; share knowledge in order to create long-lasting connections around the globe; communicate effective best practices; advise on their concerns and opportunities, and provide support to other groups (internal and external).

We have also developed the Inforum's Millennial Affinity Group, which focuses on leveraging the sharing of best practices, generating innovative ideas, and identifying ways to enhance Kelly's presence among our millennial workforce. In 2019, eMeRGe partnered with community groups to enhance the presence and outreach of the program, including the Detroit Symphony Orchestra's NewGen groups, Best Buddies, Peer to Peer Mentorship Programs, and Detroit Young Professionals.



"I believe the Millennial Resource Group is important because it gives our generation a voice. It provides a platform for us to connect and collaborate on things we truly believe in... sustainability, health and wellness, work/life balance.... We provide the organization with an eager group ready to lend their opinions and support in any way possible."

– Jen Wright, Process Optimization Lead and eMeRGe Vice-Chair



"With the expansion of Kelly Anywhere and the vast network of global colleagues, it's imperative to bring everyone together to form powerful networking relationships and bring a sense of connectivity. This group has also provided a space for learning, development, and positivity about the future."

– Morgan El-Zeinab, Finance Manager and Global Pricing and eMeRGe Chair

Wellness, a Professional Service Organization pilot initiative

In the last couple of years, Kelly has been adopting a flexible work environment to meet business needs and employee interests for a better work-life balance. With roughly 75 percent of our professionals working remotely and not in a traditional office environment, it has been a priority to engage our employees around the globe and prioritize our attention to a people-first leadership approach. This commitment has led to creating a Wellness Initiative that enables every individual in our organization to realize the priority we are placing on them.

The Wellness program is supported by the Global Professional Services Organization (PSO) team, which delivers our company’s solution for enabling the strategy of both our sales and business units at Kelly. The PSO has over 120 experts who deliver greater sales and operational alignment, faster project implementation times, and more engagement with our global workforce. Wellness has been a key to enabling our success, as we have seen an increasing positivity, passion, and inclusion that both creates a differentiator for us and has helped us to accelerate alignment in our culture.

The Wellness program was launched in December 2019, with diverse activities and learnings identified as “The 12 Days of Wellness.” This initiative helped build momentum and excitement, leading to the creation of our Wellness Champions group, which encourages insights and activities related to the eight dimensions of Wellness to the organization.

The Wellness Champions select topics based on areas of interest, promoting wellness practices that should be present in our everyday lives. This initiative sets out eight dimensions from which each person may connect with one or more others according to their interest and experiences outside of the workplace, helping to build deeper connections between our employees, regardless of where they work. The program covers topics for restructuring workplaces, and promotes global and diversified workforces, intellectual wellness, and personal development plans.

The Wellness program allows employees to be focused, balanced, and healthy.



The most significant impacts of the Wellness program:

- 67% of the PSO employees believe our Wellness Program has had a personal impact on them.
- Department employee turnover has reduced by 6% in 2019, down from nearly 15% in 2018.
- Employee engagement has risen, which has increased overall satisfaction in the PSO by 4.6% in 2019.
- Introduction of the Day of Autonomy – A full day dedicated to allowing employees to focus on a topic of their choosing (autonomy/mastery/purpose).
- The creation of an internal engaged community group that shares experiences in our Salesforce Chatter group and web page for more than 120 members.
- The initiative has helped business units to foster a sense of community, create personal connections, help people strive to be their best selves, and create experiences that are shared.



“During a recent presentation to the Professional Services Organization, I witnessed first-hand how the inclusion of a Wellness Moment prior to their team meetings creates the right environment to help shift your thoughts away from your usual preoccupations, increase your presence, and creates a healthy energy in the room.”

– **Darryl Staskowski**, Chief Information Officer

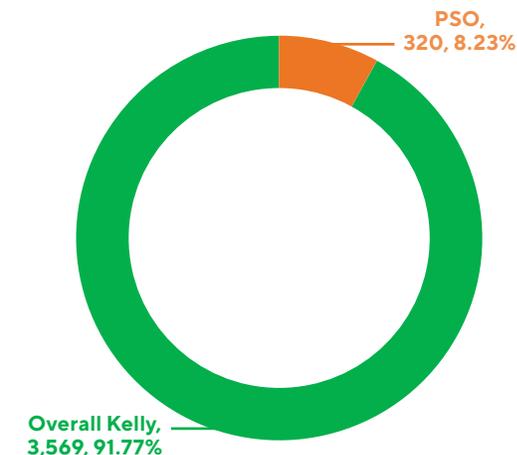


“Our commitment to people-first was the most important element in creating our PSO operating methodology when our group was formed. Helping to create and cultivate a wellness program that enabled every individual in our organization to see the priority we were giving to this was key. In return, we got positivity, passion, and inclusion that creates a differentiator for us and helped us accelerate the formation of our culture. Wellness has been key to enabling our success!”

– **Steven Green**, Vice President, Professional Services Organization (PSO)

Volunteer hours

● PSO ● Overall Kelly



PSO is responsible for 8.23% of our overall volunteer hours.

Diversity and inclusion

As a global workforce provider, diversity and inclusion is a big part of our success. We embrace diversity and strive to provide equal opportunities for all our employees, who reflect the diverse regions, industries, and customers that we serve globally. Our diverse workforce represents more than half a million employees globally. We continuously work to increase the diversity of representation across our communities, including lesbian, gay, bisexual, transgender, and queer (LGBTQ); military veterans; ethnic and racial groups; gender, and people with disabilities. Our commitment is to provide a diverse and equal workplace environment while ensuring a culture of inclusion and belonging, where everyone feels welcome, respected, and valued.

Diversity and Inclusion (D&I) are cornerstones of our operation and have become a key component of our business strategy. Kelly has implemented a multidimensional global strategy across emerging and mature markets, in order to maximize business results and create opportunities in underrepresented workforces. This strategy covers supplier, workforce, and workplace diversity.

Our strategy and D&I initiatives demonstrate our inclusive philosophy and have been recognized with an outstanding top score (100) in the 2019 Corporate Equality Index—a national benchmarking survey of corporate policies and practices relating to LGBTQ workplace equality, administered by the Human Rights Campaign Foundation.

Since 1979, we have been invested in D&I initiatives to promote talent and address the unique needs and capabilities of the disabled, minority groups, women entrepreneurs, military members and their families, young people, and the semi-retired. In 2003, we made further progress with the formation of the D&I Executive Council, which continues to oversee the outreach and performance of our initiatives.

Our strategy in D&I has allowed us to increase the diversity of our talent pool and recognize opportunities for hiring a wide range of employees. In our attraction and recruitment process, we have implemented processes to neutralize gender tone, remove unconscious bias from job posting, as well as using talent outreach communications in order to attract a more diverse group of talent.

Kelly D&I impact and initiatives 2019 for talent hired on behalf of our clients

- \$4-plus billion investment in Diverse Supplier Programs in the last five years, contributing to economic sustainability in diverse communities
- 18% increase in diverse hires and 37% minority hires by diverse suppliers; economic impact of our diverse supplier program extends to job creation in their communities
- Kelly hired 10,000-plus veterans in 2019
- 81% spending on diversity in STEM, operating in business professional categories (science, technology, engineering, and mathematics), yielding a greater return-on-investment
- 500-plus suppliers participated in our Diverse Programs; inclusive sourcing strategy ensures business opportunities where diverse suppliers compete on a level playing field
- 31% Diverse Expenditures – in 2019, our Diverse Supplier spend by designation equaled 71% ethnic minorities, 20% women, and 9% small-business owners



We offer a variety of specialized programs to promote talent and address the unique needs and capabilities of the disabled, minority groups, women entrepreneurs, military members and their families, young people, and the semi-retired.

Kelly Veteran Employment and Transition Services

Our clients seek universally accepted attributes such as leadership, adaptability, problem-solving, dependability, and persistence. These are often critical attributes of current and former members of the armed services. We have implemented an in-house recruiting program that aligns military experience and traits from U.S. veterans, current reservists, and military spouses with job opportunities. On average, Kelly hires 20 veterans per day, 600 per month, and 7,200 per year. In 2019, Kelly hired 10,000 veterans.

Our **Government solutions team** dedicates more than 95 percent of its time to recruiting services for veterans and military spouses—both with and without security clearance. This team is primarily made up of veterans.

We have also implemented a cloud-based solution enabling veterans to search for job opportunities

after fulfilling their military duties. The **U.S. Military Pipeline** allows veteran candidates to create profiles that can be matched with employment opportunities within our customer database. This program feeds into the **Hero2Hired program**, which matches those who have served in the National Guard and any of the Reserves to jobs and careers.

Kelly Disabilities Network

We have partnered with vocational rehabilitation organizations, professional networking associations, and government or publicly funded disability resource programs, increasing job opportunities for disability communities where they can contribute their unique skills to our company and our customers. In 2019, Kelly’s Global Talent Solutions team partnered with **On My Own**, a nonprofit organization located in Troy, Michigan, to assist young adults with developmental disabilities to prepare them during the job search process and interview preparation. Kelly also complies with the U.S. Americans with Disabilities Act and similar regulations to ensure equal opportunities including employment and accommodation for those with disabilities in all our operations around the world. Approximately, 10.5 percent of employees participating in KellyConnect are part of our disability network program.

Compass program

In 2019, Kelly launched a partnership with Best Buddies International to provide Best Buddies participants with Intellectual and Developmental Disabilities (IDD) with job opportunities through Kelly, both in-house and with our clients. This pilot program, implemented in the Detroit Territory and in Troy, Michigan, aims to enable people with IDD conditions to become financially independent through their own efforts and remove the need for government reliance or parental support.

The program also provides participants an opportunity to connect with a Kelly employee, who will coach and accompany them during their first several months on the job. The **e-Buddies initiative** will match Kelly Anywhere employees with an email friend to expand the global outreach of this program.

This program strengthens Kelly’s effort in delivering and sharing best practices, and provides a more robust inclusion program for those people living with disabilities, while fortifying Kelly’s commitment to social inclusion and development.



Kellyann Hahn, Shared Services Specialist, Global Business Services

“I love working with Kelly Services. It’s really fun having a job.”

– Kellyann Hahn, first Best Buddies colleague at Kelly

Leadership in Action (LIA) program

We are dedicated to preparing and developing Kelly's current and future leaders, ensuring an environment where leaders can achieve success by following our purpose of Leaders Lifting Leaders. LIA's purpose is to foster an environment that is inclusive to all employees, where leaders can thrive and achieve personal growth while delivering strong business results. In 2019, LIA had 913 participants (576 females and 337 males).

In the U.S., Kelly female employees represent more than 71 percent of our workforce. This representation extends to our global services, where women account for 71 percent of full-time employees. Our operations reflect the growing role of women in the workforce and present Kelly as a driver to help advance their careers. Women also account for nearly 46 percent of our leadership positions at the global senior vice president level and above, representing 30 percent of our board of directors.

Since its establishment in 1946, Kelly has recognized a significant commitment to promote, recruit, and retain women who enter the workforce, providing opportunities to earn an income and balance their commitments outside of the workplace. Currently, LIA efforts are focused on continuing to support advancement into higher levels and leadership roles, as well as promoting leadership and work opportunities for underrepresented communities.

Diversity and inclusion affiliations



Asian Pacific American Chamber of Commerce*



2019 D&I Awards and Recognition

- **Thompson Hine Selects Kelly for 2019 Diversity Achievement Award.** Thompson Hine, one of Kelly's outside counsel partner firms, announced the winners of its ninth annual Diversity Awards, with Kelly being named the recipient of the Diversity Achievement Award. The award recognized Kelly's commitment to promoting diversity, equity, and inclusion, both internally and externally.
- **QWConnect International 2019 Top 10 Global Champions for Supplier Diversity and Inclusion.** Kelly was named to this inaugural 2019 Top Global Champions for Supplier D&I ranking—the only one of its kind, making up of some of the world's largest corporations demonstrating a commitment to global inclusive sourcing from diverse groups, including minority, women, LGBTQ, and disabled-owned businesses around the globe.
- **Best Place to Work for LGBTQ Equality.** Kelly was named to the Human Rights Campaign (HRC) 2019 Annual Corporate Equality Index and is one of 571 top U.S. companies to earn a perfect score.
- **SeniorAdvice.com Names Kelly to their list of "America's Best Companies for Seniors."** One of the top information and advocacy websites for seniors and their caregivers has named Kelly to its list of 20 companies they consider "America's Best Companies for Seniors."
- **2019 Military Friendly Employer® and 2019 Military Spouse Friendly Employer®.** Kelly was named a 2019 Military Friendly Employer and a 2019 Military Spouse Friendly Employer by VIQTORY, a service-disabled, veteran-owned small business that connects the military community to civilian employment, educational, and entrepreneurial opportunities. This is the third consecutive year Kelly has earned both designations.
- **America's Top Corporations for Women's Business Enterprises (WBEs) Award.** The 2019 Top Corporations award honors those corporations who have demonstrated a sustained commitment to the inclusion of women-owned businesses in their supply chains.
- **WBENC America's Top Corporations for Women-Owned Businesses.** For the 10th consecutive year, Kelly was named one of America's Top Corporations for Women-Owned Businesses. The award, presented by the Women's Business Enterprise National Council (WBENC), recognizes companies for demonstrating a commitment to the inclusion of women-owned businesses in their supply chains, helping to drive results and develop them as valued suppliers.
- **Great Lakes Women's Business Council "Excellence in Supplier Diversity" – Best in Class Award 2014 – 2019 (6th Consecutive Year).** The Great Lakes Women's Business Council congratulated Kelly for receiving an inaugural Excellence in Supplier Diversity Award in the "Best in Class" category. Best in Class is the highest-level award given. It is an indication that a corporation has excelled in all categories surveyed, including: WBE spending, WBE capacity building, corporate integration of supplier diversity, and advocacy of women-owned businesses.



Human rights

Kelly has a global commitment to protect its employees and candidates against any human trafficking, and will not partner with any organization that condones or has practiced human trafficking of any kind. We have stated our commitment to addressing this issue through our Human Trafficking Policy Statement, Code of Business Conduct and Ethics, as well as the UK Modern Slavery Transparency Act statement.

Our suppliers must also comply with our Supplier Code of Conduct, which sets our expectations to comply with local labor and safety law and regulations, including hiring practices, forced labor, discrimination, and other critical labor rights. Kelly also conducts annual quality audits to confirm and reinforce our regulatory and corporate policy obligations related to compliance with the principles of human rights and environmental stewardship.

