

Growing with purpose

SUSTAINABILITY REPORT 2020

Kelly[®]



TABLE OF CONTENTS

INTRODUCTION	3	ENVIRONMENTAL	18	Engagement	47
Message from our President and CEO	4	Environment	20	Social investment programs	47
About Kelly Services	5	Carbon emissions and climate mitigation	20	Business continuity and risk management	51
Our values	6	Energy efficiency	21	Kelly Relief Fund	52
Our five specialties	7	Water consumption	22		
Kelly by the numbers	8	Waste management	22	GOVERNANCE	53
Mergers, acquisitions, investments, and divestitures	9	Occupational health & safety	23	Ethics and business conduct	55
Global coverage and value chain	9	Employees	23	Governance structure	55
Recognition	10	Customers	23	Code of Business Conduct and Ethics	57
		Our safety leadership journey in the industry	24	Privacy and data protection	58
		Our response to COVID-19	25	Communication and reporting	59
				Internal communications	59
CORPORATE SUSTAINABILITY AT KELLY SERVICES	11	SOCIAL	27	External communications-sustainability standards	59
Message from our Corporate Sustainability Lead	12	Employees and people	29	Transparency and integrity line	59
Corporate Sustainability Strategy	14	Our people	29		
Kelly supports the UN Sustainable Development Goals (SDGs)	15	Equity@Work	33	ABOUT THIS REPORT	60
Stakeholder engagement and materiality	16	Inclusion and diversity	36		
		Human rights	42	ESG DATA TABLE	62
		Supply chain and customer relations	43		
		Our supply chain	43		
		Supplier engagement and performance management	44		
		Supplier risk management	44		
		Supplier Code of Conduct	46		

NOTE: This report covers the 2020 fiscal year from January 1, 2020 to December 31, 2020. We may include data and information noted from the 2019 fiscal year.



INTRODUCTION

Message from our President and CEO

About Kelly Services

Our values

Our five specialties

Kelly by the numbers

Mergers, acquisitions, investments, and divestitures

Global coverage and value chain

Recognition

The word "Kelly" is displayed in a large, white, sans-serif font on a teal-colored screen. The screen has a grid of small white dots. In the foreground, the silhouettes of several people are visible, looking up at the screen. The background is a dark blue gradient with a yellow diagonal stripe on the left side.

Kelly



MESSAGE FROM OUR **PRESIDENT AND CEO**

2020 was one of the most challenging years in memory for many of us. The COVID-19 crisis and continued racial inequities in our society weighed heavily on people everywhere, both personally and professionally.

At Kelly, the experiences of 2020 renewed our already strong passion for our purpose of connecting people to work in ways that enrich their lives and reminded us of just how important it is for us to fulfill our purpose in a way that creates positive, lasting change for people and our planet.

Our ongoing sustainability approach at Kelly continues to be closely tied to our purpose — a strategic program clearly focused on positive environmental and social impact within an effectively governed framework based on integrity and ethics.

As a leader and person, I've found it helpful to reflect on some of the silver linings from the past year, and our continued progress on our Environmental, Social and Governance (ESG) goals within our sustainability strategy is one of them. I'll take a moment to share a single highlight from each ESG area:

Environmental (Occupational Health & Safety and Environment): Kelly's actions during COVID-19 have been

guided by a clear set of crisis principles that we developed at the onset of the pandemic. The number one guiding principle is protecting the health and safety of our people, including our employees on assignment and our full-time staff. We quickly transitioned to a remote work environment for employees able to conduct their assignments remotely. And for those of us on the front lines, we adhere to science-based mitigation strategies carefully recommended by our cross-functional Emergency Management Team.

Social (Employees and People; Supply Chain and Customer Relations;

Engagement): As a talent company, we believe we can and should do more to champion for those who aren't given a fair opportunity to secure meaningful work. In 2020, we launched our Equity@Work initiative that sets a course to upend systemic barriers to employment and make the labor market more equitable and accessible. We're energized by the incredible interest in this platform and will apply sustained, ongoing effort over the long-term to make a

meaningful dent in the many long-standing injustices that hold back far too many people from upward mobility — disproportionately people of color.

Governance (Ethics and Business Conduct; Communication and Reporting):

Operating with integrity and doing the right thing has been the Kelly way since our founding. Our board of directors, responsible for leading effective governance at Kelly, is inclusive: 44% of the board is comprised of women or ethnically diverse members. And in 2020, each of our board committees — Audit; Compensation & Talent Management; and Corporate Governance and Nominating — became fully independent.

This report provides additional details about what Kelly has accomplished on our sustainability journey thus far. Part of the path toward continual improvement is aligning our initiatives to the principles of the UN Global Compact. We're pleased to sign and support this collaborative global effort now adopted across nearly 200 countries,

and we're seeing results. Our scores on several external assessments and audits measuring sustainability are sequentially improving each year, and we continue to reach for further progress in the future.

2021 marks Kelly's 75th year in business, and it's a year we're focused on pursuing our strategy as a specialty talent company while advancing diversity, equity and inclusion both within Kelly and in society at large. Thank you for joining us as we grow with purpose.

Peter W. Quigley

Peter W. Quigley

President and Chief Executive Officer





WE CONNECT PEOPLE TO WORK IN WAYS THAT ENRICH THEIR LIVES.

As founder of the staffing industry, Kelly has been connecting great companies and great people for more than seven decades.

Small and large businesses alike trust our expertise in providing solutions that span the spectrum of specialty staffing, outsourcing, and consulting. We're always thinking about what is next in the evolving world of work, and we help people adopt new ways of thinking while embracing the value of all styles of work.

We have progressed from a traditional office staffing company into a workforce solutions leader, delivering expertise in a portfolio of specialty services. As talent management has become more complex, we have developed innovative solutions to help many of the world's largest companies plan for and manage their workforce through outsourcing, consulting, recruitment, talent advisory, career transition, and supplier management services.

We offer innovative outsourcing and consulting services, as well as staffing on a temporary, temporary-to-hire, and direct-hire basis. We also provide a suite of talent fulfillment and outcome-based solutions, delivering integrated talent solutions on a global basis. In doing so, we enable companies to access skilled talent that can move their businesses forward.





OUR VALUES

Our values are built upon a tradition of integrity, quality, and service excellence, which are keys to longstanding relationships we create with customers, employees, suppliers, and the communities in which we live and work.

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

OUR VISION

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

OUR NOBLE PURPOSE

We connect people to work in ways that enrich their lives.

EMPLOY A TALENT-FIRST MENTALITY

Consistently consider What's Next for our talent (both those we place and those who are direct employees of Kelly).

Be their advocate always, and in ALL ways.

RELENTLESSLY DELIVER FOR CUSTOMERS

Build trusted relationships with our customers by demonstrating depth of expertise and solving for their most complex talent needs.

GROW THROUGH DISCIPLINE AND FOCUS

Manage the company as a portfolio of businesses, each defined by clear strategies and measurable targets that drive prioritization of resources throughout Kelly.

ACT LIKE OWNERS

Inspire efficiency and effectiveness in all that we do. Fiercely protect the capital that will be necessary to continue investing in Kelly's future.

WE ACT WITH URGENCY AND AGILITY

Speed is key, and so we favor practicality over perfection. We flex and adapt quickly to changes, both externally and internally.

WE ARE OBSESSED WITH GROWTH

We are relentlessly driven toward profitable growth; it is each of our responsibility to grow the business, our skills and the careers of ourselves and others.

WE KNOW WHO WE ARE

We are committed to integrity and ethics, doing what's right for our talent, living our noble purpose and courageously holding each other accountable.

WE COLOR OUTSIDE THE LINES

We are fearlessly forward-looking, unafraid to upset industry norms, and willing to bring forward bold, innovative and creative ideas at all levels of the organization.

WE WIN THROUGH OUR PEOPLE

We strive to build diverse, high-performing teams who are wired to perform at their best.

WE EXECUTE WITH CONVICTION

We are decisive and take intelligent risks, rooted in process and data-driven decision-making.

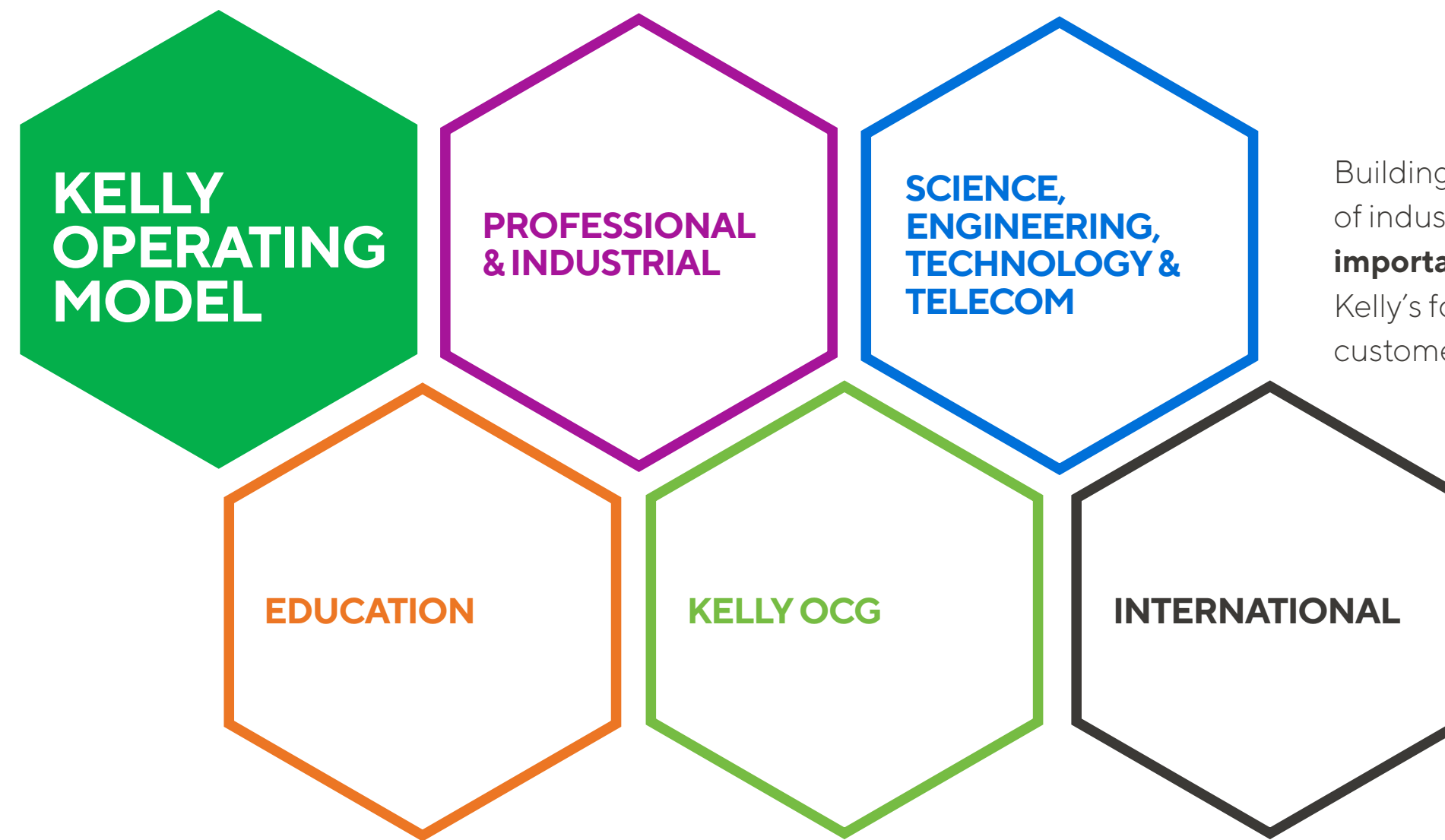
OUR FIVE SPECIALTIES

The modern workforce is more empowered and mobile than ever, requiring an equally responsive and agile talent partner.

Our business strategy is focused on five business units organized around specialties that will unleash our potential to grow and address the urgent needs of ever-changing market challenges. This framework allows our leadership to accelerate value while achieving our mission of becoming a specialty talent company that delivers results for clients, talent, and shareholders.

Kelly has adopted a technology-enabled delivery model, where we are positioned to expand our outreach and meet specialty talent wherever they are, connecting them more seamlessly to our customers.

Bringing our specialty vision to life.



Building on more than seven decades of industry leadership, **it's even more important right now** to sharpen Kelly's focus on specialty talent and customer needs.

PROFESSIONAL & INDUSTRIAL

Talent Specialties
 Contact Center
 Creative
 Finance & Accounting
 Industrial
 Marketing
 Office

**KellyConnect®
 Contact Center Outsourcing**
 Customer Support
 Technical Support
 Remote Agent
 Customized Programs

Managed Business Services
 Centralized Admin Solutions
 Engineering Support Solutions
 Field Services
 Manufacturing & Logistics Solutions

SCIENCE, ENGINEERING, TECHNOLOGY & TELECOM

Talent Specialties
 Engineering
 Technology
 Telecom & Digital Connectivity
 Science & Clinical
 Government Solutions

Managed Business Services
 Centralized Admin Solutions
 Computer Aided Design & Drafting
 Engineering Support Solutions
 Functional Service Provider
 Lab Management Solutions
 Field Services
 Manufacturing & Logistics Solutions
 Project Services
 Technical Writing

EDUCATION

Talent Specialties
 Substitute Educators
 Teacher Placements
 Paraprofessionals
 Special Education
 Early Childhood
 After-School Programs
 Adjunct Professors

**Talent Specialties
 Non-Instructional**
 Custodial
 Food & Nutrition
 Healthcare
 Information Technology
 Office Administration

Scope
 Pre-K -12
 Early Childhood
 Higher Education

KELLY OCG

Managed Service Provider (MSP)
 Contingent Labor
 Direct Sourcing
 Human Cloud
 Identity Management
 Independent Contractors
 Payroll Outsourcing
 SOW/RFxManagement

Recruitment Process Outsourcing (RPO)
 End-to-End Programs
 Project Hiring
 Modular Programs

Talent Advisory Services
 Talent Strategy
 Governance
 Workforce Research
 Career Transition
 Executive Coaching

Integrated Talent Solutions
 Total Talent Solutions
 Guided Work™

INTERNATIONAL

Talent Specialties
 Local Niche Talent
 Life Science Practice

STAFFING OPTIONS

- › Temporary Talent
- › Temporary to Hire
- › Direct Hire
- › Payroll Service
- › Local/Centralized Delivery
- › On-Site Management

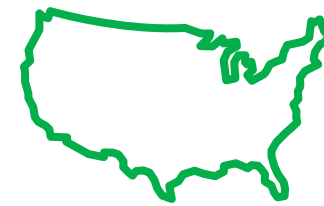




KELLY BY THE NUMBERS



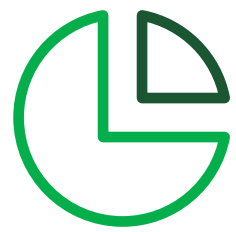
Worldwide coverage in **51 countries**
(with the ability to support KellyOCG MSP programs in 8 additional countries)



Leading staffing provider in targeted U.S. specialties.



Delivering staffing, outsourcing, and advisory services across Americas, EMEA and APAC.



2020 revenue of **\$4.5 billion**



Principal provider of **K-12 educational staffing.**



Supported by 4,600+ supplier partners globally.



Gross profit: **\$827.60**
(In millions of USD)



Top 5 scientific, engineering and office workforce solutions provider in the U.S.



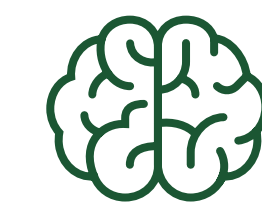
90% of *Fortune* 100™ companies use our services.



Kelly has approximately **7,100** corporate employees worldwide.



Leading managed services provider with **\$8.9 billion** spend under management.



Helping people adopt **new ways of thinking.**



MERGERS, ACQUISITIONS, INVESTMENTS, AND DIVESTITURES

Acquisitions

In January 2020, Kelly acquired Insight Workforce Solutions LLC (“Insight”), an educational staffing company, to help expand our leadership position in the U.S. educational talent solutions industry.

In November 2020, Kelly announced the acquisition of Greenwood/Asher & Associates, a premier specialty education executive search firm based in Miramar Beach, Florida. This acquisition will expand Kelly’s leadership position beyond K-12 and higher education.

Investments

We continue to make investments in technology, particularly those which support greater efficiency in finding talent to answer customer needs. In 2020, we implemented a front office platform in the U.S. and Canada and will be gradually deploying its outreach to other regions. This platform will streamline the processes and workflows associated with recruiting, onboarding, and reassigning workers.

In 2019, in order to improve geographic coverage and operations efficiency, we reorganized the commercial staffing operations that were delivered by our U.S. branch network. The new structure will allow us to refine our focus on specialties within the commercial staffing portfolio, including light industrial, electronic assembly, office professionals, and contact center staffing.

GLOBAL COVERAGE AND VALUE CHAIN

Our value chain consists of two categories: talent supply chain services and third-party vendors and suppliers. Our talent supply chain offers workforce solutions for suppliers, mainly through Managed Service Providers (MSP), while also supporting Staffing Solutions, Recruitment Process Outsourcing (RPO/Perm) solutions, and Business and Professional Services (BPS). Up to one percent of our supply chain enables a wide variety of solutions – the majority once again are MSP.

KELLY GLOBAL FOOTPRINT

Americas	EMEA	APAC*
Argentina ● ●	Angola ●	Libya ●
Brazil ● ● ●	Armenia ▲	Lithuania ●
Canada ● ● ● ●	Austria ●	Luxembourg ● ● ●
Colombia ●	Belgium ● ● ●	Netherlands ● ● ●
Costa Rica ●	Croatia ▲	Norway ● ● ●
Mexico ● ● ● ●	Czech Public ●	Oman ▲
Puerto Rico ● ● ●	Denmark ● ● ●	Poland ● ● ● ●
Trinidad & Tobago ●	Estonia ●	Portugal ● ● ● ●
United States ● ● ● ●	France ● ● ●	Russia ● ● ● ●
	Georgia ●	Saudi Arabia ▲
	Germany ● ● ● ●	Spain ●
	Hungary ● ● ● ●	South Africa ●
	Iceland ●	Sweden ● ●
	Iraq ●	Switzerland ● ● ●
	Ireland ● ● ● ●	Turkey ▲
	Israel ●	United Arab Emirates ●
	Italy ● ● ● ●	United Kingdom ● ● ● ●
		Australia ● ●
		British Indian Ocean Territory ▲
		China ● ● ● ●
		Hong Kong ● ●
		India ● ● ●
		Japan ●
		Indonesia ● ● ▲ ●
		Malaysia ● ● ● ●
		New Zealand ●
		Niue ▲
		Philippines ● ●
		Singapore ● ● ● ●
		South Korea ● ● ● ●
		Taiwan ● ● ●
		Thailand ● ● ● ●
		Vietnam ● ● ●

KEY

- Temporary Staffing
- Business & Professional Services
- Managed Service Provider
- Recruitment Process Outsourcing
- MSP Current Locations
- ▲ MSP Former Locations

*Delivered through PERSOLKELLY Joint Venture partnership with PERSOL Group



RECOGNITION

- › **Forbes' list of America's Best Recruiting Firms for 2020.** Kelly earned the third spot on Forbes' 2020 list of America's Best Professional Recruiting Firms.
- › **FlexJobs 2021 "Top 100 Companies for Remote Work" List.** Kelly named No. 5 on the Top 100 Companies for Remote Jobs list by FlexJobs for 2021.
- › **Kelly® named to Staffing Industry Analysts (SIA) Largest Global and US Staffing Firms and Largest US Direct-Hire Firms 2020 lists.**
- › **EcoVadis Silver Supplier Status 2020.** Kelly® earns Silver Supplier status for business sustainability from EcoVadis.
- › **Leader for Services Procurement by Everest Group 2020.** Everest Group, a top research analyst in the market, has named KellyOCG a Leader for Services Procurement.
- › **International Association of Outsourcing Professionals (IAOP) 2020.** KellyOCG was named to the International Association of Outsourcing Professionals 2020 Global Outsourcing 100 List.
- › **Best Use of Online Recruitment by a Recruitment Agency 2020, OnRec.** Kelly Services recognized by OnRec in London for its recent achievement in supplying staff to a customer using Pixid recruitment technology.
- › **Great Place to Work® Certification.** KellyOCG in India was recognized as one of the Best Workplaces in the country, as certified by the Great Place to Work® Institute through a rigorous work culture assessment process.
- › **HR Vendor of the Year by Human Resources Online 2020.** For the fifth year in a row, KellyOCG in Singapore received the Gold award for Best Recruitment Process Outsourcing Partner.



CORPORATE SUSTAINABILITY AT KELLY SERVICES

Message from our Corporate Sustainability Lead

Corporate Sustainability Strategy

Kelly supports the UN Sustainable Development Goals (SDGs)

Stakeholder engagement and materiality





Without a doubt, 2020 represented one of the most challenging and uncertain years humanity has ever faced.

The health crisis wiped out the universal status quo and caused us huge setbacks on economic, environmental, social, and humanitarian issues. In this context, corporate responsibility, integrity, and sustainability were challenged like never before, positioning private companies as a generator of well-being and demanding their solidarity and response capacity in the face of the global pandemic. Additionally, the social unrest caused by increased inequalities, racism and discrimination have made 2020 a year to redesign ourselves more than ever.

In this new reality, maintaining good practices related to our sustainability and corporate social responsibility strategy was an immense challenge for the company and also needed more than ever. It is precisely for that reason, Kelly's efforts must be valued more than in past years, as they also guarantee our employees, shareholders, stakeholders and community in general, the transparency in our work and the continuity of our commitment to

sustainable development, even and despite the global crisis.

In the current context in which post-pandemic reconstruction is at the center of the debate, the role of private companies is essential to recover the path towards a balanced coexistence between the people, resources, and services that we consume.

The good news is that we have solid strategies and guidelines to maintain our commitment to sustainable development and the SDGs. Today, we reaffirm our corporate ethics because we are certain that a new world is not only possible but essential for development and continuity. Through the challenges of the year, we continued to push through and work responsibly and sustainably. 2020 is a year to be proud of Kelly and our efforts.

We invite you to reaffirm and strengthen your commitment to sustainable development, together with us and learn through our 2020 Sustainability Report how we work and thrive.



Belen Benitez
Belen Benitez
Corporate Sustainability Lead,
Kelly Services



CORPORATE SUSTAINABILITY AT KELLY SERVICES

Sustainability is a guiding principle for our operation which drives our relationship with our global workforce, suppliers, and customers.

As a leading global workforce solution provider, our sustainability strategy embodies our mission of connecting people to work opportunities that enrich their lives, making a difference in the communities in which we live and work, and strengthening our relationship with our stakeholders ... where together we thrive.

Kelly's approach to sustainability falls into three main categories: Environmental, Social, and Governance. It is strategically built upon six key pillars that are aligned to the United Nations Sustainable Development Goals (SDGs). As we continue developing and monitoring our sustainability strategy, we work closely with cross-functional areas to assess our

outreach and impact, incorporating an interdisciplinary perspective. We also aim to guide our worldwide subsidiaries and collaborators in planning, managing, and implementing responsible and sustainable business practices for creating meaningful and impactful shared value for all stakeholders.

Given the global outreach of our business, we take public accountability seriously. Our sustainability strategy is supervised by the sustainability governance committee, which is represented by executive leaders and overseen by the Board of Directors.

Since 2018, Kelly has adopted international sustainability reporting standards to communicate performance¹.

In early 2019, we adhered to the principles of the United Nations Global Compact to report on our commitment to the United Nations Sustainable Development Goals. Kelly also participates in external assessments such as EcoVadis, CDP, Human Right Campaign Foundation's Corporate Equality Index (CEI), Responsible Business Alliance (RBA), and ISS Corporate Solutions (ICS). These platforms provide us an opportunity to analyze our performance and identify enhancement opportunities, while providing a consistent and transparent measurement for the impact of our sustainability strategy.



¹ The content of this report is informed by the Global Reporting Initiative Standards (GRI), The Sustainability Accounting Standards Board's (SASB), and the U.N Global Compact.



CORPORATE SUSTAINABILITY STRATEGY





KELLY SUPPORTS THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

The United Nations Sustainable Development Goals (SDGs) represent the world's pressing challenges for the planet and its people by 2030. It represents a collaborative global effort, setting 17 global goals and 189 targets to reduce inequality, end poverty, combat climate change, and contribute to a sustainable, peaceful, and thriving future. Despite its adoption by 193 countries as well as significant progress that has been made on reducing poverty in some countries around the world in recent decades, both climate change and the [coronavirus pandemic have threatened this progress](#) and have increased the worldwide gaps that the SDGs are intended to address.

Our commitment to contributing to the UN Sustainable Development Goals is more relevant than ever. Since 2019, Kelly Services has adhered to the [Ten Principles of the Global Compact](#), and has regularly communicated its progress toward these principles. We are committed to making these principles part of our strategy and business culture. We have also aligned our Corporate Sustainability Strategy to 6 SDGs and have conducted a self-assessment analysis in order to identify opportunities to contribute toward the achievement of these goals. In 2021, we will release our revised Human Rights policy, and freedom of association commitment, and will adopt measurement indicators to assess our contribution toward these goals.