Forced or compulsory labor

Kelly has a zero-tolerance policy against any form of human trafficking or related activities, including any form of unlawful employee harassment, retaliation, forced or compulsory labor, sex trafficking, child labor, or any type of debt peonage. We strive to

guarantee responsible recruitment and retention practices in our operations and across our global suppliers and customers.

Kelly employs approximately 7,700 employees with whom it has an “at-will” employment relationship. Our talent supply chain spans 56 countries across six continents, in which we have worked together with our partners and suppliers to guarantee fair labor practices and compliance with working standards that are attached to our Supplier Code of Conduct. These help to identify, prevent, and address any issues related to forced labor.

Human trafficking and slavery

Kelly does not and will not permit its employees, subcontractors, vendors, suppliers, or other entities it does business with to engage in any form of human trafficking or modern slavery. We have communicated specific guidelines on actions that may be considered human trafficking and slavery, which we do not accept under any circumstances.

Kelly prohibits retaliation against anyone who files a complaint or reports a suspected violation of this policy. Any employee or other party who violates this policy will be subject to appropriate discipline

by Kelly, including, but not limited to, disclosure of the violation to government officials, when required by law or contract, and immediate termination.

Child labor

Our Code of Business Conduct and Ethics and the Supplier Code of Conduct state that in our business practices, as well as for our partners and suppliers, compliance with all applicable child labor laws—including those relating to minimum age limits, limitations of working hours, and prohibition against certain types of work—are mandatory. Kelly understands that opportunities may arise for the placement of minors under the age of 18, and has therefore implemented a policy to ensure its compliance with federal labor law and OSHA regulations. This policy is extended to all countries of operation and respects all internationally proclaimed human rights.

In the U.S., Kelly complies with laws in all 50 states, including the District of Columbia and Puerto Rico, as well as federal laws regarding the employment of minors. Kelly thoroughly vets its placement of minors and does not permit them to be placed in certain high-risk jobs, including manufacturing and warehouse positions.

Freedom of association and collective bargaining

Kelly states that partners and suppliers should recognize the need to guarantee the right to freedom of association and to promote collective bargaining and social dialogue. All employees shall be free to join, or to refrain from joining, trade unions or similar external representative organizations. However, Kelly has not identified a unionist workers’ association within the company, nor in the industry.

Kelly respects the rights of all employees to engage in protected activities, including those of freedom of association and collective bargaining. Employees may engage in activities without fear of intimidation or reprisal, in accordance with applicable law. Kelly believes in its policies and procedures, which encourage employees to work with their Kelly representative to problem-solve potential disputes.

Social

Supply chain and customer relations

Our supply chain (KellyOCG)

Supplier risk management

Supplier Code of Conduct

Diverse supplier strategy

Kelly recognizes the importance of promoting and replicating our corporate values and responsible practices across our supply chain. We aim to build stronger relationships with our customers and suppliers to guarantee that all employees have access to fair job conditions and healthful work environments.



Supply chain and customer relations

Global coverage and value chain

Kelly global footprint

AMERICAS

| | |
|---------------------|---------|
| Argentina | ● ● ● ● |
| Brazil | ● ● ● ● |
| Canada | ● ● ● ● |
| Colombia | ● ● ● ● |
| Costa Rica | ● ● ● ● |
| Mexico | ● ● ● ● |
| Puerto Rico | ● ● ● ● |
| Trinidad and Tobago | ● ● ● ● |
| United States | ● ● ● ● |

EMEA

| | |
|----------------|---------|
| Angola | ● ● ● ● |
| Austria | ● ● ● ● |
| Belgium | ● ● ● ● |
| Croatia | ● ● ● ● |
| Czech Republic | ● ● ● ● |
| Denmark | ● ● ● ● |
| France | ● ● ● ● |
| Georgia | ● ● ● ● |
| Germany | ● ● ● ● |
| Hungary | ● ● ● ● |
| Iraq | ● ● ● ● |
| Ireland | ● ● ● ● |
| Israel | ● ● ● ● |
| Italy | ● ● ● ● |
| Kazakhstan | ● ● ● ● |
| Libya | ● ● ● ● |

| | |
|----------------------|---------|
| Luxembourg | ● ● ● ● |
| Netherlands | ● ● ● ● |
| Norway | ● ● ● ● |
| Oman | ● ● ● ● |
| Poland | ● ● ● ● |
| Portugal | ● ● ● ● |
| Russia | ● ● ● ● |
| Saudi Arabia | ● ● ● ● |
| South Africa | ● ● ● ● |
| Spain | ● ● ● ● |
| Sweden | ● ● ● ● |
| Switzerland | ● ● ● ● |
| Turkey | ● ● ● ● |
| Ukraine | ● ● ● ● |
| United Arab Emirates | ● ● ● ● |
| United Kingdom | ● ● ● ● |

APAC*

| | |
|-------------|---------|
| Australia | ● ● ● ● |
| China | ● ● ● ● |
| Hong Kong | ● ● ● ● |
| India | ● ● ● ● |
| Indonesia | ● ● ● ● |
| Japan | ● ● ● ● |
| Malaysia | ● ● ● ● |
| New Zealand | ● ● ● ● |
| Niue | ● ● ● ● |
| Philippines | ● ● ● ● |
| Singapore | ● ● ● ● |
| South Korea | ● ● ● ● |
| Taiwan | ● ● ● ● |
| Thailand | ● ● ● ● |
| Vietnam | ● ● ● ● |

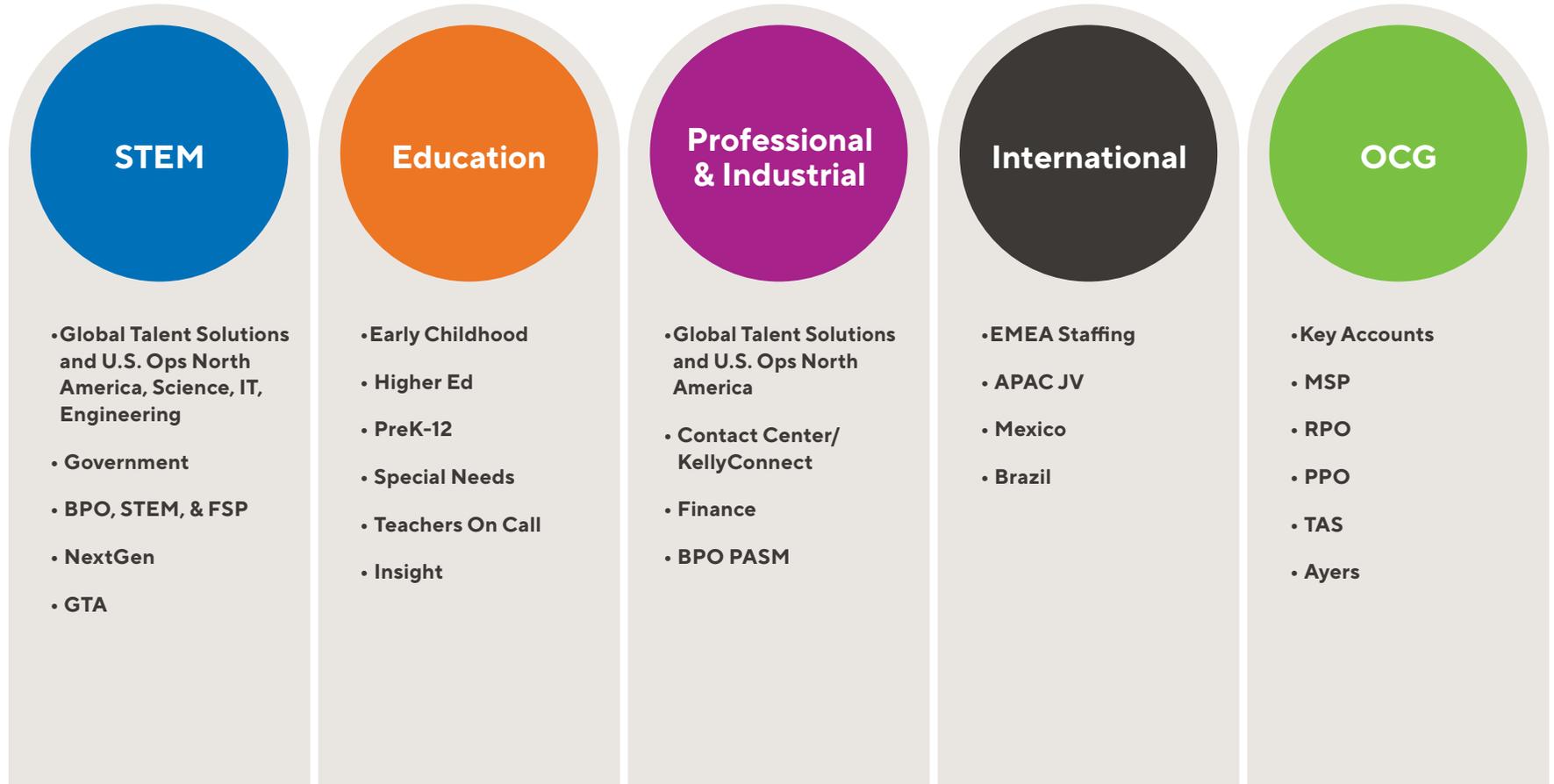
- Temporary Staffing
- Business and Professional Services
- Managed Service Provider
- Recruitment Process Outsourcing

* Temporary staffing serviced through PERSOLKELLY, Joint Venture with PERSOL Group, or strategic partners

In 2019, Kelly presented a new business strategy focused on five specialties to unleash our potential to grow and address ever-changing market challenges. These five specialties allow our leadership to accelerate each specialty's top- and bottom-line results and to achieve our mission of becoming a specialty talent company that delivers results for clients, talent, and shareholders. This strategy is managed around five business units organized around chosen specialties, each of them with a clear strategy and measurable targets to monitor performance.

Kelly's five specialties will include:

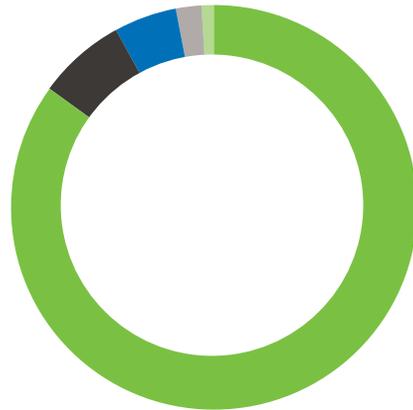
- Kelly STEM (which includes Science, IT, and Engineering)
- Kelly Education
- Kelly Professional and Industrial (formerly Commercial)
- Kelly International
- KellyOCG



Our supply chain (KellyOCG)

Our supply chain has two defined categories, consisting of our third-party vendors and suppliers, as well as our talent supply chain. Our **talent supply chain** offers **workforce solutions for suppliers**, which mainly provides Managed Service Providers (MSP), but also supports our Staffing Solutions, Recruitment Process Outsourcing (RPO/Perm) solutions, and Business and Professional Services (BPS) solutions. Up to one percent of our supply chain enables all sorts of solutions—the majority once again are MSP.

Workforce solution supplier



- 85% Managed Service Provider
- 7% Staffing Solutions
- 5% Recruitment Process Outsourcing
- 2% Business and Professional Services
- 1% Other solutions



KellyOCG global MSP coverage

● KellyOCG MSP programs ● Talent supplier network



KellyOCG definitions

- Managed Service Provider (MSP) programs:** Contingent workforce, integrating suppliers, and vendor management system (VMS) technology to bring visibility and control to contingent workforce. In addition to temporary staff, fully optimized solutions include a spectrum of non-company labor categories, such as Independent Contractors, Payroll Services, RFX/Statement of Work (SOW) Services, Talent Pools, and Identity Management (IDM). Recruitment Process Outsourcing offers preminent talent acquisition solutions that focus on the engagement and acquisition of full- or part-time talent through end-to-end, project-based, or selective talent acquisition functions.
- Business and Professional Services** offers full staffing and operational management of business functions or departments, assuming full accountability and responsibility for outcomes that allow our clients to focus on their core business. Areas include contact centers/help desk, lab management, engineering services, manufacturing/supply chain, and professional/administrative solutions.

Connecting talent to the world of work™



STAFFING SOLUTIONS

- STAFFING SPECIALTIES**
 - Contact Center
 - Creative
 - Education
 - Engineering
 - Finance & Accounting
 - Government
 - Information Technology
 - Manufacturing & Logistics
 - Marketing
 - Office/Clerical
 - Scientific
- STAFFING OPTIONS**
 - Temporary
 - Temporary to Hire
 - Direct Hire
 - Payroll Service
 - Centralized Delivery
 - Local Branches
 - On-site Management



MANAGED SOLUTIONS



- MANAGED SERVICE PROVIDER (MSP)**
 - Contingent Talent
 - Direct Sourcing
 - Independent Contractors
 - Payroll Service
 - SOW/RFX Management
- RECRUITMENT PROCESS OUTSOURCING (RPO)**
 - End-to-End Programs
 - Project Hiring
- TALENT ADVISORY SERVICES**
- INTEGRATED WORKFORCE SOLUTIONS**
- KELLYCONNECT® (CONTACT CENTER OUTSOURCING)**
 - Customer Service
 - Technical Support
 - Custom Programs
 - Home-Based Agents
- CAREER TRANSITION & EXECUTIVE COACHING**
- BUSINESS & PROFESSIONAL SERVICES**
 - Administrative Solutions
 - CADD Services
 - Engineering Support
 - Field Services
 - Lab Management Solutions
 - Mfg. & Logistics Solutions
 - Technical Writing

Our **workforce solutions** enable the placement of third-party labor to work for our customers in a variety of assignments, from office/ clerical, light industrial, contact center, education, creative, and marketing, to lines of specialty service which focus on finance and accounting, engineering, IT, and science.

Supplier risk management

Kelly screens its suppliers using two methods. On a basic level, we analyze contractual compliance with consideration given to client-directed suppliers. This process is regularly audited by Kelly's Supply Chain Enablement Team, which requires proof of insurance coverage, relevant tax documentation, as well as a completed relevant supplier agreement that includes them in our client program. The team monitors and communicates noncompliance, following the internal supplier breach report process. Worker compliance is audited and communicated to the client program teams through the worker on-boarding process. Contractual noncompliance can lead to adjournment or termination from the Kelly program.