Our commitment to contributing to the United Nations Sustainable Development Goals is more relevant than ever. Since 2019, Kelly Services has adhered to the Ten Principles of the Global Compact, and has regularly communicated its progress toward these principles.



STAKEHOLDER ENGAGEMENT AND MATERIALITY

We continually engage with our stakeholders in order to better understand their concerns, enabling us to deliver a more effective and valuable Corporate Sustainability Strategy. In addition to engaging with our stakeholders through a variety of initiatives and activities directed toward our customers, suppliers, and communities where our offices are located, we conduct a formal materiality assessment every two years in order to identify and prioritize our response to the issues of greatest relevance to both our internal and external stakeholders. We expect to conduct our second materiality assessment in the second semester of 2021.

Key Stakeholders

Kelly leadership and employees

We maintain continuous engagement with our employees through two main channels: Kelly Intranet and Automated Virtual Assistant system. Our company Intranet facilitates the sharing of and access to information, connecting different work teams with employee affinity groups, upcoming events, as well as topics that are trending in the company, and the industry. Our portals include Kelly News; Industry News, and a message from leadership that communicates information from top management to all employees, along with need-to-know messages that provide the latest information on policies, best practices, and initiatives.

Partners and suppliers

Our KellyOCG team works closely with our customers and suppliers to ensure

the highest level of business ethics and operational standards across the worldwide Kelly network. Our suppliers are a critical part of our organization who enable the placement of third-party labor for our customers in a variety of specialty services. We strive to guarantee compliance with our Code of Conduct by our suppliers and the promotion of these standards within their supply chains.

Government and regulators

We advocate for public policy issues that are significant to our business and our ability to serve our customers and workforce. We actively monitor new employment as well as labor laws and regulations that are proposed or adopted at the local level which may increase employers' potential exposure to employment-related claims within our worldwide network.

Community and non-governmental organizations

Kelly has a tradition of giving back and engaging employees in causes that have a social impact which empowers them to be leaders for change within their communities. We have developed local partnerships to provide volunteering opportunities for our employees as well as contributing financially to social causes aligned to the core values of our business.

Shareholders

We engage with our investment community through direct meetings, annual reports, financial statements, and investor conferences.

Industry associations

We engage with industry associations, actively participating in staffing-industry events and meetings in order to exchange information on best practices, raising standards within the industry, identifying trends and opportunities within the industry while advocating for policy issues that are significant to our business.

MEMBERSHIPS AND EXTERNAL ENGAGEMENT

1. SOCIAL IMPACT PARTNERS

2. EXTERNAL INSTITUTIONS AND MEMBERSHIPS

- American Staffing Association (ASA)
- Business Leaders for Michigan
- CDP
- CEO Action for Diversity and Inclusion
- Corporate Equality Index – Human Rights Campaign (HRC) Foundation
- Detroit Regional Talent Compact
- EcoVadis
- General Data Protection Regulation
- IPSE – U.S.
- Lumina Foundation
- Nasdaq Annual Report
- OSHA temporary worker initiative
- Responsible Business Alliance (RBA)
- Society of Human Resource Management Foundation
- The World Employment Confederation-WEC
- The Conference Board
- UK Modern Slavery Transparency Act Statement
- UN Global Compact
- U.S. Americans with Disabilities Act U.S. Foreign Corrupt Practices Act



Materiality

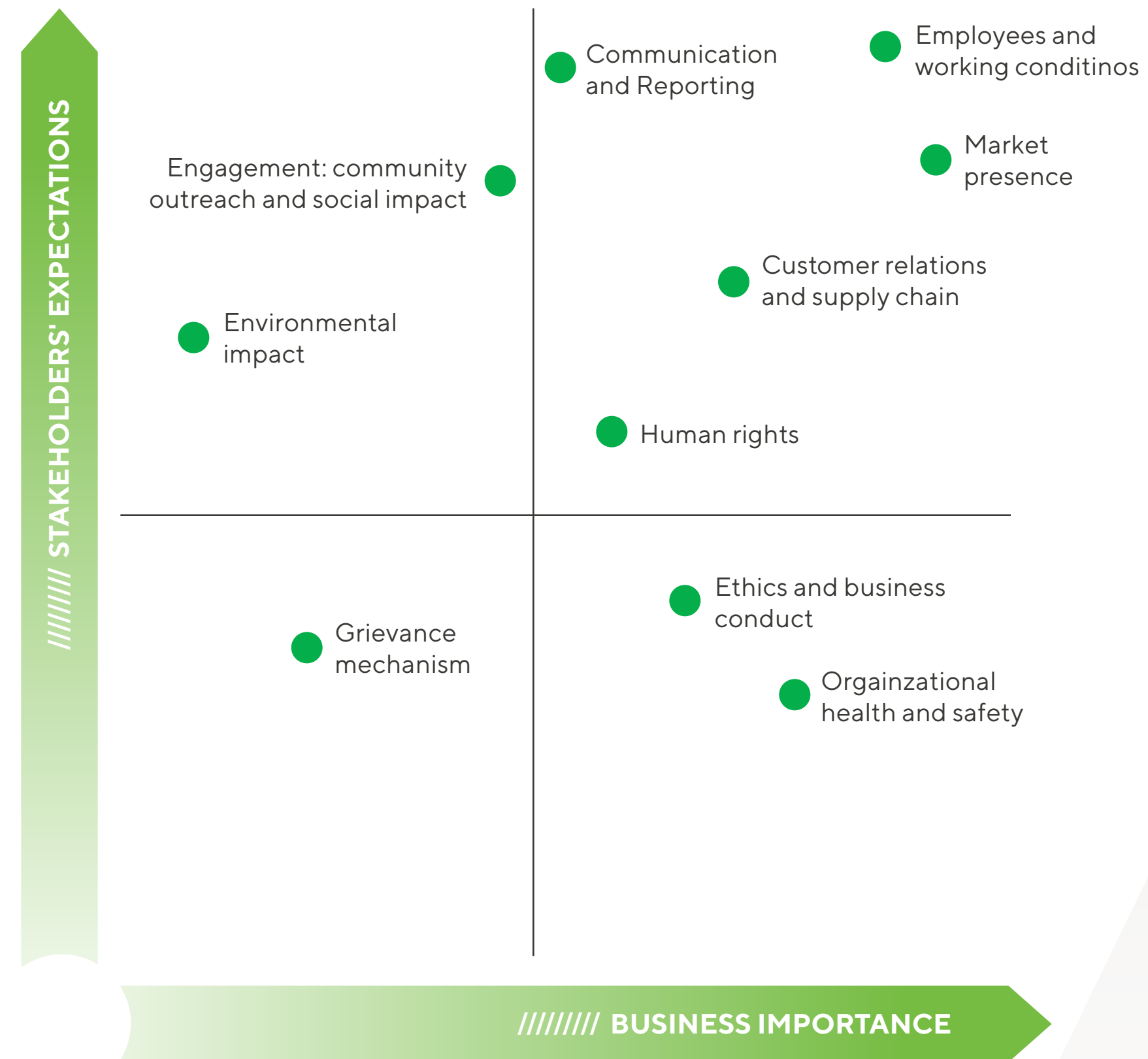
The materiality matrix was revised in order to define the six principles that guide our Corporate Sustainability Strategy and the content of its reporting. The six pillars are defined as follows:

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

Our materiality assessment analyzed an exhaustive list of sustainability issues that cover all aspects of our business, taking into consideration ESG issues related to external standards such as 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 strategy.



MATERIALITY





ENVIRONMENTAL

Environment

- Carbon emissions and climate mitigation
- Energy efficiency
- Water consumption
- Waste management

Occupational health & safety

- Employees
- Customers
- Our safety leadership journey in the industry
- Our response to COVID-19

Our sustainability strategy supports the following SDGs:





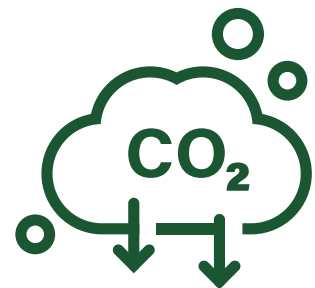
KEY MILESTONES



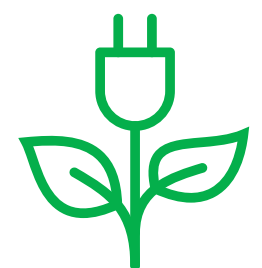
We have reduced our corporate campus building's **carbon footprint** by 26% over the last 7 years.



Between 2013 and 2020, **energy consumption** in our offices has decreased by **19%**.



Scope 1 direct emissions from natural gas accounted for 762 metric tons of CO₂e, remaining consistent with last year's emissions.



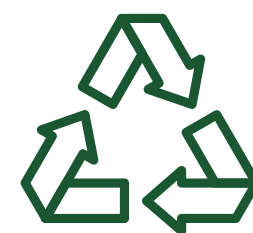
Scope 2 indirect emissions from the purchase of electricity in our operations accounted for 4,149 metric tons of CO₂e, reduced by 17% from emissions last year.



Scope 3 emissions from employee business travel fell to 682 metric tons of CO₂e due to global COVID-19 travel restrictions. This represented a 75% reduction from last year.



We held our first virtual **carbon neutral event**, where we avoided an estimated 28 tons of CO₂ emissions into the atmosphere and engaged our suppliers and internal network to plant 3,200+ trees in Sydney, supporting local reforestation initiatives from Australia wildfires.



70.13 tons of waste was **recycled** in our corporate campus.



Our **Kelly Anywhere** platform allowed employees to transition to remote working rapidly and effectively, ensuring business continuity as well as the health and safety of our employees during the response to COVID-19.



We deployed our **Emergency Management Team** to rapidly respond to the COVID-19 pandemic.



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



ENVIRONMENT

Kelly is committed to protecting and maintaining our planet for future generations.

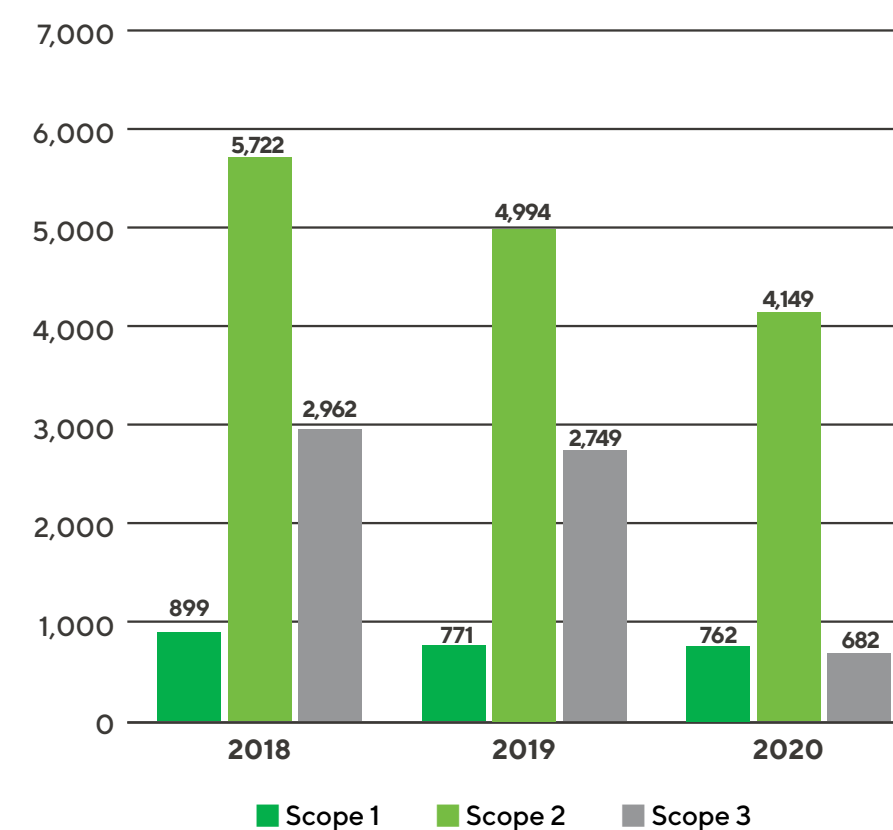
We have a responsibility to properly manage the environmental footprint of our operations, drive energy efficiency across operational offices, and promote internal practices that foster a culture of preservation, conservation, and waste reduction.

Carbon emissions and climate mitigation

Our climate action is focused on reducing the greenhouse gas emissions associated with our operations as well as prioritizing energy efficiency in our Corporate Headquarters; adopting green building procedures in our facilities; and supporting our customers in understanding and adopting their own environmental sustainability goals. Our impact on carbon reduction has been impactful. Over the last 7 years, we reduced our direct environmental footprint by 26%.

We report our environmental impact metrics following the CDP climate change disclosure, regarding measurements of energy usage, GHG emissions of direct and indirect operations, Scope 1 and 2, as well as Scope 3 emissions from air and rail travel of employees.

Global GHG Emissions by Scope (MT CO₂e)



Scope 1 and 2: Direct and Indirect GHG emissions

In 2020, our GHG emissions in Scope 2 and Scope 3 were reduced significantly due to COVID-19 disruptions that forced employees to work from home and stop business travels.

Our baseline emissions from Direct-Scope 1 GHG from stationary combustion have been estimated at 700 MTCO₂e in 2017. Our goal has been to not exceed this baseline target. Still, in 2020, our Scope 1 emissions accounted for 762 MTCO₂e. Our Indirect Scope 2 emissions, associated with energy purchases used to power our offices, have been estimated at a baseline 5,400 MTCO₂e in 2017 have decreased to 4,149 MTCO₂e during 2020.

In December 2019, we sold our Lindsey and Annex buildings at the headquarters campus, entering into a definitive agreement to sell and lease back our Corporate Headquarters in Troy for the next 15 years. In 2021, we will adjust our greenhouse gas emission targets to our new facilities, including GHG emission

metrics for employee commuting, and will will co-manage our emission reductions in collaboration with the new facility owner.

Scope 3: GHG emissions from business travel

Our Scope 3 emissions are calculated from business travels made by employees via air and rail in global operations. In 2020, Scope 3 emissions accounted for 682 MTCO₂e, which represents a reduction of 75% from 2019. Air travel emissions accounted for 681 MTCO₂e and rail emissions 0.591 MTCO₂e.

Kelly has implemented the **Rocketrip Travel Rewards Program** as a corporate benefit initiative for U.S. and Puerto Rico full-time employees, to promote and reward smart business travel decisions. Employees can earn Rocketrip points by choosing less expensive flights, staying with a friend, increasing online meetings, and others. This program is expected to continue guiding employees on making smart choices in travel once they return to business as usual.



Energy efficiency

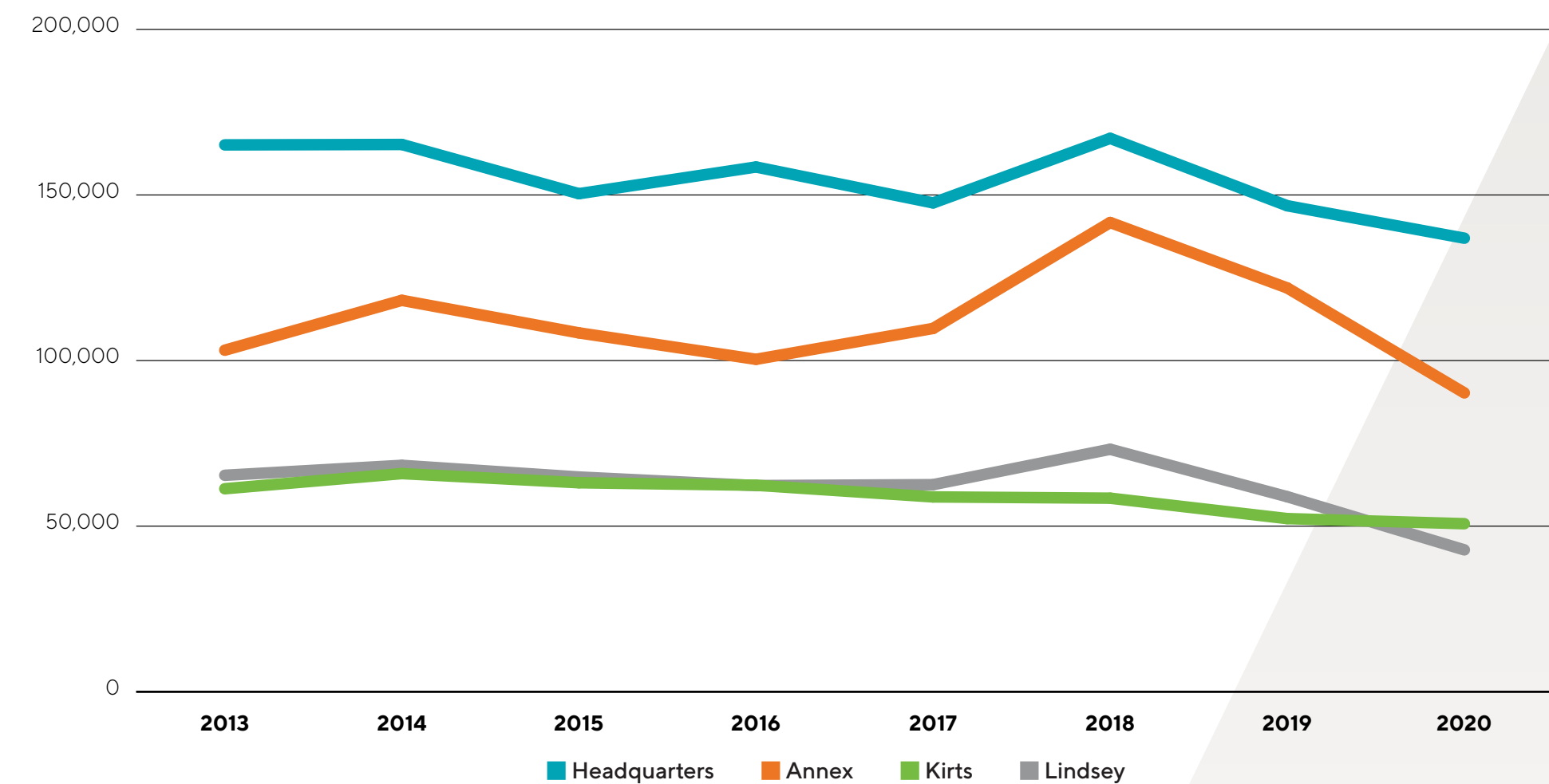
Kelly measures energy consumption based on the electricity and natural gas used for operations at the corporate campus in Troy, Michigan. Although 2020 energy usage decreased due to COVID-19 restrictions on working from our offices and the selling of two of our corporate buildings, our efforts to operate in more environmentally friendly office spaces have helped us find

and adopt energy-efficient green-building solutions.

Since 2013, we have reduced energy consumption in our headquarters campus by 19 percent. This reduction has been partly due to IT services' transition from on-premise to cloud technology and the adoption of green building standards and technologies that reduce our environmental impact.



Energy Usage Index (EUI) per Building by Year



We measure our energy efficiency based on the Energy Usage Index (EUI) which measures the energy consumed per building per year, rather than its total dollar cost. This metric takes the different types of energy used by the building per square foot and considers occupant's habits, building energy efficiency technologies, tightness of the building's outer surface, and local weather.

Kelly Anywhere: Kelly's adoption of information technology systems and policies for employees seeking consistent and flexible remote work arrangements have enabled the successful adoption of the Kelly Anywhere program. Although we have not estimated the environmental footprint for working remotely, we estimate that pollution from employee commuting, traffic, and energy usage to power the lighting and other equipment in our corporate campus are significantly reduced with fewer people

working every day at the office. Other environmental benefits are related to people using less paper and printing services.

The program has turned out to be extremely beneficial during 2020, as the majority of our workers — previously enrolled or not into the Kelly Anywhere program — have been able to perform nearly all essential functions remotely. As part of our response to COVID-19, we have worked with some customers to implement remote work plans — when possible — for temporary employees.



Water consumption

We only use water in our offices for domestic purposes, landscape irrigation, and operational processes. Although we are not a water-intensive user, we have adopted green building practices to minimize the amount of water usage in our everyday operations by implementing water conservation practices.

- In the HQ offices, we installed smart-sensor and low-flow fixtures in faucets and toilets.
- Outside our campus, we use controlled irrigation systems that reduce water use and have impermeable brick pavers to mitigate stormwater runoff.
- Our external gardens feature grass and plants that consume less water, requiring less irrigation during the summer, and allowing more growth in the spring.
- In 2020, the Shred-it program contributed to saving approximately 438,323 gallons of water. According to Shred-it, each ton of recycled paper reduces water demand by 58 percent, which also reduces air pollution and the need for lumber and other manufacturing resources.

Kelly does not currently track water withdrawals or recycled and reused water in its campus facilities.

Waste management

Kelly provides office-based operations in which waste is mainly generated from the use of paper and other office-related activities. In 2020, we recycled 70.13 tons of materials from our corporate campus and have continued implementing recycling initiatives to reduce our waste impact:

- We have adopted a hardware disposal policy and procedures for the proper disposal of electronic waste (e-waste) throughout our operations. The creation of a recycling center at our corporate campus guarantees the final disposition of electronic equipment, including phones, batteries, cables, PCs, laptops, and other items.

- In partnership with vendors, Kelly has implemented standardized procedures for proper separation and recycling of IT assets and equipment². 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.
- We have implemented responsible procurement guidelines for the acquisition and use of office products made from 100-percent recycled content and environmentally friendly materials.
- In 2020, our corporate campus recycled 125,235 lbs. of waste through the Shred-it program. According to the Shred-it program, this recycling initiative saved 188 cubic yards of landfill space and 250,470 Kilowatts of energy and helped preserve approximately 1,000+ trees, thus helping to balance gas emissions in the atmosphere.

OUR FIRST CARBON NEUTRAL EVENT.

Due to COVID-19 global restrictions on business travels, we decided to conduct our **25th Supplier Awards event virtually**, extending the invitation to our global network of suppliers. This virtual event avoided the addition of an estimated **28 tons of CO₂ emissions to the environment**. The event received generous donations from our Kelly internal stakeholder and supplier partners for **planting over 3,200 trees in Sydney, Australia in support of local reforestation initiatives in the wake of the devastating wildfires of 2020**, more than doubling our goal.



We chose *One Tree Planted* as the organization to support this initiative in the New South Wales area due to the devastation of the wildfires, following our first supplier forum in Sydney in October 2019. We decided to introduce this initiative to our suppliers during the award event. The response was incredible, helping us to surpass our initial goal of planting 1,325 trees as a carbon offset to compensate for carbon emissions from the event.

² 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.



OCCUPATIONAL HEALTH AND SAFETY

As a global workforce solutions provider, our human capital is our most important asset. We are committed to the highest standards of safe and healthful working conditions in order to guarantee our employees zero accidents or occupational hazards. Employee safety has been an integral part of our culture and a key to our continued success with our customers and our global workforce.

Employees

Our **Absolute Zero** program provides a framework for operating under the highest safety standards and proactive initiatives in order to identify, mitigate, and prevent occupational illnesses and injuries at workplaces. The Kelly Safety Team leads this program through internal processes, training, and companywide guidelines that go beyond ensuring compliance with health and safety legislation while monitoring our promise of maintaining excellence in our safety standards, solidifying our commitment to zero accidents, zero injuries, and zero harm. Our safety standards are aligned with the ISO 45001 and OSHA standard.