We also have implemented a **Supplier Performance Management process** to initiate suppliers into our program; measure and analyze their performance; take actions to improve corrective plans, and implement initiatives to control and sustain these improvements. This process is regularly monitored through scorecards. If a low-performing supplier is not meeting minimum performance expectations, an action plan is put in place for improvement. However, if the supplier fails its performance plan, an offboarding process is initiated. This process also monitors suppliers' and partners' compliance with all topics covered in the Supplier Code of Conduct. Adherence to this agreement is mandatory and must be renewed prior to any new task being assigned through a client.

Our **Supplier Risk Management program** identifies high-risk suppliers in our KellyOCG (Outsourcing and Consulting Group), or to the client. In 2019, we implemented an internal

methodology to conduct risk assessments for those suppliers identified as high-risk, including information on their performance results, compliance from breach reports, and assessment scores. This information is useful for evaluating strategic importance to KellyOCG, or to the client, as well as analyzing their resiliency in driving risk mitigation plans more effectively.

As we continue to engage with our customers and suppliers worldwide, we expect to formalize Environment, Social, and Governance (ESG) requirements on the supplier risk assessment methodology in order to evaluate their commitment to ESG issues and opportunities. In 2020, we will conduct a third-party risk analysis gap assessment to identify supplier performances and capabilities to assess risk considering ESG.

Kelly was a recipient of Honda's 2019 Indirect Procurement Supplier Award.

In July 2019, Honda honored 22 out of 2,200 suppliers that provide indirect products and services to its manufacturing plants in North America. Kelly was recognized in the Special Recognition category.

Supplier Code of Conduct

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 enumerated in the Supplier Code of Conduct, which adhere to the professional code of conduct outlined by the World Employment Confederation.

Kelly established a **Supplier Code of Conduct** that communicates and sets expectations for all our suppliers, in order to ensure that they meet our high standards of ethics and business conduct. We strive to replicate, throughout our supply chain, the general guidelines that must be ensured in the business operations of our partners and suppliers—regarding ethical and professional conduct; employee and working conditions; human rights, and environmental sustainability.

In 2019, **91%** of our suppliers committed to our Supplier Code of Conduct. >

The ethical business conduct of our partners and suppliers forms an integral part of our purchasing and partnering decisions. At KellyOCG, we work closely with our partners and suppliers to guarantee that their standards regarding business ethics and operations will be as rigorous as our own. This Supplier Code of Conduct is available publicly to all stakeholder communities. It is aligned to our values in service, integrity, and taking personal responsibility for actions, outcomes, as well as our global reputation.

The Kelly Supplier Code of Conduct addresses the following areas:

- **Ethical and professional conduct** – KellyOCG expects its partners and suppliers to be committed to doing the right things; conducting themselves in a legal, ethical, and trustworthy manner; to uphold regulatory obligations, and to comply with both the letter and the spirit of applicable laws and business policies.
 - **Human rights** – KellyOCG, in all contexts, seeks ways to honor internationally recognized principles of human rights, even when faced with conflicting requirements. We expect our partners and suppliers to respect all internationally proclaimed human rights and strive to ensure that they are not complicit in any human rights abuses.
 - **Environmental sustainability** – KellyOCG expects its partners and suppliers to take due account of the need to protect the environment, public health and safety, and generally to conduct their business activities in a manner that contributes to the wider goal of sustainable development.
- We expect our partners and suppliers to replicate these standards further down the supply chain and encourage them to drive similar corporate citizenship commitments from organizations comprising their own respective supply chains.

Diverse supplier strategy

We understand that diversity and inclusion don't just happen; these principles must be an everyday consideration in all business operations involving our suppliers and customers. As a global workforce supplier, we leverage hundreds of diverse staffing organizations around the globe, both as partners and as subcontractors in supporting our customers' various diversity initiatives.

We help our customers create greater diversity in both their workforce and corporate sustainability strategies. **The Kelly Supplier Diversity Development Team** implements a multidimensional approach to support D&I practices with our suppliers and workforce in all markets where we operate. These programs drive business success for customers and also provide development, growth, and revenue opportunities for our strategic suppliers.

We are dedicated to building, sustaining, and optimizing strong partnerships with a diverse supplier base to promote a sourcing strategy where diverse suppliers can compete and enhance their business opportunities in servicing our supply chain. In 2019, our Diverse Global Supplier Network reached more than 500 diverse suppliers and reached contributions of \$4 billion toward D&I programs that promoted the economic sustainability of minority communities through investments in training and engagement.

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

- **Knowledge:** We use advanced labor intelligence tools to help us understand variations in the demographic makeup of the labor market. The data, combined with trending and forecasting intelligence, allows us to more strategically target, as well as attract, a diverse pool of job seekers.
- **Reach:** It is essential that our job opportunities reach a diverse audience of job seekers. 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.

Our diverse suppliers



74% minority-owned business enterprise
 18% women-owned business enterprise
 7.9% small-business administration
 0.10% representation from LGBTQ community

Supplier Excellence Award honored 19 KellyOCG suppliers

Kelly recognizes performance and good practices. Every year, **KellyOCG hosts the Supplier Excellence Award** global event to recognize contingent labor suppliers who have met the performance, program, spending, compliance, and qualitative program relationship criteria—and have shown consistently excellent results throughout the year in helping Kelly meet and exceed the needs of our clients. In 2019, KellyOCG honored 19 companies with the Supplier Excellence Award:

- 1st Executive
- CK Group
- Hays
- Hoban Recruitment
- Hobson Prior
- i-Pharm Consulting
- LabResource
- Mid-States Technical
- NES Global Talent
- PageGroup
- PE Global
- ProClinical
- Procom Services
- Sentinel
- SIRE
- Software Galaxy Systems
- Talent International
- The Fountain Group
- US Tech Solutions

Winners received one-on-one development sessions; a designated KellyOCG representative to support their business growth; participation in supplier focus groups; access to KellyOCG supplier insight, and the ability to work directly with KellyOCG senior leaders.



Social

Engagement

Social investment programs

Disaster recovery

Kelly understands that it takes all of us working together to truly make an impact in the communities where we live and work. We aim to contribute to the development of future talent through STEM education and scholarship programs, accelerating opportunities by providing social investment that responds to local communities' needs, and inspiring our employees to give back to society while strengthening their commitment to our core business values.



Social investment programs

Kelly has a tradition of giving back while enriching opportunities for local communities. Our purpose is to create significant shared value through sustainable investment in our society that is aligned with our core values. Each year, we support several large-scale national and local organizations that provide opportunities for talent development; increase opportunities for small businesses or disadvantaged workforces; and empower our employees to be change-makers, maximizing opportunities for social impact in their communities.

In 2019, The Kelly Innovation Fund made the first investment in the Kenzie Academy. Kenzie is an Indianapolis-based college alternative that provides job education in software engineering and UX engineering to students looking to acquire

Kelly invested more than \$115,000 USD in social development initiatives in 2019, including the Kenzie Academy and social investments with partners and local community initiatives. ➤

digital skills to further their careers. Through this partnership, Kenzie students have access to flexible, part-time, at-home jobs with Kelly. Since its creation in 2018, the Kelly Innovation Fund has provided investments in organizations where we can provide value beyond our financial investment.

Social partners

Let's Detroit Initiative. Let's Detroit is a strategy of the Detroit Regional Chamber, as part of its Detroit Drives Degrees initiative. Detroit Drives Degrees' goal is to increase the region's postsecondary attainment rate to 60 percent, and to reduce the equity gap by half, by 2030. Let's Detroit was launched to help achieve these goals and drive relationship-building, regional collaboration, social mobility, and equity across southeast Michigan.

Women of Tomorrow. Founded in 1997, the Women of Tomorrow Mentor & Scholarship Program (WOT) inspires, motivates, and empowers young women to live up to their full potential through a unique mentoring program with highly accomplished professional women, as well as scholarship opportunities. WOT is believed to be the only program of its kind in the country, pairing

these professional women with small groups of at-risk teenage girls for monthly mentoring sessions in public high schools in a three- to four-year mentoring program.

Alternatives For Girls. Alternatives For Girls is a southwest Detroit-based nonprofit organization that empowers homeless and high-risk girls and young women to avoid violence, teen pregnancy, and exploitation. This program helps girls explore and access the support, resources, and opportunities necessary to be safe, to grow strong, and to make positive choices in their lives.

Boys and Girls Club of Troy. The Boys and Girls Club of Troy, incorporated in 1974, provides a safe, positive place for young people to grow, learn, play, interact, and develop into self-reliant, responsible, contributing members of the community.

Life Remodeled. Life Remodeled exists to serve as a means for people to bridge divides in order to help transform each other's lives. With substantial investments of cash, labor, and materials, Life Remodeled focuses on the intentional and equitable revitalization of Detroit neighborhoods. Projects are determined by the community's needs and vision,

focusing on three areas: renovating and repurposing former community assets; repairing owner-occupied homes; and mobilizing 10,000 volunteers to beautify, within six days, the four-square mile area surrounding the Durfee Innovation Society.

Troy Community Foundation. The Troy Community Foundation provides a simple one-stop place for charitable individuals and businesses to support the entire City of Troy. They serve the community by creating unique partnerships that connect individual, family, and business donors with the full spectrum of charitable organizations and causes.

Engage program: Kelly volunteer initiative

Our employees actively participate in multiple volunteering initiatives whose social impact is maximized through support of local communities. We provide our employees up to eight paid hours for their participation in volunteer efforts to drive meaningful change in the communities where they live and serve. Our **Engage program** aims to empower our employees to contribute their time and talent to support local social impact cases focused on three main areas:

- Diversity and inclusion
- Talent, skills, and training for labor
- Vulnerable communities and workforce reinsertion

In 2019, Kelly volunteers provided 4,000-plus hours dedicated to community development processes and social investment. ▶

Engage at HQ and around the world

Kelly launched the **Engage program** in the first-ever service day event, where 68 employee volunteers contributed more than 185 hours in order to help enrich the lives of 73 young people in Troy, Michigan. In this opportunity, we partnered with Developing K.I.D.S., a Detroit-based organization committed to helping youth in vulnerable communities to become the leaders of tomorrow and prepare them for what's next.

Usually, our social impact and community outreach activities take our volunteers outside of the company. In this event, hosted at our HQ campus, we provided the perfect opportunity to bring the community to us, and share our talents and knowledge in a corporate environment to a group of participants between 14 and 24 years of age. We provided workshops and guidance across work and educational environments, including communicating with confidence tips; learning the impacts of the Internet and social media; and participating in mock interviews with Kelly employees, in which they received constructive feedback on their performance.

This event helped to build momentum for the promotion of our volunteering program, encouraging employees to participate in community initiatives that align Kelly's social investment with support for social initiatives that focus on:

- **Socioeconomic needs of communities:** Reducing poverty levels and covering basic needs, especially with respect to education, workforce readiness training, and access to work opportunities.
- **Cooperative projects with alliance, network, and partnership organizations:** Working in conjunction with other established organizations extends the value of our community outreach initiatives and broadens their impact and results.
- **Medium- and long-term sustainable initiatives:** Favoring medium- and longer-term initiatives with broad impact, while avoiding isolated philanthropic activities such as donations and sponsorships not aligned with the corporate strategy of the business.



"We want them to leave the Engage experience knowing that whatever they're going through right now is temporary, and that they have the power to change their future circumstances, whether that's higher education or a job."

– **Belen Benitez**, Corporate Sustainability Lead

Kelly Engage

HAVEN. Kelly is a longstanding supporter of HAVEN, a local nonprofit organization that provides shelter, counseling, advocacy, and educational programming to nearly 30,000 victims of domestic violence and sexual assault in Oakland County, Michigan. In addition to the trained Kelly volunteers who provide career preparation services to help HAVEN clients boost their confidence and achieve financial independence, Kelly employees at large provide in-kind donations to the organization and volunteer their time to support the HAVEN holiday shopping room. Every year, our volunteers team up with HAVEN to develop a Career Readiness Seminar. This event helps participants learn about job readiness, social media management, and interview preparation, and provides a continuous mentorship opportunity with one of our volunteers.

Life Remodeled. Life Remodeled provides investments of cash, labor, and materials to revitalize Detroit neighborhoods. Projects are determined by the community's needs and vision. Life Remodeled partners assist in three areas: remodeling a community asset, repairing owner-occupied homes, and mobilizing 10,000 volunteers to beautify 300 city blocks. In 2019, more than 150 Kelly employees from HQ and Detroit area participated with nearly 1,000 volunteer hours clearing brush and picking up trash and debris in a four-square-mile surrounding the Durfee Innovation Society.



A group of **150 Kelly volunteers** participated in Life Remodeled 2019 to clear every blighted alleyway within 300 city blocks in Detroit.



KellyOCG India employees teamed up with SayTrees to help with an urban afforestation initiative, planting over 150 tree saplings to promote environmental sustainability in their local communities.



In **Malaysia**, a group of 45 Kelly employees combed the beach and picked up trash at Kelanang Beach. The group collected nearly half a ton (477 kg/1,051 lbs.) of garbage from the beach.

Disaster recovery

It is our primary interest to protect the health and safety of our employees and their families when there is a disaster—natural or human-made—that could affect the viability of our company and jeopardize the interests of our shareholders and customers.

Kelly has developed a **Disaster Recovery Risk Management program** in order to be prepared to respond as quickly and effectively as possible to situations such as natural disasters, safety and security concerns, and changing business conditions. This program supports our operations and evaluates our readiness to respond to accidental or natural disaster situations that may impact our customers, vendors, and employees.

Kelly utilizes a variety of scalable solutions and strategies to both ensure the health and safety of employees and their families, and to enable us to resume services after experiencing 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 which 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 Plan is available to support field operations in the case of major events, whether natural or human-made, which significantly impact our ability to serve employees and customers.

Kelly Relief Fund

We have also developed the **Kelly Relief Fund**—a nonprofit 501(c)3 organization, established after Hurricane Katrina—which provides short-term financial assistance to Kelly’s regular staff and temporary employees who have been severely

impacted by natural and human-made disasters such as floods, hurricanes, tornadoes, earthquakes, and fires. This Fund is sustained through generous donations from Kelly employees and reached \$39,270 USD in 2019.

The Fund provided financial support to 13 employees who were impacted by either fires, tornadoes, or flooding. These employees received grants that totaled \$10,400 to support disaster relief and assistance programs.