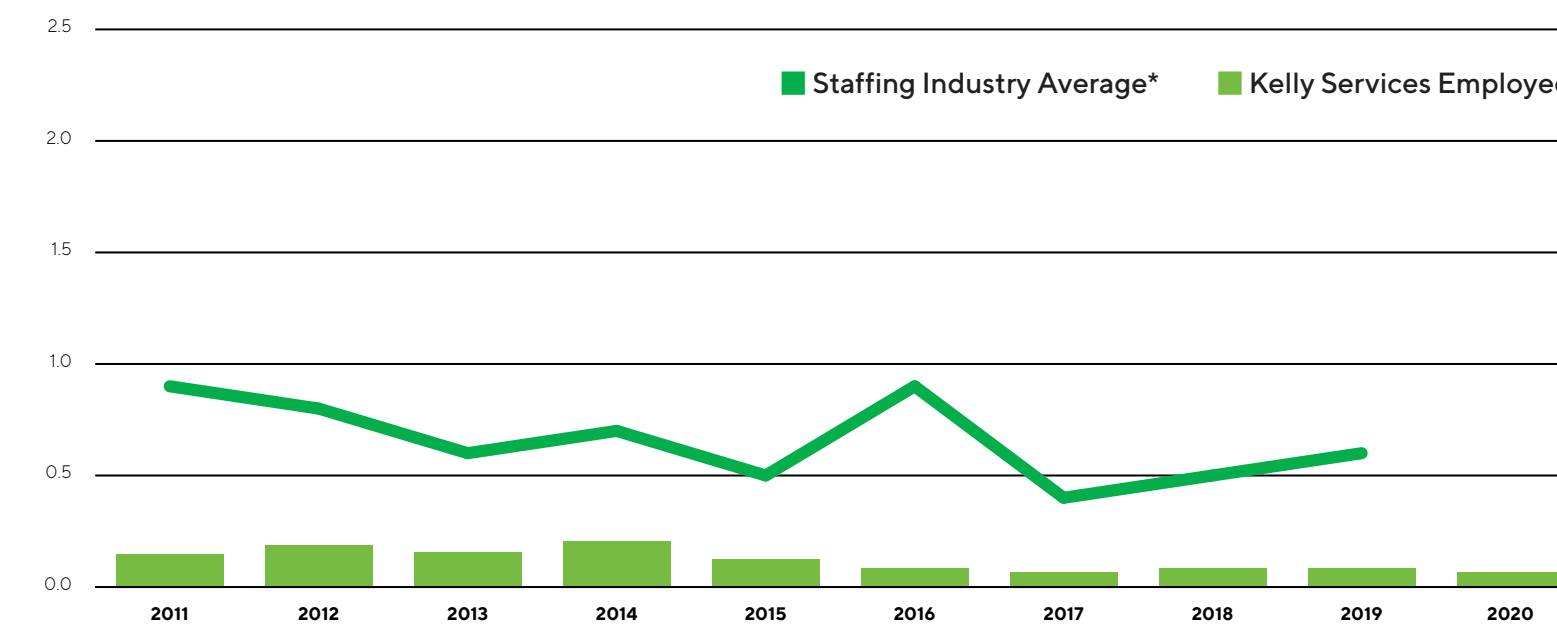
Across our operations, managers, employees, and customers are accountable and responsible for understanding, leading, and upholding our commitment to our safety

standards. Our safety handbook and safety orientation program are critical elements for all new employees. We also conduct regular training to support employees in becoming familiar with customer’s workplace environments, safe work practices, emergency procedures, protective equipment, while reporting safety issues and near misses in a timely fashion to on-site management.

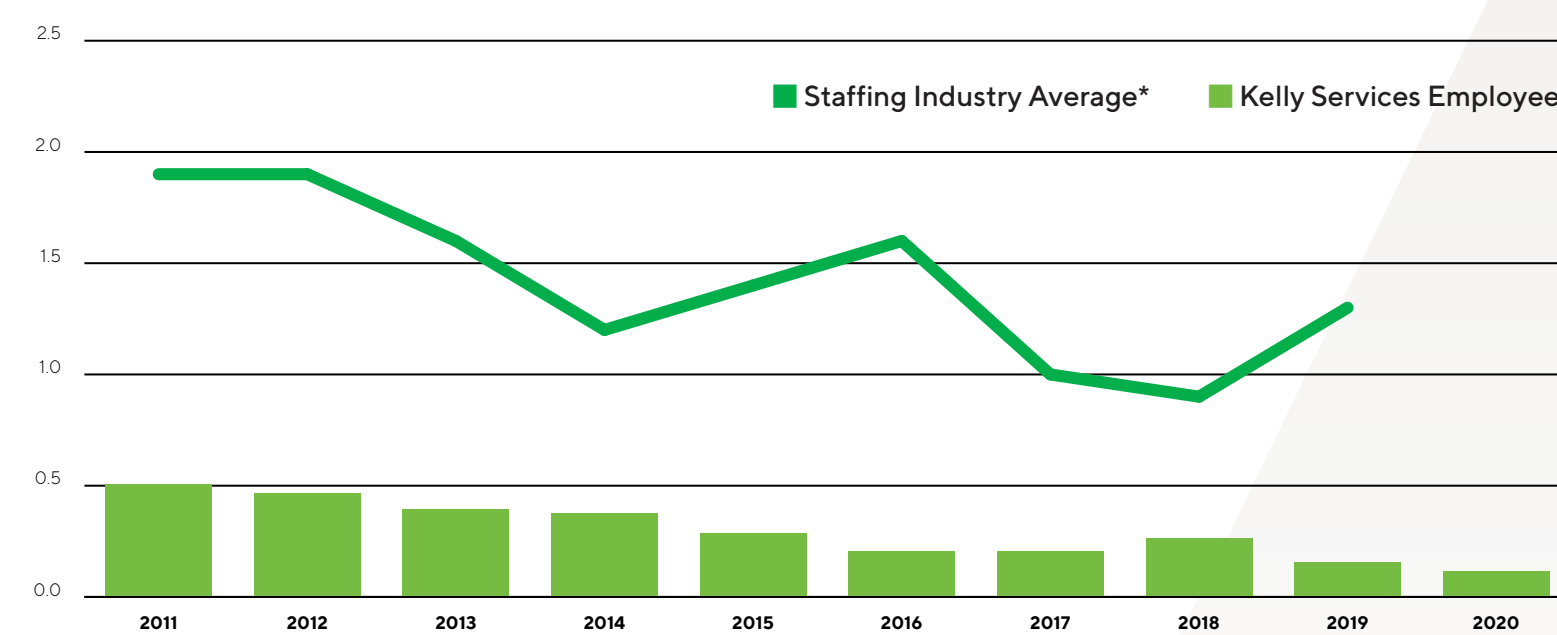
Customers

Our health and safety workplace commitment extends to our customers. Kelly’s **Global Safety and Health Program** ensures our highest safety standards in customer’s workplaces. It provides pre-assignment risk assessment, worker training, and analysis of incident reports in order to assess customers’ commitment to safety standards. This program provides practical recommendations for determining what conditions may exist in the workplace, which hazards may be encountered, preparing employees to complete their work while following safety and health protections. All customers are assessed prior to servicing and are regularly monitored through our performance evaluation metrics and safety committees. Temporary workers receive general safety guidelines from Kelly and site-specific safety training from our customers.

DART – Days away restricted and transferred rate Incidence per 200,000 work hours



TRIR – Total recordable incidence rate Incidence per 200,000 work hours



*2020 BLS staffing industry average not available at time of printing.

The Global Safety and Health Program is aligned with 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 program also leads a Health & Safety committee in which our temporary employees actively participate.



Our safety leadership journey in the industry

Kelly has played a leadership role in driving safety across the staffing industry. We actively collaborate with industry peers and government agencies to design and share best practices that provide recommendations to help other staffing firms and their customers ensure a culture of health and safety in their work environments.





Our response to COVID-19

Since the Coronavirus outbreak was first reported in December 2019, Kelly has been carefully monitoring the situation through its risk management and crisis response team. Our industry and its valuable temporary workers have been actively serving health care, science, technology, and education organizations on the front lines of fighting the Coronavirus.

We have implemented a specific business continuity plan for preparing and responding to pandemics. This plan includes infectious control measures, communication, education, and other operational procedures for all our global networks, 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.

The **Emergency Management Team** has been developed as a cross-functional group responsible for coordinating crisis management for the organization, including containment measures, policies, procedures, communications, and resources for employees and customers during the COVID-19 crisis. The health

and safety of our employees and workers have been a priority in our plan response. We have implemented protocols to avoid the unnecessary risk of transmission while providing information and responsive actions, helping employees and employers with best practices for balancing work and personal lives, promoting wellness, and connecting people with work opportunities during this unprecedented time.

Resources for employees and employers to stay #InThisTogether

Kelly is committed to supporting the health and resilience of our employees, communities, and customers during this time. We launched a dedicated page on our website to stay connected with our workers and collaborators while providing updated information and responsive actions for balancing their work and personal lives during the crisis. The **Kelly Cares Hotline (855-Kelly-06)** was launched to connect more rapidly with employees and help them find out what's next.

With a keen focus on personal well-being, Kelly made training available through the Kelly Learning Center (KLC) on topics such as health and safety, wellness, stress, 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.

To ensure the health and safety of all our members, we also worked with our health care providers to offer special medical

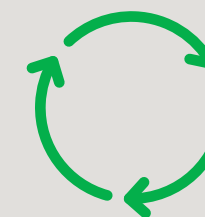
plans and benefits during the outbreak, waiving the financial costs of COVID-19 treatment and telemedicine services, as well as providing free testing and facilitating access to prescription medications, thus guaranteeing that patients do not experience shortages or difficulties when receiving these services.

BUSINESS CONTINUITY PLAN & RESPONSE



Emergency Management Team

Global, interdepartmental group is empowered to quickly make strategic decisions in response to critical events that affect our employees and facilities.



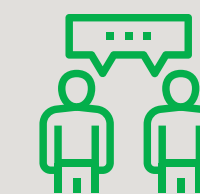
Continuity of Operations

The depth and breadth of our field network and our shared services operations allow us to shift business operations to alternate sites to support customers from a remote location.



Pandemic Planning

Specific Business Continuity planning for pandemics includes infections control measures, communication, education, and travel safety mechanisms.



Communications

A comprehensive protocol which leverages a variety of methods, including e-mail, audio calls, and text messaging, to maintain communication with employees, clients, and vendors/suppliers.



Business Continuity Plan Testing

Kelly's Business Continuity and IT Disaster Recovery programs are tested at least annually. Most recently, the Business Continuity Plan was tested in February 2020, and the Disaster Recovery Plan in October 2019.



KELLY COVID-19 RESPONSE



Large Events

Large events and conferences have been cancelled to minimize the risks of transmission. We continue to emphasize the use of technology to communicate to large audiences.



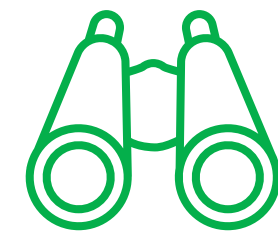
Inquiry Management

Internal resources have been tasked with managing all questions and providing guidance to our internal employees, including those working with customer specific requirements in managing our temporary workforce.



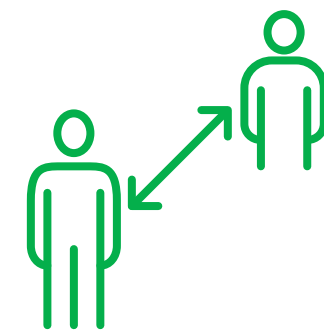
Headquarters and Facilities

Kelly is screening all non-essential visitors to our headquarters and facilities. Staff have been provided with additional sanitizing materials and additional cleaning staff have been added to clean high-touch areas at our headquarters.



Ongoing Monitoring

Kelly's Emergency Management team is continuing to monitor the latest changes to WHO and CDC guidance. We also are monitoring best practices across our customer base to ensure our employees are not subject to unnecessary risks of exposure.



Social Distancing

As suggested by the World Health Organization (WHO) and U.S. Center for Disease Control (CDC), Kelly is urging all personnel to use technology to manage meetings virtually wherever possible.

To avoid unnecessary risk of transmission, employees are instructed not to engage in traditional practices such as handshakes.





SOCIAL

Employees and people

Our people
Equity@Work
Inclusion and diversity
Human rights

Supply chain and customer relations

Our supply chain
Supplier engagement and performance management
Supplier risk management
Supplier Code of Conduct

Engagement

Social investment programs
Business continuity and risk management
Kelly Relief Fund

Our sustainability strategy supports the following SDGs:





KEY MILESTONES

Kelly's CEO, Peter Quigley signed the **CEO Action for Diversity and Inclusion** pledge, the largest CEO-driven business commitment to advance diversity and inclusion within the workplace, standing with almost 2,000 other CEOs.

We launched **Equity@Work**, a bold initiative aimed at breaking down barriers that prevent people from having access to meaningful work.

Our new program **Kelly Discover** serves as an engagement platform solution that strives to create a more equitable and accessible labor market for underrepresented talent. It will reduce the gap by creating opportunities for neurodiverse and opportunity talent.

4,700+ **veterans hired** on behalf of our clients.



Approximately \$59,000 USD contributed towards **social development initiatives**.

The **Kelly Relief Fund** provided financial support to 41 of our employees affected by natural or human-made disasters, contributing more than \$26,000 USD through grants and donations.

KellyConnect engaged 200+ new leaders, all of whom were promoted internally.

KellyConnect

In 2020, **Kelly's Leadership in Action** (LIA) program had 1,005 participants, representing 622 females and 383 males.

We formalized five **Affinity Groups** in 2020. The Affinity Groups promote a culture of inclusion by celebrating differences, creating an environment where everyone feels encouraged to be their authentic selves, and supporting the professional development of employees.

We established an **Inclusion Council**, a cross-functional group to support the development of our inclusion and diversity strategy.

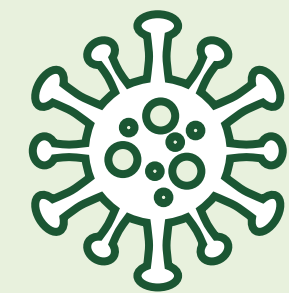
Our **Diverse Global Supplier Network** connected approximately 450 certified small and diverse suppliers to our Kelly network.



4,700+ **volunteer hours** contributed from employees towards social impact initiatives.

COVID-19 response:

- We partnered with health care providers to offer special medical plans and benefits to our employees during the outbreak; some benefits included: waiving COVID-19 treatment costs, providing testing at no cost, and facilitating access to medications.
- Developed a specific page on our website, launching the Kelly Cares Hotline to facilitate and stay connected through providing updated information while communicating actively with all employees.
- The Kelly Learning Center extended well-being training on topics such as stress, anxiety management, remote work readiness, and others, to all employees.





EMPLOYEES AND PEOPLE

Our people

We provide employment opportunities for approximately 7,100 individuals worldwide. Our responsibility hinges on providing inclusive, fair business practices and working conditions that guarantee labor and safety compliance, adherence to international laws and standards, and ensuring human rights for all our employees in the global workforce across our supply chain.

Kelly has implemented formal policies and procedures in our **Code of Business Conduct and Ethics** to ensure non-discriminatory practices, equal employment opportunities, and welfare in our workplace as well as across our customers' network through our **Supplier Code of Conduct**. We are proudly ranked in the top five percent in the supplier assessment of fair business practices by EcoVadis.

³Part-time employees working 20 hours or more per week.

Benefits

The health and financial well-being of our employees and their families is an important part of Kelly's culture. We provide competitive benefits to our full-time and part-time employees³ in the U.S:

Medical and health programs:

- Medical insurance – health care, vision, and dental; 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.
- Employee Assistance Program – offers access to counselors, wellness, and mental health programs and resources; discount programs; life advisor coaching services, and others.

Financial security:

- Retirement plans – In 2020, we introduced a new fund option that considers ESG criteria in investment plans: Parnassus Core Equity.

- Educational assistance – The Peanut Butter Program provides options to help tackle student debt.
- Supplemental plans – Business travel accident plan; employee discount program; group home and auto program; transportation spending; vacation purchase; voluntary legal plan, among others.

Personal time and family support:

- Paid time-off – holidays; personal time off, bereavement; volunteer day; birthday; and sick days.
- Short-term disability for new parents.
- Flexible work schemes.

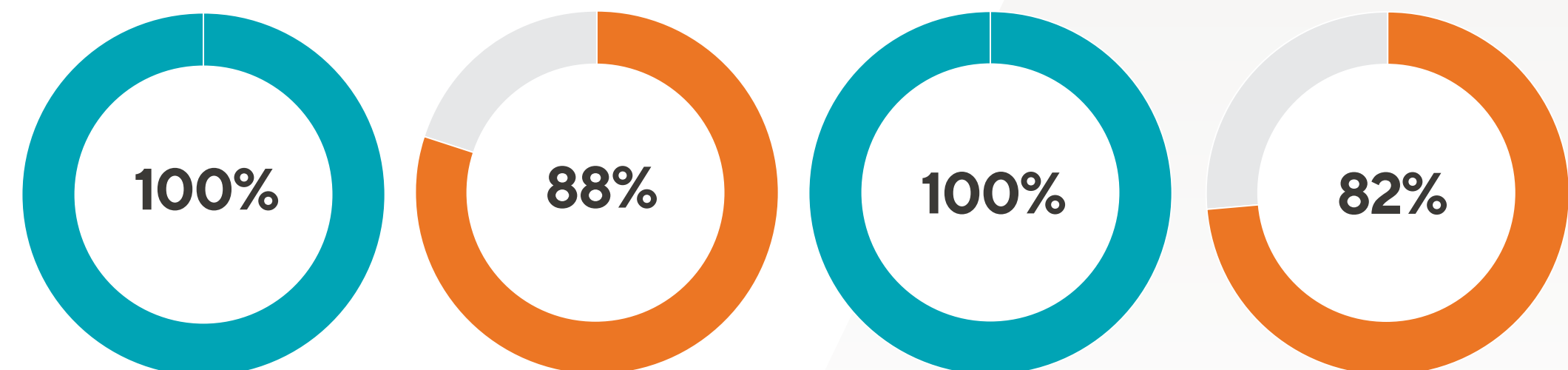
Short-term disability for new parents

In 2020, our employees benefited from our short-term disability for new parents program in the U.S.



Return to work and retention rates

Male Female



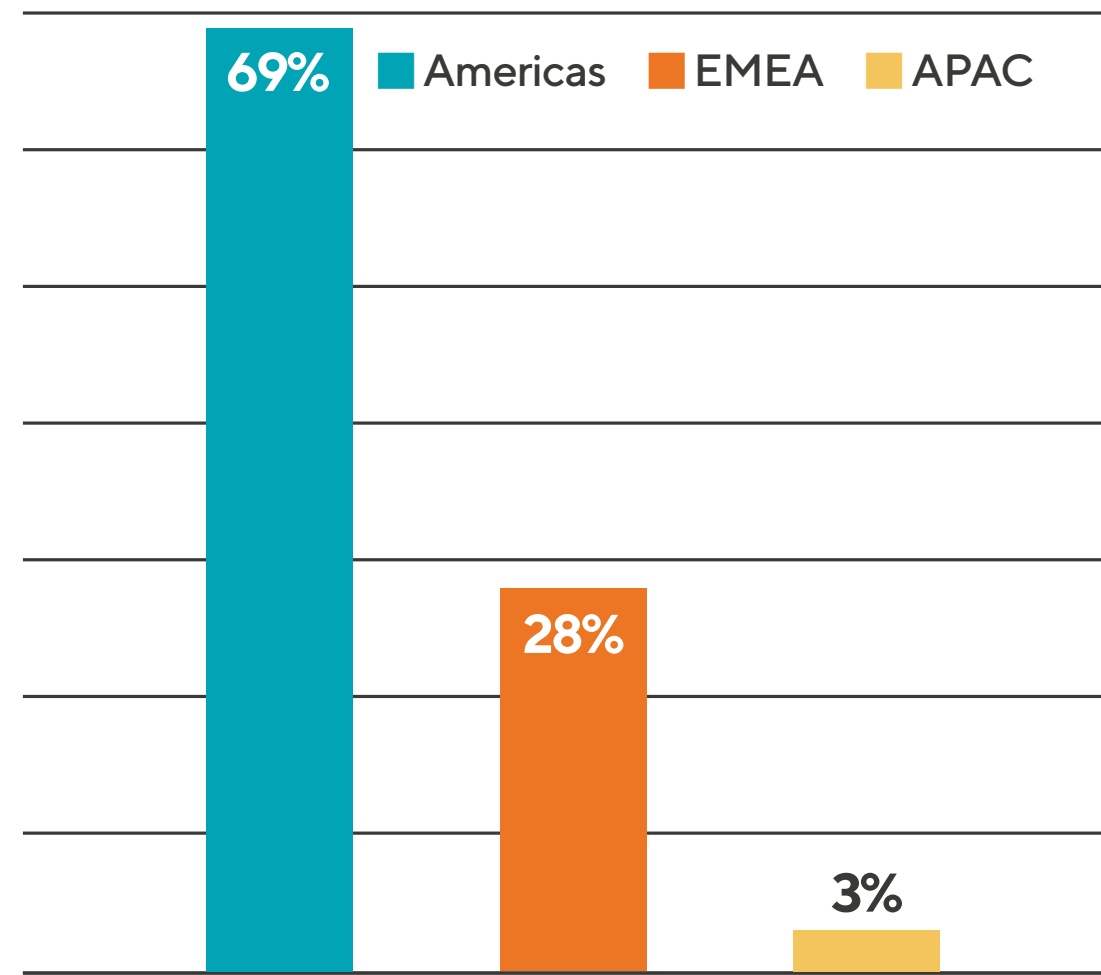
Returned to work after taking short-term disability for new parents

Retention rate (still employed)



Number of employees in 2020, globally

Permanent employees only



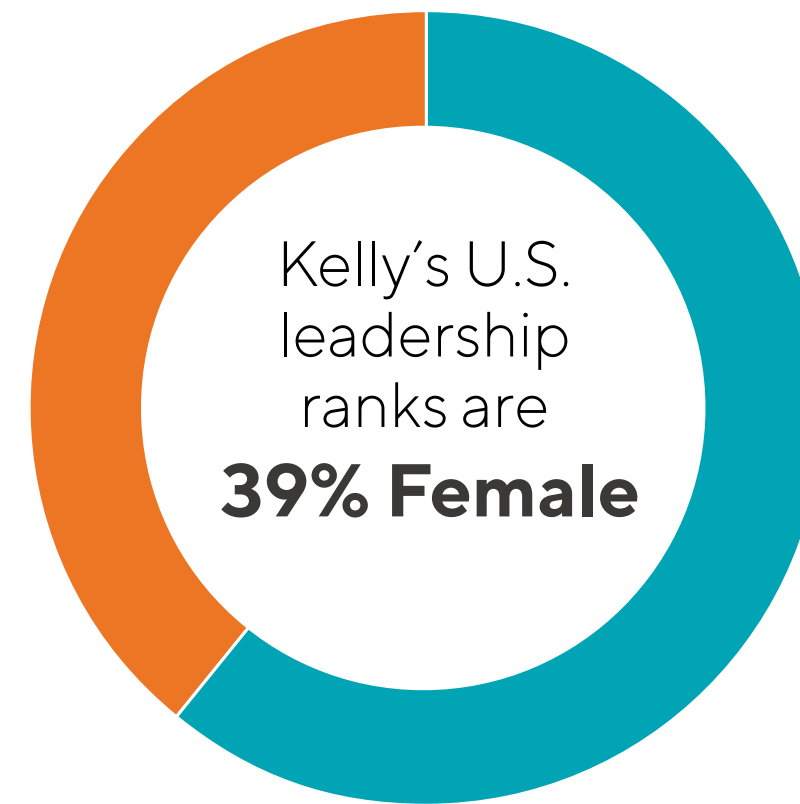
Permanent employees: 7,145

By gender, in the U.S.

Full-time internal employees / Total: 4,162

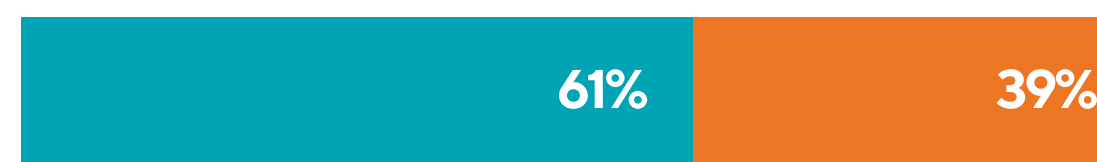


Male Female



Employees in leadership roles (U.S.)

By gender / Total: 70



Male Female

Employees in non-leadership roles (U.S.)

By gender / Total: 4,092



Male Female

New employee hires (U.S.)

Full-time internal employees / Total hires: 536

By age



Under 30 30 to 50 Over 50

By gender



Male Female

Employee turnover rate (U.S.)

Total employees: 932

By age



Under 30 30 to 50 Over 50

By gender



Male Female



Talent attraction, retention, and compensation

At Kelly, our deep sense of purpose compels us to connect people with work in ways that enrich their lives. We are driven by our commitment to guaranteeing non-discriminatory practices while providing equal employment opportunities to those of varying backgrounds, talents, and ideas. We aim to attract all qualified applicants and to ensure that our workforce enjoys opportunities to advance in their careers, irrespective of their race, color, sex, age, religion, national origin, sexual orientation, disability, veteran status, other categories.

We adopt a **Global Compensation Philosophy**, where our policies guarantee equitable compensation practices that endorse a pay-for-performance culture to all employees. Kelly’s total rewards framework is designed to attract and retain talent while providing comprehensive incentives and career advancement opportunities. The program recognizes key talent, which considers roles and responsibilities, employee performance, skills, experience, and qualifications, and applying fair and equitable pay practices by analyzing market-competitive and equitable compensation, budget and financial performance of business segments, external benchmarking, geographical location, and internal equity.

Kelly’s pay-for-performance guidelines extend to the **Executive Compensation team**. The fully independent Compensation Committee designs and administers the Company’s executive compensation programs and incentives in order to drive key business objectives and stockholder value. The Committee also considers evolving best practices, corporate governance trends, and annual reviews to determine the compensation of each of our senior and executive officers.

Career development opportunities and training

Talent is at the core of our business. We are committed to providing meaningful career opportunities, resources, and skills that the global workforce needs to thrive in a more competitive and digitalized world. Our career development and training initiatives play a significant role in shaping, reskilling, and developing skills for a diverse workforce that effectively responds to industry trends and future labor demands, regardless of which industry or client we are serving.