U.S. government shutdown

In early 2019, the U.S. government was partially shut down, leaving thousands of federal workers idled and without pay. Responding to this crisis, Kelly deployed a program to connect qualified furloughed workers to short-term Kelly assignments in 10 cities across the U.S.: Metro Detroit, Michigan; Cleveland, Ohio; Memphis, Tennessee; Tampa and Orlando, Florida; Denver, Colorado; Portland, Oregon; Salt Lake City, Utah; Louisville, Kentucky; and Kansas City, Missouri. Positions were in a range of areas, from light industrial work, to contact center positions, to scientific and educational staffing.



Governance

Ethics and business conduct

- Governance
- Code of Business Conduct and Ethics
- Privacy and data protection

Communication and reporting

- Internal communications
- External communications - sustainability standards
- Transparency and integrity line

Our ambition in governance contributes to SDGs: >



Key milestones and figures



Kelly has 30% representation by women on the Board of Directors.



In 2019, the Sustainability Governance Team formalized alignment with ESG impacts and Corporate Sustainability Strategy.



100% of employees signed the Code of Business Conduct and Ethics.



91% of our suppliers signed the Supplier Code of Business Conduct.



100% of employees participated in training in Anti-Corruption and Anti-Bribery, as well as Data Privacy and Protection.



In 2019, we became signatories to the UN Global Compact. We report our sustainability performance following the UN principles of good business practices.



Our EcoVadis score places Kelly in the "Silver" category.



Our ambition in governance contributes to SDGs: >



Governance

Ethics and business conduct

Governance

Code of Business Conduct and Ethics

Privacy and data protection

Kelly is committed to doing the right thing; conducting ourselves in a legal, ethical, and trustworthy manner; strictly upholding our regulatory obligations in every country in which we operate, and complying with both the letter and spirit of our business policies and values. Our commitment is to remain accountable for our actions and goals.



Governance

Our Board of Directors is responsible for leading effective governance over the affairs of the company, for the benefit of all our stakeholders. The Board is committed to acting in good faith, on an informed basis, maintaining an honest belief that their decisions are made in the best interests of the company.

Our principles of corporate governance provide a framework of responsibilities and procedures that guide management of the Board. These principles, which are reviewed regularly, relate to the qualifications of our directors; the criteria for independent directors; the size of our board; tenure; planning for succession; compensation, and more.

Kelly’s Board of Directors has delegated the responsibility of overseeing and monitoring ESG impacts and the implementation of the Corporate Sustainability Strategy to the **Sustainability Governance team**. This team is represented by cross-functional leaders across the company who determine strategies, policies, and goals related to ESG and sustainability initiatives. This team is also responsible for reviewing, monitoring, and communicating all external disclosures and sustainability frameworks in order to guarantee transparency and industry-level benchmarking.

Kelly complies with the listing standards of the Nasdaq® Global Market pertaining to controlled companies. Our Board of Directors, management, and the Kelly company are judged by the return provided to shareholders and stakeholders, including the management of ESG metrics in our global operations.

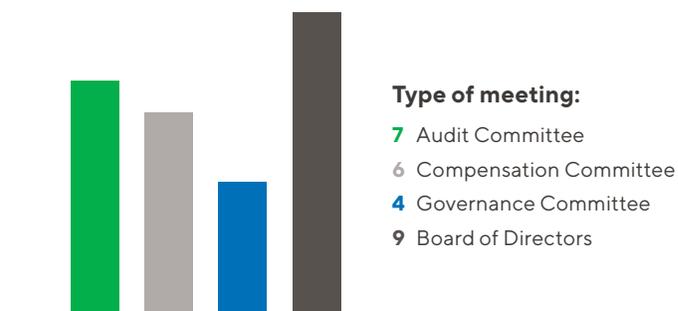
Diversity and inclusion are important to us; we expect to lead operations throughout our business based on these principles. Diverse representation in our board is important to ensure a better decision-making process. Kelly has 10 directors—three of whom are female, seven of whom are male. Two of our directors are ethnically diverse.

Kelly Board of Directors

- 10 members
- 30% women and 20% representing ethnic minorities
- 26 meetings in 2019

Meetings held in 2019

26 total meetings



Code of Business Conduct and Ethics

The Board of Directors has adopted a **Code of Business Conduct and Ethics**, applicable to all employees at all levels, at all locations of employment. The Code is intended to help all employees and collaborators identify and resolve ethical issues, deter wrongdoing, and to provide mechanisms to report dishonest or unethical conduct, as well as fostering a culture of honesty and accountability.

Employees must comply with the Code and conduct themselves in a legal and ethical manner. They are also responsible for ensuring that our suppliers, agents, and representatives are aware of their obligations to do the same. The Code of Conduct is reviewed and benchmarked annually to adjust it against best-in-class performers and business requirements.

We do not tolerate any form of unethical behavior. We have implemented a reporting system allowing employees at all levels, as well as suppliers, to report any wrongdoing anonymously and conduct investigations when required. This reporting system is administered by an independent third party.

Kelly places great value in our partnerships; we expect and require ethical behavior from our partners and customers. We have spent considerable effort developing a vast global network of partnering suppliers who work on a daily basis to support our client programs worldwide. This supplier network is one of our company's strongest competitive advantages, as well as one of our greatest responsibilities.

Suppliers who work with us trust us to treat them fairly and help them grow their businesses, and in return, we have developed a set of ethical conduct and business standards that we encourage all our global partners and suppliers to meet. These standards are stated in our **Supplier Code of Conduct**, covering topics related to ethical business conduct, employees and people, human rights, and environmental sustainability. It is mandatory that all suppliers adhere to the Supplier Code of Conduct and recommit to it prior to taking on a new assigned task.

Kelly's Code of Business Conduct addresses areas such as:

- **Conflicts of Interest:** Such conflicts may occur when a Kelly employee's individual private interest interferes with, or appears to interfere in any way with, the interests of the company. Employees are responsible for avoiding such conflicts and communicating any such situation in a timely manner.
- **Anti-Bribery/Anti-Corruption:** All Kelly employees are subject to anti-bribery/anti-corruption policies and have an obligation to comply with the U.S. Foreign Corrupt Practices Act (FCPA), as well as to 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 annually certify compliance with the principles outlined in the code, as well as participate in FCPA and anti-bribery/anti-corruption training each year, to ensure understanding of all internal policies and procedures to address any wrongdoing and guarantee our reputational image.

In 2019, we revised and updated all global policies, training, and processes that comprise the acknowledgment of our Code of Business Conduct.

Kelly's Law department provided training on Antitrust and Anti-Bribery to all employees who work in customer-, supplier-, government-, and competitor-facing roles. The training covered information related to The Foreign Practices Act (FCPA), Antitrust laws of the United States, and Anti-Bribery/Kickback laws—all of which encompass serious criminal and civil penalties for individuals, as well as for the company.

Privacy and data protection

We understand our responsibility to collect and manage personal data from our workforce and customers worldwide. With the increased use of technology and global outreach of our business, Kelly has prioritized the implementation of standard procedures to comply with General Data Protection Regulation (GDPR) standards and all applicable data privacy laws. Data protection and privacy is especially relevant for companies such as Kelly, which have access to large volumes of personal data from our employees, customers, suppliers, and other stakeholders.

All employees at Kelly are aware of this commitment and have completed mandatory training on GDPR and Privacy and Security Awareness. Team members and suppliers must understand all internal procedures and comply with the GDPR statement of Data Privacy Agreement in our Code of Business Conduct and Supplier Code of Conduct. This document is mandatory for all our workforce solution suppliers.

The IT Global Risk and Compliance team has implemented an Information Security Policy to ensure the highest security standards of Kelly's network, and ensure compliance with applicable laws and regulations. The team also analyzes and communicates any changes in the regulatory environment that may impose additional compliance requirements related to the collection, use, processing, transfer, disclosure, and retention of personal information (such as is the case with the European Union's GDPR and the California Consumer Privacy Act).



Governance

Communication and reporting

Internal communications

External communications - sustainability standards

Transparency and integrity line

We recognize that communicating and reporting our Corporate Sustainability Strategy performance helps to demonstrate openness and transparency. Our interest is to be accountable and responsible for our actions and reputation. We are committed to having continual communications with our interest groups, so that we can implement diverse communication channels to inform internal and external stakeholders about our performance.



Internal communications

Internal communications to our employees are reported through two main channels: our Kelly intranet (KellyWeb) and the AVA (chatbot) system. Our company intranet facilitates the easy sharing of and access to information, connecting different work teams to trending topics occurring in the company and the industry. Internal communication categories include Kelly News; Leadership Messages to communicate information from the top management level to all employees; and Need to Know messages, which inform employees about important policies and operational initiatives.



External communications - sustainability standards

Following international standards, our external communication helps us monitor and inform our external audiences, including customers and clients, about our performance. We also participate in external assessments such as the EcoVadis and the CDP (formerly Carbon Disclosure Project), which provide consistency in measuring our internal performance, as well as validating our success in strategy implementation.

- **EcoVadis'** assessment has helped us to align our sustainability initiatives and strategies with the expectations of our customers, in order to report results accurately. Our 2019 EcoVadis score places our company in the "Silver" category of suppliers; we have been recognized in the top five percent in Fair Business Practices among 400 suppliers evaluated in our industry worldwide.
- **CDP (formerly Carbon Disclosure Project)** – We participate in the CDP questionnaire, which evaluates Fortune 500 companies on their greenhouse gas emissions. Kelly is proud that its environmental performance ranks well above the industry average.

- **Global Reporting Initiative (GRI) Standard** – The GRI helps us to understand and communicate our sustainability performance and strategy on critical sustainability issues such as climate change, human rights, governance, and social well-being.
- **UN Global Compact** – In 2019, Kelly became a member of the UN Global Compact, which supports the alignment of our Corporate Sustainability Strategy to the 10 principle-based approaches of good business practices of the UN. This signifies operating in responsible ways, meeting human rights, labor, environmental, and anti-corruption principles.
- **NASDAQ 2019 Annual Report** – As a public company, we are committed to full compliance with the U.S. Securities and Exchange Commission's Regulation Fair Disclosure. We file this information annually, which may be accessed by the public at [sec.gov](https://www.sec.gov). This report contains information and statements regarding public business financial reports and operational strategy.

Transparency and integrity line

We have established an integrity line for employees and customers who may encounter what is believed to be a potential violation of our business Code of Conduct or a violation of local laws or regulations. Inquiries and reports on unethical behavior follow a confidential process and can be reported to Kelly Business Conduct and Ethics Reporting Program at **1-877-978-0049** or <https://www.integrity-helpline.com/kellyservices.jsp>.

Kelly prohibits and will not tolerate any type of retaliation against any individual who reports in good faith any concerns about violations of our values and principles. We will conduct an investigation promptly and fairly to ensure anonymity, and then take appropriate action.



How we report

Materiality

Stakeholder engagement



Materiality

Our approach

Our materiality assessment analyzed an exhaustive list of sustainability issues that cover all aspects of our business, considering ESG issues related to external standards such as the GRI, EcoVadis Assessment, CDP, Sustainable Development Goals, UN Guiding Principles of Human Rights, UN Global Compact, and the World Employment Confederation. In this process, we identify stakeholders' expectations and prioritize the most relevant topics on which we established our Corporate Sustainability Strategy.

This process was analyzed with 238 internal and external stakeholders from more than 10 countries where we operate. We plan to conduct this process every two years, or as deemed necessary.

Identification of selected stakeholders

The stakeholders were identified considering: the number of social dialogues and interactions with a specific group of interests; the level of influence on the type of business, industry, and business sector; and the direct beneficiaries and consumers of our products or services.

We selected a group of representatives from both key internal and external stakeholders, including workers, customers, consumers, community members, and value chain vendors and suppliers. To ensure variety in this group, we invited administrative and non-administrative representatives from neighboring communities and local businesses in areas where we operate.

Included were suppliers; industry unions; local authorities such as regulatory bodies and industrial associations; non-governmental organizations with an interest in our line of business, and customers. In this process, we worked closely with as many stakeholders as possible from differing backgrounds, especially those with strategic roles or in senior leadership positions.

Identification of the most material topics and their boundaries

We identified 16 of the most relevant topics, which were evaluated against two dimensions: relevance for stakeholders, and their impact on the business strategy. Each topic was analyzed through 61 consultations—including interviews, focus groups, and online surveys of the selected group of stakeholders. The identification of the most material topics and their boundaries followed a prioritization process based on a risk assessment analysis.

Considering Kelly's worldwide business outreach and the material topics identified through the materiality assessment process, the boundary for each of the identified topics is considered to be global. Therefore, the company has established standardized global practices for partners and suppliers worldwide to ensure compliance and address issues at a local level.



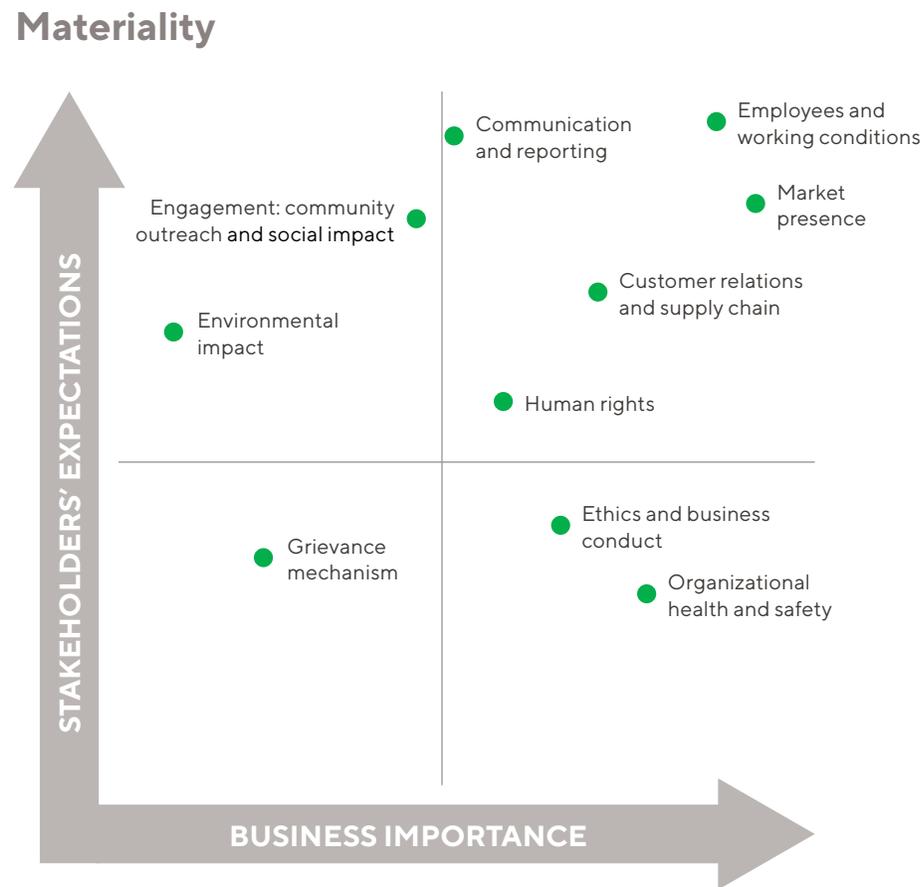
Prioritization of the most material topics

We scored each topic regarding three factors: first, stakeholders’ perceptions regarding the frequency of issues raised, as well as their variety, relevance, and level of power; second, the severity of impact on stakeholders; and third, the level of risk associated with our business operations.

This analysis helped us identify how each topic was rated, considering its level of associated risk and the level of management from the company. The issues rated the highest priority were prioritized both in their significance to our stakeholders, as well as their level of impact on our business strategy. The results are plotted on the graph below to visualize the relationship of the most relevant issues to our stakeholders and, most importantly, to the success of our business.

Responses to each topic were descriptively analyzed, facilitating their interpretation and considering whether their level of associated risk was high, medium, or low—as well as whether the businesses would be impacted in a positive or negative manner. Some of the most material topics are well-managed by the company; however, it is necessary to continue to guarantee high standards regarding those topics, as they may imply a higher risk if not well-managed.

The materiality assessment prioritized the following 10 most significant topics that help us remain “in accordance” with the Global Reporting Initiative: Standard report.



The materiality matrix was revised with our stakeholders to define the six principles in which we guide our Corporate Sustainability strategy and this reporting content. The six pillars are defined as follows:

1. Employees and people
2. Ethics
3. Engagement
4. Occupational health & safety and environment
5. Supply chain and customer relations
6. Communication, evaluation, and reporting

Stakeholder engagement

Our approach

We recognize the importance of engagement with our stakeholders for a better understanding of their concerns, helping us deliver an effective and valuable Corporate Sustainability Strategy. Our latest materiality assessment helped us to leverage the dialogue in a two-way engagement process with both internal and external stakeholders, to identify their main concerns, and establish how we may respond to address those issues in the short, medium, and long term, regarding the impact and influence of our business operations.

Kelly responds to stakeholders through a variety of initiatives and activities directed toward our customers, suppliers, and communities where our offices are located. The following matrix presents the most relevant issues raised by our stakeholders and our responses in addressing them.



Stakeholder engagement matrix

| STAKEHOLDER VALUES | STAKEHOLDERS ENGAGED | POSSIBLE IMPACT TO STAKEHOLDERS IF VALUES ARE NOT ADDRESSED | HOW WE ADDRESS ISSUES AND CONCERNS |
|--|---|---|--|
| Employees and working conditions | Kelly leadership, Kelly employees, Suppliers, Customers | Child and forced labor are themes of very high sensitivity. The company has established internal policies and procedures to minimize its occurrence and guarantee good working conditions for all employees. However, if there is a single issue related to child or forced labor, the company may be affected in terms of business, exposing it to an immediate closure of operational activity. | <ul style="list-style-type: none"> a. We have in place several procedures and guidelines to control any case related to child and forced labor as much as possible. b. We have implemented internal policies and procedures to guarantee transparency regarding salaries throughout our compensation system. |
| Customer relations and supply chain | Kelly leadership, Kelly employees, Suppliers, Customers | Suppliers may be affected in case of not meeting the requirements to operate. Likewise, employees and customers may be highly affected if the company does not have internal effective procedures to address possible cases of discrimination within its operations. This may not only affect its reputation but may expose the company to non-compliance with laws and regulations. | <ul style="list-style-type: none"> a. We have implemented internal policies and practices to promote and replicate our corporate values and standards with all our employees, customers, and collaborators. We comply with the Slavery Act UK to prevent and address cases of forced labor in our supply chain. b. We have implemented internal guidelines to ensure and expand our diversity and inclusion practices along the supply chain. c. We work closely with our customers and partners to ensure compliance with our business Code of Conduct, work towards a stronger relationship with our customers worldwide, and guarantee all internal guidelines in our value chain. |
| Human rights | Kelly leadership, Kelly employees, Suppliers, Customers | Employees' rights may be violated if there is a limitation to associate. | We have stated a human rights policy in our employee handbook and our Code of Conduct that recognizes, among other topics, our employees' right of freedom of association. However, we have not identified a unionist employee association in our U.S. operations, nor in the industry. |
| Engagement: community outreach and social impact | Kelly leadership, Kelly employees, Suppliers, Customers, NGOs | Social impact initiatives have been historically reactive and not aligned to the company's core strategy. | Since 2017, we have implemented a transformative approach of our Social Responsibility programs towards a Corporate Sustainability Strategy. This strategy considers a more strategic engagement of our social impact and community engagement, focused on three specific areas: i) diversity and inclusion; ii) talent, skills, and training for labor; iii) vulnerable communities and reinsertion to the workforce. It is also aligned to the UN Sustainable Development Goals. |
| Market presence | Kelly leadership, Kelly employees, Suppliers, Customers | Challenges in adaptability of stakeholders to respond to new labor requirements. | We have implemented a strategy to constantly analyze and respond to new market trends: i) Embracing the future of work, ii) Being the destination for top talent, iii) Investing in technology for innovation and efficiency, iv) Leading in our chosen markets via scale or specialty. |

Stakeholder engagement matrix

| STAKEHOLDER VALUES | STAKEHOLDERS ENGAGED | POSSIBLE IMPACT TO STAKEHOLDERS IF VALUES ARE NOT ADDRESSED | HOW WE ADDRESS ISSUES AND CONCERNS |
|--------------------------------|---|--|---|
| Communication and reporting | Kelly leadership, Kelly employees, Suppliers, Customers, NGOs | Inadequate information may lead to mistakes and increase risks. | Since 2018, the company has reported its sustainability strategy following the international standardized reporting Global Reporting Initiative-GRI: Standard. Additionally, in February 2019, the company signed the UN Global Compact to disclose reporting based on the Communication of Progress. |
| Ethics and business conduct | Kelly leadership, Kelly employees, Suppliers, Customers, NGOs | A bribery or corruption practice may not only affect the corporate reputation and license to operate but expose the company to civil and/or criminal liability, and undermine the trust from our customers, shareholders, and community. | We are committed to abiding by all applicable laws in the countries where we operate. We comply with the U.S. Foreign Corrupt Practices Act (FCPA), the UK Bribery Act, as well as all other country specific anti-bribery and anti-corruption laws. We have implemented a Code of Business Conduct and Ethics to help us to recognize and address ethical issues, deter wrongdoing, and provide mechanisms to report any concern, fostering a culture of honesty and accountability. |
| Organizational health & safety | Kelly leadership, Kelly employees, Suppliers, Customers | The perception that OH&S conditions are only ensured for temporary employees can create a negative working environment for full-time employees and can increase the risk of accidents in the workplace. | We have set standardized internal guidelines with our customers, partners, and suppliers regarding OH&S, to guarantee proper working conditions for all temporary and full-time employees. |
| Environmental impact | Kelly leadership, Kelly employees, Suppliers, Customers, NGOs | There is a disconnect regarding environmental practices from the majority of employees. It may affect the implementation of those initiatives in the long term. | We have set internal procedures to measure our ecological footprint, and to reduce the environmental impact of our business through education in preservation, conservation, and waste reduction practices. |
| Grievance mechanism | Kelly leadership, Kelly employees, Suppliers, Customers | Retaliation may lead to hostile work environments, affecting not only the corporate reputation but also its relationship with customers, employees, and the community. | We have established a formal complaint process that can be used by any internal or external stakeholder respecting anonymous and safe procedures, to report any inappropriate behavior or situation in the workplace that involves violence, threats, bullying, intimidation, or harassment. Contact Kelly Services' Business Conduct and Ethics Reporting Program at 877.978.0049 or https://www.integrity-helpline.com/kellyservices.jsp . For Europe: https://kellyserviceseu.alertline.com/gcs/welcome |



About this report

Scope

This report conveys our Corporate Sustainability performance for the 2019 fiscal year, in accordance with our alignment with international reporting standards on sustainability and UN Sustainable Development Goals. Previous communications were transmitted through the Corporate Social Responsibility publications in 2015-2016, 2016-2017, and the GRI Sustainability Report of 2018.

Kelly's 2019 Corporate Sustainability Report formalizes our Sustainability Strategy to ESG practices and provides updates on the implementation of our sustainability principles and initiatives. Considering our global operations, this report's scope focuses on our internal operations, extending to our supply chain and business partners, who support our operations worldwide.

All data has been collected by the Sustainability team in collaboration with other operational areas

of the organization. The data has been revised, with estimations clearly denominated. Any assumptions in the description have been specified in the content or index section. The report presents both the positive results of our Sustainability Strategy, as well as the main challenges and drawbacks we must overcome in order to ensure the quality of information presented.

We continue to work on improving our data gathering, especially from business partners and customers worldwide.

Reporting standard

This report has been prepared in accordance with the GRI Standards: Core Option. It is presented as the second Kelly Sustainability Report that enumerates our actions in addressing the most relevant economic, environmental, and social impacts of our business performance in accordance with the expectations of our stakeholders. This report

also aligns our sustainability initiatives considering external international sustainability frameworks such as CDP, UNGC, EcoVadis, and financial disclosures of the NASDAQ 2019 annual report.

Report structure

This report formalizes our Corporate Sustainability Strategy aligned to ESG topics. Each of the Environmental, Social, and Governance criteria presents updated information regarding the six pillars of our Corporate Sustainability Strategy. Each pillar describes internal policies, procedures, initiatives, and main achievements in communicating how we respond to our performance. Since we are a company of global reach, the topics covered here are global in scope, unless specified otherwise.

Any concerns or feedback?

If you have any questions or would like further information about our latest work in sustainability, please contact: sustainability@kellyservices.com

<https://www.kellyservices.com/global/about-us/corporate-sustainability/corporate-sustainability-program/>



This is our **Communication on Progress** in implementing the Ten Principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.

GRI Index



GRI matrix

| GRI: Standard | Disclosure number | Standard disclosure title | Kelly response |
|-------------------------------|-------------------|--|--|
| GRI-Foundation | | | |
| GRI-Foundation | 101 | Reporting principles and standards | Reporting principles, standards, and content are described here: About this report |
| Organizational profile | | | |
| Organizational profile | 102-1 | Name of the organization | Kelly Services, Inc. KELYA |
| | 102-2 | Activities, brands, products, and services | Kelly is a workforce solutions leader delivering staffing solutions and talent management for a variety of industries and companies worldwide. Our services span outsourcing, consulting, recruitment, talent advisory, career transition, and vendor management services. We do not provide services that are banned in certain markets. |
| | 102-3 | Location of Headquarters | Global and U.S. Headquarters: 999 West Big Beaver Road, Troy, Michigan 48084 EMEA Headquarters: Av. Edouard-Dubois 20, CH-2006 Neuchatel, Switzerland APAC Headquarters: 36 Robinson Road, #20-01 City House, Singapore 068877 |
| | 102-4 | Location of operations | Our global operations serve 56 countries worldwide in three regions: Americas; EMEA-Europe, Middle East, and Africa; APAC-Asia Pacific: Global representation and value chain |
| | 102-5 | Ownership and legal form | Kelly Services is a public company traded on the Nasdaq stock exchange under stock ticker symbols KELYA and KELYB. Our legal business structure is designated as a C Corporation: Annual Report 2019 |
| | 102-6 | Markets served | <ul style="list-style-type: none"> Market presence: 9 countries in the Americas (AMER); 32 countries in Europe, the Middle East, and Africa (EMEA); and 15 countries in the Asian Pacific (APAC). Kelly supports any size and type of organization, in all industries, mainly focused on energy, life sciences, consumer brands, industrial/manufacturing, and financial services/insurance. |

| GRI: Standard | Disclosure number | Standard disclosure title | Kelly response |
|---|-------------------|--|--|
| Organizational profile (continued) | | | |
| | 102-7 | Scale of the organization | <p>Total number of employees: 7,700: Kelly by numbers</p> <p>Main products/services and operations: Supply chain and customer relations</p> <p>Net revenue in 2019 was \$5.4 billion: Annual Report 2019</p> <p>Financial statements specifying total capitalization, debt and equity, provided in the annual financial report: Annual Report 2019</p> |
| | 102-8 | Information on employees and other workers | <p>We employ approximately 1,000 employees at our corporate headquarters and 6,700+ throughout our global network. Total number of permanent and temporary employees by gender and region: Our people</p> <p>Number of temporary workers are variable based on client needs and are estimated based on the annual average. Total number of full-time and part-time employees by gender: Our people</p> <p>Kelly's activities are performed by direct or temporary employees.</p> |
| | 102-9 | Supply chain | <p>Our supply chain has two defined categories. First: our third-party vendors and suppliers. Second: our talent supply chain, part of our workforce solutions. In our second category our main services are: 1. Workforce solution supplier; 2. Managed service provider (MSP), integrating our suppliers and vendor management system (VMS); 3. Recruitment process outsourcing (RPO); 4. Business and professional services; and 5. Temporary staffing which includes a spectrum of non-company labor categories, such as Independent Contractors, Payroll Services, RFX/Statement of Work (SOW) Services, Talent Pools and Identity Management (IDM): Supply chain and customer relations</p> <p>Our worldwide operations require our customers and suppliers to follow our global business standards on working conditions, governance, OH&S and Environment: Supplier Code of Conduct.</p> |
| | 102-10 | Significant changes to the organization and its supply chain | <p>Non-significant changes in organization structure during 2019. Acquisitions: NextGen and GTA. Sells: HQ, Lindsey and Annex buildings. Divestitures: At the end of 2018, we completed the sale of our legal staffing and document review operations to Trustpoint. One and healthcare staffing operation to InGenesis. Investments: Kelly Innovation Fund invested in Kenzie Academy; ISPE-U.S.; The Business Talent Group (BTG). Our Business-Mergers, Acquisitions, Investments and Divestitures: Annual Report 2019</p> |