The **Kelly Learning Center (KLC)** offers an ongoing free-learning platform that provides online training through virtual instructor-led courses, web-based training, and videos/ seminars for all employees. The KLC also offers a career development program where

employees can access a development management tool to design career goals, skills-related training, and a framework for exchanging feedback. This program 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 objectives.

In 2020, the KLC was a useful platform to connect with our employees and offer wellness programs to better manage work and life balance while working remotely.

Kelly employees participated in over 72,000 total training hours

Kelly Learning Center (KLC) average training hours in 2020:



KLC offers thousands of courses to all Kelly employees. Some available training opportunities:

- Leadership Development program, includes the Leadership Learning Circle offering leadership skills, experiential training, people management, Inclusion and Diversity.
- Transition assistance programs to facilitate employability and career termination.
- Other specific skill development trainings: SHRM certification for staffing employees; AGILE improve performance, Project Management and Six Sigma certifications.
- General training on global policies, employee handbook, Code of Conduct, anti-harassment, Inclusion and Diversity, privacy and data protection.
- COVID19: anxiety during a public health crisis, dealing with relationship strain, back to school, growing through stressful times, best practices for remote working, and others.



Supporting our employees to achieve their goals

Kelly is on a continuous journey to engage and better understand our customers, employees, and candidates in order to deliver an exceptional experience that creates loyalty and anticipates labor talent needs. To remain at the forefront of what drives people and our clients to engage with Kelly, and in order to attract the best available talent, we take seriously the notion of getting to know our talent beyond the résumé.

In 2019, we launched the following initiatives that support the KLC and provide opportunities for employees to envision and measure performance on their career development plan while preparing them for what is next.

- The **Growth Zone initiative** supports employees in their career development conversations in order to better track and measure performance, identify employee skills and training opportunities, as well as provide objectives for a career planning model.
- **TalentX** provides a talent research program that understands expectations during the sourcing, recruitment, and placement process, in order to efficiently and responsibly adjust our internal procedures during the job search and placement process. The program has

reimagined our approach to candidate engagement and providing virtual assistance through our dedicated Talent Care Advisors team.

- The **Internal Résumé Program** promotes internal recruitment opportunities, providing résumé building resources and career profile tools.
- **Kelly's Wellness Program** was launched as a pilot initiative to support and better engage a growing number of professionals working remotely within our culture, building deeper connections between employees, providing a people-first leadership approach focusing on areas that support work-life balance.

Future of work

Kelly actively partners with customers and external stakeholders to identify the critical resources that are needed in order to meet the expectations of present and future labor demands. Through ongoing research and market engagement related to the future of work, we aim to become a better place to assign the talent we engage, while supporting our customers in becoming even better customers to Kelly.

Considering a broad-based consumer perspective, we have analyzed "How will changing consumer trends affect the world



of work?" In the last couple of years, we have found that the workforce blends their personal lives into their workspaces, which has several implications on where and how work gets done. This is particularly relevant in 2020, where the coronavirus pandemic has accelerated this transition and has increased expectations on how people and work connect. For example, workers have come to expect employers to deploy all the flexible, personalized, and collaborative behaviors of their favorite brands and services.

Kelly has developed platforms and programs to offer consistent and flexible work arrangements for our employees while working online, and not necessarily being present at the workspace. Currently, all our employees are working remotely through our **Kelly Anywhere** program as

part of our strategy to reduce the spread of COVID-19 and keep our employees safe. Our **KellyConnect**® program has a strong learning culture which supports our internal career advancement philosophy, providing virtual leadership development training to support HiPo (high potential) employees and leaders at all levels of their career advancement. In 2020, this program trained 200+ new leaders, all promoted internally, reaching over 480 team leaders in the program. Additionally, we collaboratively work with our customers to push organizations to think differently about workers' increasingly mobile and fluid lives, and how to better leverage their existing infrastructure and investments as part of their overall talent and business strategy.



Equity@Work

We're in a unique position in the labor market, representing talented people looking for work and connecting companies to the workforce they need. When we connect people to work, we change their lives. We have a longstanding history of being innovative and creative when it comes to making people-work connections.

Through Equity@Work, we're tapping into our talent-first mentality, and we're turning that creativity and innovation toward addressing systemically unjust and outdated barriers that prevent people from having access to meaningful work. We aspire to create more opportunities for more people because we believe work shouldn't improve some lives, but the lives of all people who want to work.

Standing in the Gap

"I was working for a liquor distributor, so part of my job was to go out and entertain customers. I got my first DWI in 2007 and being part of the legal system – to be honest, – I didn't know how to handle that. Depression starts to set in, and things get a little bit dark, and that's what led to another trip to the court and another DWI.

Right after I started my probation, I got a call from a recruiter. I took calls for a little less than a year and then I moved to a supervisor role. When there was a formal application to be a corporate employee with Kelly, my boss let me know that because of my background I wouldn't move forward into being a corporate employee – even though she believed in me and she was proud of the work that I had done with my team.

My boss continued supporting and encouraged me to continue applying. I was ready for another no, but then I got a phone call and she said "Congratulations, you are a corporate employee." Now I oversee 750 people; It's a big responsibility, but it is also one of my greatest pleasures



David Shaffer, Sr. Operations Manager, Kelly Services

because I have seen people walk the same journey that I have had."

David's boss challenged Kelly's previous criminal history practices and advocated for David's opportunity to advance.



"Equity@Work sets the course for changes to Kelly's hiring practices such as removing salary and criminal history from our internal employment applications. We are also calling on like-minded leaders and organizations to join forces in addressing workforce barriers."

– PETER QUIGLEY, PRESIDENT AND CEO, KELLY SERVICES



Equity@Work is our effort to shed a spotlight on and fight against these unjust barriers that prevent so many people from finding meaningful work

As a company, we have already begun addressing barriers by changing our practices and have set ambitious targets for Kelly’s own full-time employee hiring practices. We have also joined forces with institutions, policy groups, and companies to address regulatory injustices and outdated biases, opening doors to greater equity and bridging opportunities to millions of people experiencing barriers towards new pathways to upward mobility. These efforts include the following initiatives listed to the right.

 <p>Education and credentialing Addressing unequal access to education and questioning the necessity of a four-year degree.</p>	<ul style="list-style-type: none"> ● We’re refocusing our internal recruitment efforts around experience and skills, instead of degree credentials. ● We’re engaged with the Detroit Regional Talent Compact, working with community, business, and academic leaders to improve the region’s access to post-high-school educational credentials and reduce equity gaps. ● Through our Kelly Certification Institute apprenticeship program, we are working with local community colleges and customers to connect committed workers to higher paying positions through learning an employer’s highest-demand skillsets.
 <p>Criminal history Giving those non-violent/non-relevant criminal history a second chance to play a contributing role in the workplace.</p>	<ul style="list-style-type: none"> ● We removed criminal history from our internal employment application. ● We’re continuing our efforts around individualized criminal background assessments, opening more opportunities to those who deserve a second chance, because we realize that blanket bans on criminal history don’t work. These efforts have been implemented internally and will be extended to likeminded clients as well.
 <p>Outdated legal protections Providing equal employment opportunities even when the law doesn’t require us to do so.</p>	<ul style="list-style-type: none"> ● We’re using technology across our job posting language to facilitate equitable and inclusive terminology. ● We formed a global Inclusion Council and Kelly Affinity Groups for Black, LatinX, LGBTQ, women, and millennial employees. ● Peter Quigley signed the CEO Action for Diversity & Inclusion™ pledge, confirming our commitment to advance diversity and inclusion in the workplace. ● We joined several local organizations to back the LGBTQ civil rights initiative in Michigan, aimed at amending the state’s anti-discrimination law.



Kelly Discover

Purpose — As companies broaden the diversity of their workforce, they face challenges stemming from a lack of understanding of unique talent channels. This can greatly affect the success of newly hired talent as they attempt to navigate an unfamiliar environment without proper support. **Kelly Discover** uses several tools and resources to ensure mutual success for underrepresented talent and their managers. Starting with a consultation between Kelly Discover and client partners to identify roles that best fit the talent channel(s) they're looking to hire; the solution then provides valuable coaching for both talent and managers to find lasting success and support throughout the assignment.

Kelly Discover is an all-in-one engagement solution designed to help talent on the Autism Spectrum, and Opportunity Talent thrive together with our clients, from pre-hire preparation to post-hire support and beyond.

Candidates on the Autism Spectrum — High-functioning, generally degreed adults who possess unique skills that qualify them to bring exceptional value to a work environment. Strong ability to focus on details and patterns, excel within structured systems.



Opportunity Talent Candidates — Upskilled, untapped, diverse adults who have acquired certifications through alternative paths to traditional college and have benefited from participation in a workforce development program.

Problem we're solving — Unequal access to work. Lack of available talent. Barriers to hiring, and a lack of post hire support for unique talent that might need additional support to acclimate to their new environment. Our customers are looking to hire a diverse workforce and we can help them achieve their goals.

Fit and Function — This solution can be easily placed into existing Kelly programs — MSP, RPO, and staffing solutions. It functions as a specialized standalone strategy for diversity and inclusion with its own pipeline and dedicated recruiters.



Inclusion and diversity

Kelly embraces diversity and strives to provide an inclusive culture that ensures equitable opportunities for all our employees and the global workforce, who reflect the diverse regions, industries, and customers we serve worldwide. As a global workforce provider, inclusion and diversity are cornerstones of our operation and a big part of our success.

Our commitment is to provide a diverse and inclusive work environment where everyone feels welcome, respected, and valued. This commitment began in 1979 and has evolved to become part of Kelly's business strategy, investing and prioritizing initiatives that promote talent and address

the unique needs of the disabled, minority groups, women entrepreneurs, military members and their families, young people, and the semi-retired.

We are humbled to be recognized with an outstanding top score by the Human Rights Campaign Foundation, in the Corporate Equality Index 2021 – a national benchmarking survey of corporate policies and practices relating to LGBTQ workplace equality. However, we know that there is much to be done to fight for equity at work while creating workplaces that reflect society and talent representation across our communities. For this reason, in 2020 we developed our I&D strategy and launched the Equity@Work initiative to concentrate

INCLUSION & DIVERSITY INITIATIVES IN 2020:

- Peter Quigley, CEO of Kelly Services, signed the CEO Action for Diversity & Inclusion pledge, confirming our commitment to advance diversity and inclusion in the workplace.
- Kelly Talent Acquisition team launched a recruiting plan focused on sourcing and recruiting a diverse talent segment for 100 days. The roadmap included a strategy to engage LGBTQ+ talent, persons of color, and under-served communities.
- Kelly engaged with the National Gay and Lesbian Chamber of Commerce (NGLCC) to identify LGBTQ Staffing companies to support our business solutions by providing diverse talent.
- We supported virtual campaigning for signatures for the amendment to the Elliott-Larsen Civil Rights Act, promoting the protection of lesbian, gay, bisexual, and transgender people in the state of Michigan.

“Our recent acquisition of Greenwood/Asher & Associates, a premier specialty education executive search firm, is a great fit for the Kelly family. They have a diverse recruiting team and a recruitment philosophy which led to the appointment of a woman or person of color in more than 55 percent of their searches.”

– PETER QUIGLEY, PRESIDENT AND CEO, KELLY SERVICES

our efforts on guaranteeing a diverse talent pool, working together to overcome barriers to employment, using a strategy of increasing the diversity of our suppliers while strengthening our culture of inclusion.

Increase the diversity in the talent pool and hiring process

We have implemented a multidimensional global strategy across suppliers, employees, and our workplace, to create and maximize opportunities for underrepresented workforces in emerging and mature markets. Our I&D strategy has allowed us to recognize opportunities for

hiring a wide range of diverse employees. We have implemented internal policies and procedures to neutralize gender tone, remove unconscious bias from job postings, as well as using talent outreach communications to increase the diversity of our talent pool.



Delivering an inclusive culture

Kelly continuously works to increase the diversity and representation across our communities, including lesbian, gay, bisexual, transgender, and queer (LGBTQ); military veterans; ethnic and racial groups; gender; and people with disabilities. We aim to guarantee an inclusive network and offer specialized programs to promote talent and address the unique needs and capabilities of our entire workforce.

Kelly Disabilities Network

We strive to increase job opportunities for people and communities living with disabilities, where they can contribute their unique skills to our company or our customers. We partnered with nonprofit and professional networking associations to better understand their unique challenges, providing resources to match their needs while creating meaningful job opportunities.

Kelly also complies with the U.S Americans with Disabilities Act and similar regulations to ensure equal opportunities and accessibility for workers with accommodation requirements. In 2020, roughly 9 percent of our KellyConnect advisor population were receiving an ADA accommodation.