| GRI: Standard | Disclosure number | Standard disclosure title | Kelly response |
|---|-------------------|-------------------------------------|---|
| Organizational profile (continued) | | | |
| | 102-11 | Precautionary principle or approach | Kelly has set internal policies and guidelines to minimize its environmental impacts. However, Kelly does not have a specific policy as it pertains to the precautionary principle. |
| | 102-12 | External initiatives | <ol style="list-style-type: none"> 1. External institutions and principles: <ul style="list-style-type: none"> • The World Employment Confederation (WEC) https://www.wecglobal.org/ • Corporate Equality Index https://www.hrc.org/campaigns/corporate-equality-index • EcoVadis https://www.ecovadis.com/ • Nasdaq Annual Report http://ir.kellyservices.com/financial-information • U.S. Americans with Disabilities Act https://www.ada.gov/ • U.S. Foreign Corrupt Practices Act https://www.justice.gov/criminal-fraud/foreign-corrupt-practices-act • General Data Protection Regulation https://eugdpr.org/ • UK Modern Slavery Transparency Act Statement https://www.kellyservices.com/global/siteassets/3-kelly-global-services/files/uk-modern-slavery-transparency-act-statement-revised.pdf • UN Global Compact https://www.unglobalcompact.org/ 2. External initiatives we endorse through our social investment program: <ul style="list-style-type: none"> • Kenzie Academy https://www.kenzie.academy/ • Compass program in alliance with Best Buddies International https://www.bestbuddies.org/ • HAVEN; Let's Detroit Initiative; Women of Tomorrow; Alternatives For Girls; Boys and Girls Club of Troy; Life Remodeled; Troy Community Foundation; Developing K.I.D.S.; Engagement-Social Investment Program 3. Environmental initiatives: The Building Owners and Managers Association of Metro Detroit (BOMA), recognized Kelly with The Outstanding Building of the year (TOBY) Award- Lindsey Center Building; CDP (formerly Carbon Disclosure Project); Environment 4. Supply chain initiatives and principles: Supplier Code of Conduct; Supplier Diversity Development Team: Supplier diversity 5. Diversity and Inclusion affiliations |

| GRI: Standard | Disclosure number | Standard disclosure title | Kelly response |
|---|-------------------|--|--|
| Organizational Profile (continued) | | | |
| | 102-13 | Memberships of associations | Kelly works to advance the interests of the staffing industry and its customers through our involvement in local, state, national, and international organizations. We are a founding member of the American Staffing Association (ASA). Members of the World Employment Confederation (formerly CIETT). Members of Diversity and Inclusion affiliation initiatives: Diversity and Inclusion affiliations. Since 2018, we are partners of IPSE-U.S. Since 2019, we are signatories to the UN Global Compact. |
| Strategy | | | |
| Strategy | 102-14 | Statement from senior decision-maker | Message from our President and CEO |
| | 102-15 | Key impacts, risks, and opportunities | Message from our President and CEO, Our Corporate Sustainability Strategy, Annual Report 2019 Kelly response to COVID-19 |
| Ethics and integrity | | | |
| Ethics and integrity | 102-16 | Values, principles, standards, and norms of behavior | Our Business-Mission, Vision, Values, Character Our Corporate Sustainability Policy Our norms of behavior: Code of Business Conduct and Ethics , regarding global practices in labor conditions, human rights, governance principles, transparency, accommodation policy, and anti-harassment policy: Supplier Code of Conduct . Equal employment opportunity policy and affirmative action: https://www.kellyservices.com/global/about-us/company-information/eeo-policy/ . |
| | 102-17 | Mechanisms for advice and concerns about ethics | Code of Business Conduct and Ethics , regarding conflict of interest; anti-bribery/anti-corruption; insider trading; confidential and customer data privacy. Supplier Code of Conduct , regarding ethical and professional conduct. |

| GRI: Standard | Disclosure number | Standard disclosure title | Kelly response |
|-------------------|-------------------|---|--|
| Governance | | | |
| Governance | 102-18 | Governance structure | <p>Executive Leadership and Senior Leadership: https://www.kellyservices.us/us/about-us/company-information/our-leadership2/</p> <p>Board of Directors: http://ir.kellyservices.com/corporate-governance/board-of-directors</p> <p>Corporate Governance Principles: https://kellyservices.gcs-web.com/corporate-governance-principles-0</p> <p>The Corporate Governance and Nominating Committee: responsible for determining the competencies and personal attributes required of director nominees and for making recommendations to the Board.</p> <p>The Compensation Committee: shall annually oversee, evaluate, and present to the committee achievements of performance objectives for the Chief Executive Officer.</p> <p>Each Committee shall have a written charter of responsibilities, duties, and authorities, which shall be reviewed at least annually by the Board. 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.</p> <p>Additionally, the Sustainability Governance Committee oversees the implementation of the Corporate Sustainability Strategy for social and environmental impacts.</p> |
| | 102-19 | Delegating authority | The Board of Directors has delegated authority to the Sustainability Governance team for structuring and overseeing the ESG metrics and Corporate Sustainability Strategy. This team is responsible for monitoring and communicating environmental and relevant social topics, creating strategies for addressing them in a timely and appropriate fashion. |
| | 102-20 | Executive-level responsibility for economic, environmental, and social topics | The Sustainability Governance Team has delegated responsibility for analyzing and implementing economic, environmental, and social initiatives to Tim Dupree, Senior Vice President and Chief Growth Officer, and Belen Benitez, Corporate Sustainability Lead, Global Service: Q&A |
| | 102-21 | Consulting stakeholders on economic, environmental, and social topics | In January 2018, we conducted our first formal stakeholder engagement process, helping us to understand the most relevant concerns from our stakeholders and how we can appropriately respond, considering our business core and approach to sustainability. This consultation process was delegated to our Corporate Sustainability Lead and reviewed by management and leader executives at Kelly Services, Inc.: Stakeholder engagement , Materiality |

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| Governance (continued) | | | |
| | 102-22 | Composition of the highest governance body and its committees | The highest governance body is represented by the Board of Directors Committees include: Audit committee; Compensation committee, Governance and nominating committee |
| | 102-23 | Chair of the highest governance body | The Chairman of the Board: Donald R. Parfet Board of Directors. At the present time, the board has determined that the roles of the Chairman of the Board and the Chief Executive Officer should be separated. Corporate Governance Principles |
| | 102-24 | Nominating and selecting the highest governance body | The Corporate Governance and Nominating Committee is responsible for identifying and recommending to the Board qualified candidates for the 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. Corporate Governance Principles |
| | 102-25 | Conflict of interest | 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 of any development that might affect the director's independence. Corporate Governance Principles Our Conflict of Interest policy states that all employees must act with integrity and avoid any relationship or activity that might impair our ability to make objective and fair decisions while fulfilling job responsibilities. Some possible situations of conflict of interest are communicated in the Code of Conduct as well as all disclosure mechanisms to properly reporting and addressing. Directors and Executive Officers must seek determination and prior authorization or approval of potential conflict of interest from the Audit Committee. Code of Business Conduct and Ethics |
| | 102-26 | Role of the highest governance body in setting purpose, values and strategy | The Board of Directors is responsible for establishing and maintaining the most effective leadership structure for the company. The Chief Executive Officer is responsible for managing the business affairs of the company, leading the company's management team, keeping the Board reasonably informed, and communicating with all directors about key issues. The CEO is subject to the oversight of the Board. Corporate Governance Principles |
| | 102-29 | Identifying and managing economic, environmental, and social impacts from the highest governance body | The Board of Directors oversee the development and implementation of the company's Corporate Sustainability Strategy and ESG metrics which is based on the following pillars: Ethics and business conduct; employees and people; engagement; OH&S and environmental; supply chain and customer relations; and communications, evaluation and reporting. Corporate Governance Principles |

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| Governance (continued) | | | |
| | 102-31 | Review of economic, environmental and social topics | The Corporate Governance and Nominating Committee organize and oversee an annual evaluation by the Board and its committees of their performance. Since 2019, the Board has formalized ESG impacts on the Corporate Sustainability Strategy, recognizing the increasing importance of these topics to many investors. The Board oversees the development and implementation of the Corporate Sustainability Strategies regularly reported by the Corporate Sustainability Lead. Corporate Governance Principles |
| | 102-32 | Highest governance body's role in sustainability reporting | The Corporate Sustainability Lead is responsible for managing information presented in this report and overseeing the organization's sustainability performance and ESG metrics. The Sustainability Governance committee will review the final version of the sustainability report before its publication. |
| | 102-33 | Communicating critical concerns | The CEO communicates critical concerns from the leadership team to the Board via mail or email. Stockholders may also communicate with the Board through writing communications. All written stockholder communications will be reported to the Board at its regularly scheduled meetings. Corporate Governance Principles |
| | 102-36 | Process for determining remuneration | Kelly has a global compensation philosophy that sets internal policies that guarantee transparency and equitable compensation to all employees: Global compensation philosophy |
| Stakeholder engagement | | | |
| Stakeholder engagement | 102-40 | List of stakeholder groups | Kelly engages different stakeholders through a variety of initiatives and communications dedicated to our customers, suppliers, and communities where offices are located. In 2018, the materiality assessment allowed us to engage with a group of 238 internal and external stakeholders, including customers; employees and staff; suppliers and labor industry organizations; nonprofit organizations; local communities directly impacted by our business; government and regulatory agencies; shareholders and investors; and external assessment agencies: Stakeholder engagement matrix , Materiality |
| | 102-41 | Collective bargaining agreements | Kelly Services has not identified a labor unionist industry organization in any of our markets. No Kelly team members are currently covered by a collective bargaining agreement. |

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| Stakeholder engagement (continued) | | | |
| | 102-42 | Identifying and selecting stakeholders | <p>The stakeholders were identified considering the following criteria:</p> <ol style="list-style-type: none"> 1. Number of social dialogues and interactions with the group of interest 2. Direct influence on the type of business, industry, business sector 3. Direct beneficiaries of our products or services 4. Areas of influence: i.e., neighboring communities, local businesses 5. Public organizations such as regulatory bodies, industrial associations, among others 6. Nonprofit organizations with an interest in our line of business 7. Our consumers 8. Our value chain <p>Stakeholder engagement, Materiality</p> |
| | 102-43 | Approach to stakeholder engagement | <p>We recognize the importance of engaging with our stakeholders for a better understanding of their concerns, which could help focus our sustainability strategy on high-priority issues. Our latest materiality assessment served as a formal engagement process for identifying the most material issues covered in this report. This process is expected to be done on a biannual basis. Previous to this process, Kelly had responded to stakeholders, formally and informally, through differing approaches toward customers, suppliers, and communities where our offices are located:</p> <p>Stakeholder engagement, Materiality</p> |
| | 102-44 | Key topics and concerns raised | <p>The Stakeholder Engagement Matrix presents the top 10 issues raised, main concerns from specific stakeholders, impact on stakeholders, and how the organization has responded to those key topics: Stakeholder engagement, Materiality</p> |
| Reporting practice | | | |
| Reporting practice | 102-45 | Entities included in the consolidated financial statements | <p>A list of wholly owned subsidiaries and entities are included in the organization's financial statements:</p> <p>Annual Report 2019</p> |
| | 102-46 | Defining report content and topic boundaries | <p>The report's content is presented based on our materiality assessment, which prioritized the 10 most relevant topics considering our business core and relevance for stakeholders. The rating process scored a variety of topics based on how frequently they were raised by certain stakeholder groups. The relevance criteria helped to identify the level of authority that the stakeholder has over each topic. Considering our worldwide operational outreach, the boundaries for each topic are considered to be global: Materiality</p> |

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| Reporting practice (continued) | | | |
| | 102-47 | List of material topics | The following topics presented in the materiality matrix are identified as the most material: 1. employees and working conditions; 2. market presence; 3. customer relations and supply chain; 4. human rights; 5. engagement: community outreach and social impact; 6. communication and reporting; 7. ethics and business conduct; 8. organizational health & safety, 9. grievance mechanism; and, 10. environmental impact: Materiality |
| | 102-48 | Restatements of information | Restatement of information on Kelly Services –GRI Report 2018: disclosure 305- Direct Scope 1 GHG Emissions 2018 reported for: 690 metric tons of CO ₂ . Restatement of information: Direct Scope 1 GHG Emissions for 2018 were 899 metric tons of CO ₂ . The change of this information results from adjustments in measurement methods that have been validated to report current GHG emissions in Direct and Indirect metrics. |
| | 102-49 | Changes in reporting | No significant changes in the reporting structure. |
| | 102-50 | Reporting period | This report represents Kelly Services' global operations and performance for fiscal year 2019 (January 1, 2019 to December 31, 2019): About this report |
| | 102-51 | Date of most recent report | Our latest GRI Report 2018, was published in May 2019: About this report |
| | 102-52 | Reporting cycle | Reporting cycle is on an annual basis, from January 1, 2019 to December 31, 2019: About this report |
| | 102-53 | Contact point for questions regarding the report | sustainability@kellyservices.com: About this report Kelly Services HQ 999 W Big Beaver Road Troy, MI 48084 |

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| Reporting practice (continued) | | | |
| | 102-54 | Claims of reporting in accordance with the GRI Standards | The report has been prepared in accordance with the GRI Standards: Core option: About this report |
| | 102-55 | GRI Context Index | GRI Index |
| | 102-56 | External Assurance | The general content of this report does not seek external assurance or validation. However, some of our social and environmental data is assured by external standards such as the CDP (formerly Carbon Disclosure Project), and EcoVadis. |
| Management approach | | | |
| Management approach | 103-1 | Explanation of material topics and their boundaries | The materiality assessment followed a process of risk assessment for identifying how the material topics were managed by the company and how the level of risk was perceived by stakeholders. Our material topics considers Kelly's worldwide business outreach and prioritized 10 topics identified through the materiality assessment: Employees and working conditions; market presence; customer relations and supply chain; communicating and reporting; human rights; ethics and business conduct; organizational health and safety; grievance mechanism; engagement: community outreach and social impact; environmental impact. The boundary for these topics are considered as global, with certain exceptions explained throughout this report. Therefore, the company has established standardized global practices for partners and suppliers worldwide to ensure compliance and address issues at a local level. |

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| Management approach (continued) | | | |
| | 103-2 | Management approach and its components | <p>All material topics are analyzed and evaluated following internal principles, standards, and goals to ensure implementation in all areas and countries of operation. This analysis follows:</p> <ul style="list-style-type: none"> • Current status and policy gap analysis for each material topic • Sustainability roadmap for each pillar (including an action plan for the period time of 2018 to 2021, to ensure implementation of initiatives per business unit, related to each topic) • Evaluation of main goals, by the end of 2019, for analyzing performance implementation as well as high-level overview throughout the organization <p>Specific goals and targets relevant to material topics are:</p> <ul style="list-style-type: none"> • Employee working conditions: Diversity and Inclusion, Human Rights, Compensation Philosophy and Benefits. • Market presence: increase market presence by specialty. • Customer relations and supply chain management: Risk assessment management process and third party gap analysis. 100% of workforce suppliers have signed and agreed to the Supplier Code of Conduct. • Human rights: will also be included in the sustainable procurement directive for supply chain management. In the case of Kelly full-time employees, we will keep working on the policy gap analysis to guarantee all human rights are understood and minimize any case of violations. • Ethics and business conduct: zero events of bribery and corruption identified in the reporting period. In 2019, Kelly reviewed and updated all global policies including anti-bribery, anti-corruption, anti-harassment, anti-trust. • Organizational health & safety: zero working-related fatalities along our operations. • Grievance mechanism: Integrity line. • Communication and reporting: GRI sustainability report for 2019, UNGC Report on progress and external assessments. • Environmental Impact: do not exceed our operational carbon footprint during the remodeling process by 2020, in comparison to 2017 baseline. • Engagement: community outreach and social impact. Engage corporate volunteer program guidelines and implementation. |
| | 103-3 | Evaluation of the management approach | <p>We have implemented the Corporate Sustainability Questionnaire, which assesses and evaluates our sustainable performance on a yearly basis. The tool evaluates our sustainability performance based on our strategic pillars and provides inputs on our goal achievements. This tool is also the main source of information for this report, as it includes verification sources and report on progress.</p> |

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| Economic standards | | | |
| Economic standards | 201 - Economic performance | Direct economic values generated and distributed | Kelly's economic value, as well as financial implications and risk/opportunities disclosure, can be found in our financial report. We do not have a risk and opportunity assessment specifically related to climate change: Annual Report 2019 |
| | | Defined benefit plan obligations and other retirement plans | To help save for retirement, Kelly offers the Kelly Retirement Plus (KRP) Plan, an optional 401(k) savings plan for all U.S. based full-time employees. The plan offers a savings feature with Company matching contributions. Information about the organization's general resources and the plan's liabilities are available in the financial report: Annual Report 2019 |
| | 202 - Market presence | 202-1 Ratios of standard entry-level wage by gender compared to local minimum wage | Kelly does not track the total number of employees compensated based on minimum wage rules. However, we have established internal policies for our customers and suppliers worldwide regarding adherence to local standards and rules on minimum pay, and to guarantee that employees are compensated accordingly. Within the U.S., our lowest hourly rate for non-exempt (hourly) employees is \$14.99 USD. |
| | | 202-2 Promotion of senior management hired from the local community | A senior management position is referred to SVP and above upper-level positions. Kelly does not manage a percentage of employees in senior management positions at significant locations of operation that have been hired from the local community. For this reason, we do not have a definition for "significant locations of operation," nor a geographical definition of "local." |
| | 203 - Indirect economic impacts | Infrastructure investment and services supported | Disaster recovery program contributed \$39,270 through the Kelly relief fund. This fund can increase its amount to support disaster recovery programs when there is critical need: Disaster recovery |
| | | Significant indirect economic impacts | Total number of volunteer hours in 2019: 4,000 (est.); with participation of 10% of our workforce. Total annual contributions to social investment initiatives with partners and local communities in 2019: \$115,000 USD: Engagement- Social Investment Programs |

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| Economic standards (continued) | | | |
| | 204- Procurement practices | Proportion of spending on local suppliers | In 2019, our multidimensional strategy reached over 500 diverse suppliers across our global network. We invested nearly \$4 billion (\$1 billion in the U.S. only) to develop a sourcing strategy where diverse suppliers can compete and enhance their business opportunities in servicing our supply chain. Considering the worldwide market presence of our supply chain, the organization's definition of "local" is referred to each country of operation: Diverse supplier strategy |
| | 205- Anti-corruption | Operations assessed for risks related to corruption | Kelly is committed to doing the right thing, conducting ourselves in a legal, ethical, and trustworthy manner. We have implemented global policies and processes to manage a Supplier Code of Business Conduct (SCoC) which provides guidelines to our global suppliers and their employees regarding anti-corruption and anti-bribery practices. 100% of our workforce suppliers and 91% of our suppliers have signed the SCoC and are expected to understand and follow these procedures: Supplier Code of Conduct |
| | | Communication and training about anti-corruption policies and procedures | We conduct annual training to all employees and communicate mechanisms to report any concerns or unethical conduct: Code of Business Conduct and Ethics In 2019, 100% of our employees certified acknowledgment of understanding our "Code." This code is intended to serve as a guide; employees are encouraged to present their questions/concerns to the vice president, internal audit, the general counsel, human resources, or to the Kelly anonymous hotline. In 2019, all our employees received training on anti-corruption and anti-bribery policies and guidelines. Governance |
| | | Confirmed incidents of corruption and actions taken | We are not aware of any incidents of corruption. |
| | 206- Anti-competitive behavior | Legal actions for anti-competitive behavior, anti-trust, and monopoly practices | Notwithstanding our long history of effective compliance with laws and regulations, Kelly, as any other large corporation, is involved in legal matters in the ordinary course of its business. These matters are generally resolved favorably, with no material financial effect on the continuing operations of the business or our ability to serve our clients. |

| GRI: Standard | Disclosure number | Standard disclosure title | Kelly response |
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| Environmental standards | | | |
| Environmental Standards | 103 | Management approach and its components | As a workforce and talent services provider, our environmental impact mainly relates to our office operations. We are committed to measuring and managing our impact on the planet through the implementation of internal practices that promote preservation, conservation, and waste reduction: Environment |
| | 301-1 Materials | Materials used by weight or volume | Kelly is renovating its headquarters offices with consideration given to green building procedures that use environmentally friendly materials. This procedure follows procurement and purchasing standards on office supplies and building materials. In 2019, we purchased 3,687 square yards of carbon neutral flooring for remodeling two complete floors in our HQ building in Troy, Michigan. We do not have measurements of composed materials in order to report on volume and weight. Environment- Energy consumption |
| | | Recycled input materials used | Our recycled practices within our headquarters offices: Total weight recycled = 1,500 lbs. Total weight of recycled paper = 517,300 lbs (Shred-it): Environment- Waste Management |
| | 302- Energy | Energy consumption within the organization | Our business operations are limited to office space, with a significant amount of personnel working remotely (online-based). We measure energy consumption within the organization based on the electricity and natural gas used in our headquarters offices, located in Michigan, United States. The Energy Consumption within our organization is measured by the Energy Usage Index (EUI) that analyzes the energy efficiency per building by year: Energy Consumption- Energy Usage Index Direct energy consumption at the Corporate campus for 2019: 379,831 kBtus per square foot (note: source of verification and methodology for calculation based on utility bill data for Scope 2 and internal fuel consumption for Scope 1). Kelly participates in the annual CDP (formerly Carbon Disclosure Project) which evaluates companies on their greenhouse gas emissions. |
| | | Energy consumption outside the organization | Although we operate in branches and lease offices outside of our headquarters, we are just able to report on consolidated electricity expenses for those offices. We expect to start consolidating measures on energy consumption outside the organization, in our lease and branch offices, in the next two years. |

| GRI: Standard | Disclosure number | Standard disclosure title | Kelly response |
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| Environmental standards (continued) | | | |
| | 302- Energy (cont.) | Energy intensity | Because of the nature of our business and our flex job model, estimating our energy intensity ratio represents a challenge. Our energy consumption is reflected in Scope 1 and Scope 2 reporting emissions. However, additional to the 1,000 employees based in Troy, Michigan, a significant number of employees travel for office days to our HQ buildings, as well as a significant portion work remotely, modifying the daily influx of employees and users at our locations. Therefore, our energy intensity ratio is calculated estimating the average number of employees present in HQ (1,449) against Scope 1 and Scope 2 GHG emissions reporting. That gives us an estimate of 4.5 tons of GHG emission for employees in the U.S. The numbers obtained come from the following calculation: ((Scope1 +Scope2 emissions)/ average number of employees in HQ)) or (6,533/1,600). |
| | | Reduction on energy consumption | From 2007 to 2019, we reduced the energy consumption in our headquarters by 16.05%. In the Kirts and Lindsey buildings, this reduction was 48.06% and 16.41% respectively. However, The Annex building in our corporate campus reported an increase of 3.72% in energy consumption due to relocation of employees during the remodeling process: Environment- Energy Consumption |
| | 303- Water | Water withdrawals by source | The water supply in our building is provided via municipal systems and is limited to water consumption of sanitary and domestic use at building facilities. Kelly at this time does not track water use by withdrawals: Water consumption |
| | | Water recycled and reused | Kelly Services has no facilities that track recycled and reused water. |
| | 305- GHG emissions | Direct Scope 1 - GHG emissions | Direct (scope1) GHGe 2019: 771 emissions in metric tons of CO ₂ e.: GHG Emissions (NOTES) * Base year for calculation: 2017. Emissions in the base year: 700 CO ₂ . *Carbon Footprint (CO ₂) measurement is based upon electrical (kWh) and natural gas (MMBtu) consumption. For electricity, the values are based on related emissions (indirect emissions from power plants); for natural gas, values are based on emissions from stationary combustion. * Standards, methodologies, and measures used: the data of usage was compiled from monthly utility consumption bills from the company owned facilities located in Troy, Michigan. *All other leased/branch locations are excluded. The standards followed the USEPA-US Environmental Protection Agency Methodology. * We do not categorize gases in our measurement. |

| GRI: Standard | Disclosure number | Standard disclosure title | Kelly response | | | | | | | | | | |
|--|----------------------------|--|---|-----------------|----------------------|--------------|-------------|------------|----------------|--------------|----------------------------|----------------------------|-----|
| Environmental standards (continued) | | | | | | | | | | | | | |
| | 305- GHG emissions (cont.) | Indirect Scope 2 - GHG emissions | Indirect Scope 2 (location-based) GHGe 2019: 5,762 emissions in metric tons of CO ₂ e: GHG Emissions (NOTES) * We report Scope 2 (location-based) emissions from information obtained and documented by utility consumption in our own commercial office buildings located in Troy, Michigan. * All leased/branch locations are excluded from this measurement. We do not have access to electricity supplier emission factors or residual emissions factors, to report on Scope 2 market-based figures. * The standards followed the USEPA-U.S. Environmental Protection Agency Methodology. * We do not categorize gases in measurement. | | | | | | | | | | |
| | | Other indirect Scope 3 - GHG emissions | Scope 3- GHG emissions 2019: 2,749,14 metric tons CO ₂ , which accounts for AIR TRAVEL: 2,747,07 metric tons CO ₂ , and RAIL TRAVEL: 2,07 metric tons CO ₂ . GHG Emissions: *We report Scope 3 GHGe from air and rail travels from employees in our headquarters operations. * The standards followed the Carson Wagonlit Travel methodology (CWT AnalytlQs-CO ₂ calculation), based on the guidelines produced by DEFRA's GHG Conversion Factors. *Gases included in calculation: CO ₂ , CH4, N2O. * The criteria to determine calculations, included: Total distance of flight based on origin and destination airports; class type (economy, premium economy, business, first). *Factors used do not include an "uplift" for Radiative Forcing (RF-measure of additional environmental impacts of aviation emitted at high altitude, including emissions of nitrous oxides, water vapor). * Scope 3 baseline was determined in 2018. | | | | | | | | | | |
| | 306- Effluents and water | Waste by type and disposal method | <p>In our office-based operations, waste is mainly generated from paper use and other office-related activities. We have created internal programs for proper recycling of materials, and reduce as much as we can, the final disposition of reuse waste in landfills. In future reports we expect to report the amount of generated waste and its final destination, as well as to have more specific data on its diversion.</p> <p>Total weight of materials recycled 2019: 100.42 tons. We do not have access to associated data regarding waste management in some branches and lease offices. Specific environmental data 2019:</p> <p>ENVIRONMENTAL EFFORTS:</p> <table border="0"> <tr> <td>RECYCLED PAPER:</td> <td>517,300 lbs of paper</td> </tr> <tr> <td>SAVED TREES:</td> <td>4,420 trees</td> </tr> <tr> <td>OIL SAVED:</td> <td>98,287 gallons</td> </tr> <tr> <td>WATER SAVED:</td> <td>1,810,550 gallons of water</td> </tr> <tr> <td>CUBIC YARD LANDFILL SAVED:</td> <td>776</td> </tr> </table> | RECYCLED PAPER: | 517,300 lbs of paper | SAVED TREES: | 4,420 trees | OIL SAVED: | 98,287 gallons | WATER SAVED: | 1,810,550 gallons of water | CUBIC YARD LANDFILL SAVED: | 776 |
| RECYCLED PAPER: | 517,300 lbs of paper | | | | | | | | | | | | |
| SAVED TREES: | 4,420 trees | | | | | | | | | | | | |
| OIL SAVED: | 98,287 gallons | | | | | | | | | | | | |
| WATER SAVED: | 1,810,550 gallons of water | | | | | | | | | | | | |
| CUBIC YARD LANDFILL SAVED: | 776 | | | | | | | | | | | | |

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| Environmental standards (continued) | | | |
| | 307- Environmental compliance | Non-compliance with environmental laws and regulations | We have not identified any non-compliance with environmental laws and/or regulations. |
| Social standards | | | |
| Social standards | 103 | Management approach and its components | Kelly is committed to providing all our employees with fair and safe working conditions, and opportunities they need for growth. Our most important assets are our employees; we have created internal practices to ensure labor conditions and benefits to all our employees in all countries of operation. All our working and labor practices and standards are aligned with global initiatives such as the ILO Convention or the UN Guiding Principles on Business and Human Rights: ILO Convention |
| | 401- Employment | New employee hires and turnover | New full-time employees hired in 2019: 980. Employees and people . We do not have sufficient information to track new employee hires by region. Employee turnover for 2019: 1,139: Employees and people . We do not have sufficient information to track employee turnover by regions. |
| | | Benefits provided to full-time employees that are not provided to temporary or part-time employees | Benefits provided to all employees: Competitive benefits . All full-time employees are eligible for 12 weeks of unpaid leave in the FMLA job protection program to take care of their own disability, take care of a family member, or baby bonding (in the U.S. and Puerto Rico). Eligible employees must have been employed at least one year with the company and have worked at least 1,250 hours. This program is administered by Prudential. All other regions and countries abide by their respective legislation on the topic. |
| | | Parental leave | Kelly offers paid parental leave to eligible full-time employees, including birthing mothers, partners/spouses of birthing mothers, and employees who adopt a child minor of 18 years old in the U.S. or Puerto Rico. Employees benefiting from parental leave in the U.S. in 2019: 82 in our headquarters location: Parental leave . All other regions and countries abide by their own respective legislation on the topic. |

| GRI: Standard | Disclosure number | Standard disclosure title | Kelly response | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| Social standards (continued) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | 402- Labor management relations | Labor management relations | Kelly has implemented a disclosure and communication policy to formally communicate changes in policies and procedures within the organization to all employees and suppliers. However, this policy does not provide a guideline regarding a minimum number of weeks for noting changes that may affect employees and suppliers. Kelly has not identified a collective bargaining agreement with an industry association. | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | 403- Occupational health & safety | Workers' representation in formal joint management-worked health & safety committee | <p>Kelly is committed to ensuring healthful and safe working conditions for all our employees. We provide regular training on safety guidelines in order to help them become familiar with customers' work environments, safe work practices, emergency procedures, and protective equipment. We also assist our customers and suppliers in preparing the workplace for our employees, through our Global Safety and Health Program, which includes a pre-assignment risk assessment, worker training, and analysis of incident report.</p> <p>Kelly has implemented a Health & Safety program based on a detailed risk assessment that sets the basis for the occupational health and safety management system. We also have developed a Health & Safety Risks and Good Practices policy that is communicated to all employees and presents procedures for recording injuries by both direct and temporary employees.</p> <p>We have a Safety & Health and Environmental department that oversees execution of the safety management system and policy: Occupational health & safety: Customers and Employees</p> <p>Kelly participates in the Safety Committee of the staffing industry association.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities | <p>(NOTE) * Data of incident report was calculated using PSHA recordable injuries to only full-time and directly supervised employees in the U.S.</p> <p>2019</p> <table border="1"> <tbody> <tr> <td>Total number of employee hours worked</td> <td>9,447,900</td> <td>Lost work day incidence rate (LTOR)</td> <td>0.15</td> </tr> <tr> <td>Average number of employees</td> <td>4,499</td> <td>Restricted Case Incidence Rate (RCIR)</td> <td>0.02</td> </tr> <tr> <td>Total number of work-related employee fatalities</td> <td>0</td> <td>Days away/restricted and transferred incidence rate (DART)</td> <td>0.08</td> </tr> <tr> <td>Total number of recordable injuries/illness</td> <td>7</td> <td>Temporary Help Services (561320) BLS average TRIR</td> <td>TBD</td> </tr> <tr> <td>Total number of cases with days away from work</td> <td>3</td> <td>Percent above/below BLS industry average TRIR</td> <td>TBD</td> </tr> <tr> <td>Total number of restricted/transferred cases</td> <td>1</td> <td>Experience Modification Rate (Interstate)</td> <td>TBD</td> </tr> <tr> <td>Total Case Incidence Rate (TCIR)</td> <td>0.15</td> <td></td> <td></td> </tr> </tbody> </table> | Total number of employee hours worked | 9,447,900 | Lost work day incidence rate (LTOR) | 0.15 | Average number of employees | 4,499 | Restricted Case Incidence Rate (RCIR) | 0.02 | Total number of work-related employee fatalities | 0 | Days away/restricted and transferred incidence rate (DART) | 0.08 | Total number of recordable injuries/illness | 7 | Temporary Help Services (561320) BLS average TRIR | TBD | Total number of cases with days away from work | 3 | Percent above/below BLS industry average TRIR | TBD | Total number of restricted/transferred cases | 1 | Experience Modification Rate (Interstate) | TBD | Total Case Incidence Rate (TCIR) | 0.15 | | |
| Total number of employee hours worked | 9,447,900 | Lost work day incidence rate (LTOR) | 0.15 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Average number of employees | 4,499 | Restricted Case Incidence Rate (RCIR) | 0.02 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total number of work-related employee fatalities | 0 | Days away/restricted and transferred incidence rate (DART) | 0.08 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total number of recordable injuries/illness | 7 | Temporary Help Services (561320) BLS average TRIR | TBD | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total number of cases with days away from work | 3 | Percent above/below BLS industry average TRIR | TBD | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total number of restricted/transferred cases | 1 | Experience Modification Rate (Interstate) | TBD | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total Case Incidence Rate (TCIR) | 0.15 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| GRI: Standard | Disclosure number | Standard disclosure title | Kelly response |
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| Social standards (continued) | | | |
| | 403- Occupational health & safety (cont.) | Workers with high incidence or high-risk diseases related to their occupation | Kelly does not have any direct employees involved in an activity that may be exposed to a high risk of specific disease at any of its sites. When placing talent into our customers' sites we conduct a risk assessment to ensure health & safety standards for every employee. Responsibilities and liabilities are shared between Kelly and its customers. |
| | | Health & Safety topics covered in formal agreements with trade unions | We do not have an agreement with trade unions and have no record of workers' representation in formal joint management-worker health & safety committees. |
| | 404- Training and education | Average hours of training per year per employee | <p>Kelly continuously offers training and educational opportunities for all employees. We have an online learning platform with more than 4,000 courses to provide instructor-led trainings to advance employees in their careers and career opportunities. We also have partnered with leading educational institutions in the U.S. to offer employees benefits that access and endorse their educational skills with formal and informal programs: Career development</p> <p>In 2019 Kelly launched the Growth Zone Initiative that provides resources for career and skills development planning. Average hours of training per year per employee for 2019: approximately 19 hours.</p> <p>Total average training hours 2019: Senior Management 8.1 hours; Middle Management: 10.25 hours; non-managerial: 12.2 hours. (NOTE) * We do not have sufficient information to track data of average hours of training by gender nor employee category.</p> |
| | | Programs for upgrading employee skills and transition assistance programs | <p>KLC offers more than 4,000 online courses. Some upgrading skill training and courses include:</p> <ul style="list-style-type: none"> • General training for full-time and temporary employees: global policies considering working conditions, H&S; employee handbook and Code of Conduct; anti-harassment; diversity; General Data Protection Regulation, including privacy and security awareness • Leadership development program • Transition assistance programs provided to facilitate continued employability as well as the management of career terminations due to retirement or other causes • SHRM Certification Program for selected partnered staffing employees • PMP Certification training • Six Sigma Certification training curricula • AGILE training to improve program performance <p>In 2019, Kelly launched the Growth Zone Initiative that provides resources for career and skills development planning. The TalentX program offers Talent Care Advisors to provide assistance to employees for career transition and talent engagement. Career development opportunities and training.</p> |

| GRI: Standard | Disclosure number | Standard disclosure title | Kelly response |
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| Social standards (continued) | | | |
| | 404- Training and education (cont.) | Percentage of employees receiving regular performance and career management programs | <p>Currently KLC also offers My Career program “Growth Zone Initiative” which provides career management tools to design business goals, create a career development plan, and generate feedback between the employee and their manager. This program is reviewed annually by employee and managers: Career development</p> <p>In 2019, Kelly launched TalentX, a talent research program to provide an understanding of expectations during the sourcing, recruitment and placement process that aligns more effectively to customer and employees needs.</p> <p>In 2019, Kelly implemented a pilot initiative program to provide professional services engaging employees across the globe to a people-first leadership approach: Wellness.</p> <p>In 2019, we launched eMeRGe –as an acronym for Millennial Resource Group—to bring career development opportunities to young professionals in our Kelly network: eMeRGe</p> |
| | 405- Diversity and equal opportunity | Diversity of governance bodies and employees | <p>Kelly has a diverse workforce of more than a million employees globally. It is important to guarantee that our workforce reflect diversity in age groups, gender, and ethnicity.</p> <p>2019 Diversity and Inclusion awards and recognitions</p> <p>Diverse representation on our Board is important for ensuring a better decision-making process. Kelly has 10 directors: three female and seven male. 20% of our directors represent ethnic diversity: Governance</p> <p>Kelly has had a Diversity and Inclusion Council since 2003: Diversity & inclusion</p> |
| | 406- Non-discrimination | Incidents of discrimination and corrective actions taken | <p>In 2019, we did not have incidents related to discrimination.</p> <p>Discriminatory incidents refer to legal actions taken towards the organization regarding discriminatory issues related to employee race, color, religion, gender identity/expression, sexual orientation, national origin, age, genetic information, disability, veteran and military status, and/or other protected categories under applicable laws. Incidents and actions related to discrimination are received through our integrity line and addressed internally by our legal and HR team.</p> |
| | 407- Freedom of association and collective bargaining | Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk | <p>Kelly has not identified a unionist workers’ association within the company nor the industry. However, in our Supplier Code of Conduct, we state that all partners and suppliers must respect the right of all employees to engage in protected activities, including those of freedom of association and collective bargaining: Human Rights; Code of Business Conduct</p> |

| GRI: Standard | Disclosure number | Standard disclosure title | Kelly response |
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| Social standards (continued) | | | |
| | 408- Child labor | Operations and suppliers at significant risk for incidents of child labor | In the U.S., Kelly complies with state and federal law regarding the employment of minors in all 50 states, the District of Columbia, and Puerto Rico. Additionally, we have stated in agreements with partners and suppliers, as well as in our Supplier Code of Conduct, that in our global operations, it is mandatory to comply with all applicable child labor laws, including those relating to minimum age limits, limitations of working hours, and prohibition against certain types of work. Kelly thoroughly vets its placement of minors and does not permit the placement of minors in certain high-risk jobs, including manufacturing and warehouse positions: Human Rights ; Code of Business Conduct |
| | 409- Forced or compulsory labor | Operations and suppliers at significant risk for incidents of forced or compulsory labor | Kelly has a zero-tolerance policy against any form of human trafficking and related activities, including any form of unlawful employee harassment, retaliation, forced or compulsory labor, sex trafficking, child labor, or any type of peonage: Human Rights ; Code of Business Conduct . All Kelly employees have an "at-will" employment relationship. In our operations worldwide, we have implemented global practices to guarantee labor working standards through the Supplier Code of Conduct . UK Modern Slavery Transparency Act statement |
| | 412- Human rights assessment | Operations that have been subject to human rights reviews or impact assessment | We have not implemented a human rights assessment. However, we have stated global policies on human rights, including a human trafficking and slavery statement, to ensure compliance with our suppliers and partners. We are developing a supplier risk assessment platform that would deliver current human rights status in our operations worldwide. This information would help us define risk areas and address plans: Human Rights ; Code of Business Conduct |
| | | Employee training on human rights policies or procedures | We conduct annual trainings to all employees on human rights and issues related to human trafficking and anti-harassment. Trainings also are conducted on an annual basis to hiring managers and human resources staff to protect employees and candidates against any type of trafficking. Human Rights ; Code of Business Conduct |
| | 413- Local communities | Operations with local community engagement, impact assessment, and development programs | We implemented the "Engagement" pillar to improve our local community engagement through volunteering, social investment, and support for small, minority, and disadvantaged businesses. Engagement In 2019, we launched our corporate volunteering program, Engage, to encourage and empower employees to drive change in local communities supporting social causes focused on three areas: diversity and inclusion; talent, skills and training for labor; vulnerable communities and workforce reinsertion. Engagement Kelly has developed a disaster recovery program to be ready for and respond to situations such as natural disasters as well as safety and security concerns, which may be critical to our employees and their families, as well as to the viability of the company. Disaster recovery |

| GRI: Standard | Disclosure number | Standard disclosure title | Kelly response |
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| Social standards (continued) | | | |
| | 414- Supplier social assessment | New suppliers that were screened using social criteria | Our global suppliers commit to conducting business with the same high level of accountability to which we hold our operations, by signing the Supplier Code of Conduct. We conduct due diligence to all our suppliers through our Supplier Chain Enablement Team, which analyzes supplier risk assessments as well as the planning process for the enhancement of their performance. The team monitors all new and current suppliers against pending non-compliance requirements: Supply chain risk management |
| | | Negative social impacts in the supply chain and actions taken | The supplier risk assessment program does not include a social impact risk assessment. In 2020, we expect to conduct a third-party risk analysis gap to identify supplier performances and capabilities to assess supplier risk considering ESG. |
| | 415- Public policy | Political contributions | The company Code of Business Conduct and Ethics prohibits the use of company property, equipment funds, or other resources to make direct or indirect political contributions, unless certified approval by the Company's general counsel is given: Code of Business Conduct and Ethics |
| | 416- Customer health & safety | Assessment of the health & safety impacts of products and service categories | We assist our customers in preparing the workplace for our employees through our Global Safety and Health Program. The program includes a pre-assignment risk assessment, worker training, and analysis of incident report, which analyzes safety at workplaces with respect to OSHA's regulations and recommendations: Occupational health & safety . Health & safety liabilities and responsibilities are shared with our customers. Our products and services do not represent a health & safety impact as we manage talent. We don't have any record of non-compliance for the reporting period resulting in fines or warnings: Supply chain risk management |
| | 418- Customer privacy | Substantiated complaints concerning breaches of customer privacy and losses of customer data | Kelly has not received any notice or complaint from outside parties or regulators regarding breaches of its customers' privacy during the reporting period. The IT Global Compliance Team has implemented an Information Security Policy and standardized procedures to ensure compliance with the General Data Protection Regulation (GDPR) and other applicable laws and regulations. This process is annually communicated through mandatory trainings to all employees and suppliers, as well as additional trainings on Privacy and Security Awareness. We also implemented a GDPR Data Privacy agreement in the Supplier Code of Conduct: Privacy and data protection |

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| Social standards (continued) | | | |
| | 101- Clause 3.2 | Reasons for omission | <p>This report has been made according to the GRI Standards CORE option. This option indicates that a report contains the minimum information needed to understand the nature of the organization, its material topics and related impacts, and how these are managed. Therefore, the following disclosures are not applicable for reporting.</p> <p>(102-27) Collective knowledge of highest governance body (102-28) Evaluating the highest governance body's performance (102-30) Effectiveness of risk management process (102-34) Nature and total number of critical concerns (102-35) Remuneration policies for highest governance (102-37) Stakeholders' involvement in remuneration (102-38) Annual total compensation ratio (102-39) Percentage increase in annual total compensation ratio (304) Biodiversity (308) Supplier environmental assessment (410) Security practices (411) Rights of indigenous people (417) Marketing and labeling (419) Socioeconomic compliance</p> |
| | 101- Clause 3.4 | GRI notification of use of standards GRI | This report has been registered to GRI at its website: www.globalreporting.org/standards |