Compass program: Kelly Services + Best Buddies

Since 2019, Kelly has partnered with Best Buddies International to provide employment consultants who support Kelly's team and

customers, so as to be able to engage and work better with Best Buddies participants living with Intellectual and Developmental Disabilities (IDD). Best Buddies is also part of our Equity@Work initiative.

The Jobs program uses current job descriptions and matches skills requirements with participants with an IDD. It also provides an opportunity to connect with an in-house employee, who will coach and accompany them during their first several months on the job. In the long — term, this program will provide best practices that strengthen our social inclusion initiatives while increasing the participation of other companies nationwide.

Up to this day Kelly has hired three Best Buddies Jobs participants at the HQ office in Troy, MI, two of whom were able to remain employed throughout COVID and were able to work at home with support of their Best Buddies Employment Consultant. In 2020 a Kelly employee participated in the MI Champion of the Year Gala and helped to grow the Best Buddies program throughout the state. Kelly participates in the Best Buddies Citizens program where there are four matches between Kelly employees and adults with IDD in the community. Kelly also participates in the Best Buddies E-Buddies program and there were 22 pairs matched across the U.S. in 2020, who communicate via email. We have engaged leadership in CA, IN, and FL and plan to continue expansion of the partnership across the U.S. in 2021.

Finding Myself at Work.

"I wish I had help in middle school and high school, but I didn't really know until a few years ago that I actually had autism. My skills and abilities are a lot different; it takes longer for me to process things.

For the job interview I did with Kelly, they allowed me to have my job coach from Best Buddies, so it was a little bit easier to do the interview because I had someone with me. I am actually enjoying the job. "Thank you, Best Buddies, for helping me find a job and helping me find myself."



Jordan Tolmie — Onboarding Specialist, Kelly Services

Since 2019, Kelly has partnered with Best Buddies International to provide employment consultants who support Kelly's team and customers, so as to be able to engage and work better with Best Buddies participants living with Intellectual and Developmental Disabilities (IDD). Best Buddies is also part of our Equity@Work initiative.



Kelly Veteran Employment and Transition Services

We have deployed an in-house recruiting program that aligns military experience and traits from U.S veterans, current reservists, and military spouses, with job opportunities. In 2020, we hired 4,700+ veterans and military spouses to work for premier Kelly clients, or as internal employees.

Our Government Solutions team, which is primarily made up of veterans, dedicates most of its time to recruiting services for veterans and military spouses, both with and without security clearance.

The **U.S Military Pipeline program** allows candidates who are veterans to create profiles and search for job opportunities

using a cloud-based solution that matches employment opportunities from our customer database. This program feeds into the **Hero2Hired program**, expanding jobs and careers for veterans who have fulfilled their military duties.



Leadership in Action (LIA) program

Since its establishment in 1946, Kelly has made a significant commitment to promote, recruit, and retain women entering the workforce, while providing them opportunities to balance personal commitments outside of the workplace.

Currently, the LIA program aims to prepare and develop Kelly’s current and future leaders, ensuring an environment for personal and professional success and growth, where leaders can thrive and deliver strong business results. In 2020, the LIA program had 1,005 participants, (622 females and 383 males).

VETERANS

“The military is always evolving, and you are trained to adapt to your environments – whether in everyday duty or deployments, and as much as Kelly has changed, it has helped me adapt to those changes.”

Laura Snowden served from 2002-07 in the U.S Army in the Artillery Field at Fort Bragg, North Carolina. She joined Kelly 10 years later as a senior recruiter; now she serves as an account manager for P&I South Operations.

Todd Maloney’s military career spanned 21 years, having served in the U.S Air Force until retirement in 2016. He currently works as operations manager for the Mazda Toyota Manufacturing U.S RPO account within KellyOCG.



“Each year, every program faces challenges-whether it’s to generate growth, recruiter workload, being consultative, or just continuing to up our game with fresh initiatives and ideas. But we always rise to the occasion and meet those challenges. We are resilient!”



Kelly Affinity Groups

As part of our Inclusion and Diversity strategy, we aim to empower our communities and ensure that everyone at Kelly feels welcome, heard, and included as part of our company. In 2020, we launched five Affinity Groups as a foundation for meaningful and sustainable initiatives that involve all employees at every level and provide professional development, networking, and mentoring opportunities.

Our Affinity Groups support the development of an inclusive community and culture at Kelly while promoting an open and honest conversation that supports underrepresented communities and challenges them to make the impact we expect.

I&D is a critical component of our culture. We are on a journey to understand and celebrate the uniqueness that everyone brings to the table while building a more cohesive culture across every level of the company and in every employee.

In 2020 we launched five Affinity Groups as a foundation for meaningful and sustainable initiatives that involve all employees at every level and provide professional development, networking, and mentoring opportunities.





Supplier diversity program

Every day we leverage hundreds of diverse staffing organizations worldwide, both as partners and as subcontractors, to support achieving our customers' various diversity initiatives. Our I&D strategy expands to our global supplier network and their workforce, providing resources and opportunities for growing their revenue and spurring economic development.

The **Kelly Supplier Diversity Development Team** has developed a

multidimensional approach to support the I&D practices with our suppliers while developing a diverse supplier base that can compete and enhance their business opportunities in servicing our supply chain and sourcing strategy.

In 2020, our Diverse Global Supplier Network connected approximately 450 certified small and diverse suppliers⁴, and reached contributions for more than \$5 billion to promote the economic development of minority communities through training and engagement.



OUR DIVERSE SUPPLIERS

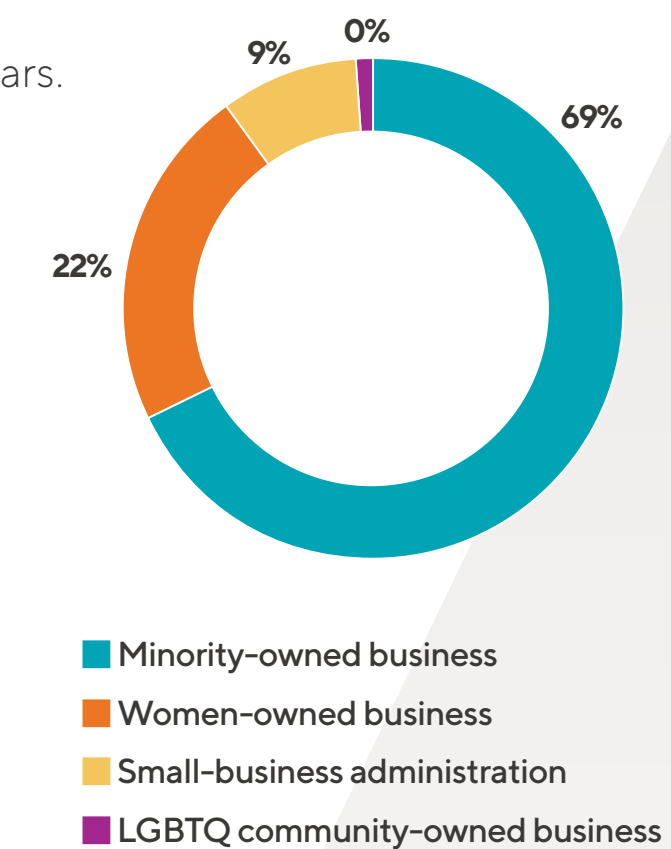
2020 SD&I Initiatives & Impact:

- \$5+ billion spend with Diverse Suppliers over the last five years.
- \$1.25 billion diverse spend under management.
- 20,500+ hires by our diverse supplier network, which contributes to job creation in their communities.
- 88% diverse spend in STEM and Professional Labor Categories.
- Approximately 450 suppliers participated in our diverse programs.

Enterprise Trends:

- 35% diverse expenditures.
- 4,700+ veterans hired.

U.S Diverse Supplier Utilization:



Kelly received Class 1 honors from the National Minority Supplier Development Council (NMSDC) as a Corporation of the Year, recognizing our dedication to improving the overall participation of Asian, Black, Hispanic, and Native American suppliers in the global corporate supply chain.

⁴ We ensure our diverse supplier network is at least 51% owned, operated, and controlled by U.S citizens who are classified as one of the following: Asian-Indian American, Hispanic, Women, Native American, Disabled Veteran, Asian-Pacific American, Small Disadvantaged Business, and the LGBT community. Our third-party certifying organizations are: [National Minority Supplier Development Council \(NMSDC\)](#), [Women's Business Enterprise National Council \(WBENC\)](#), and [Small Business Administration \(SBA\)](#).



I&D AWARDS AND RECOGNITION

- › **National Minority Supplier Development Council (NMSDC) Awards.** Kelly received Class 1 honors from the NMSDC as a 2020 Corporation of the Year.
- › **Michigan Minority Supplier Diversity Council (MMSDC) ACE Awards.** Kelly received the 2020 ACE Award as a Corporation of the Year in the Professional Services & Staffing category.
- › **2021 Military Friendly Employer® and 2021 Military Spouse Friendly Employer®.** Kelly is recognized as a 2021 Military Friendly® Employer and a 2021 Military Friendly® Spouse Employer by VIQTORY.
- › **WBENC America's Top Corporations for Women-Owned Businesses.** For the 10th consecutive year, Kelly was recognized by WBENC as one of America's Top Corporations for Women-Owned Businesses, for our commitment to including and developing WBEs in our supply chains.
- › **HRC Corporate Equality Index 2021.** For the 4th consecutive year, Kelly received a top score in the Human Rights Campaign Foundation's 2021 Corporate Equality Index, the nation's foremost benchmarking survey and report that measures corporate policies and practices related to LGBTQ workplace equality.
- › **WEConnect International 2020 Top 10 Global Champions for SD&I.** For the second year in a row, Kelly earned the No. 3 spot on this global award list, which included some of the top organizations in the world.
- › **Thompson Hine Selects Kelly for 2019 Diversity Achievement Award.** Thompson Hine named Kelly the recipient of its 2019 Diversity Achievement Award — recognizing our commitment to promoting the values of diversity, equity, and inclusion in our industry and the greater community.
- › **GLWBC Excellence in Supplier Diversity, 2019**

AFFILIATIONS





Human rights

Kelly has a global commitment to protecting its employees and candidates against any human trafficking and will not partner with any organizations that condone or have practiced human trafficking or have violated human rights of any kind.

Our Human Trafficking and Slavery Policy Statement specifically includes 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. This policy applies to all Kelly employees, subcontractors, vendors, suppliers, or other entities doing business with Kelly worldwide. We also are committed to the **UK Modern Slavery Transparency Act** Statement and have developed internal policies and guidelines in our **Code of Business Conduct and Ethics** to guarantee fair labor practices and address any issue that can affect the basic rights of our employees and workforce.

Our global responsibility includes our suppliers who must comply with our **Supplier Code of Conduct**, which sets out expectations and best practices that guarantee compliance with labor and safety law and regulations, fair hiring

practices, addressing modern forced labor, discrimination, and other critical violations of labor rights.

Forced or compulsory labor

Kelly works with approximately 7,100 employees with whom it has an “at-will” employment relationship. Our talent supply chain spans 51 countries (with the ability to support Kelly MSP programs in 8 additional 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 our business practices, as well as for our partners and suppliers, to comply with all applicable child labor laws, including those relating to minimum age limits, limitations of working hours, and the prohibition against certain types of work. 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

Kelly believes that employees are best served through a collaborative work environment with direct communication between employees and their Kelly representative. Our policies encourage employees to work directly with their Kelly representative to problem-solve potential disputes, and we strive to promote a positive work environment, establish favorable employment conditions, support employee development, and to facilitate direct employee communications. All employees shall be free to join or to refrain from joining, trade unions or similar external representative organizations. 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 also believes that partners and suppliers should recognize the right of freedom of association, consistent with applicable law.



SUPPLY CHAIN AND CUSTOMER RELATIONS

Our supply chain

Connecting talent to the world of work

The ability to manage staffing suppliers has become more critical as customers seek one single supplier to manage all of their demand for contingent talent. Kelly's total talent management (TTM) approach seeks to address this requirement for our larger customers, enabling us to deliver talent wherever and whenever they need it across the globe. Our talent supply chain offers Managed Service Provider (MSP) programs, but also supports our temporary staffing solutions, Recruitment Process Outsourcing (RPO/Perm) solutions, and Business and Professional Services (BPS) solutions.

Kelly



Talent Specialties Professional & Industrial

- Contact Center
- Creative
- Finance & Accounting
- Industrial
- Marketing
- Office



KellyConnect® Contact Center Outsourcing

- Customer Support
- Technical Support
- Remote Agent
- Customized Programs



International Staffing

- Americas
- EMEA
- APAC*



Talent Specialties Science, Engineering, Technology & Telecom

- Engineering
- Technology
- Telecom & Digital Connectivity
- Science & Clinical
- Government Solutions



Managed Business Services

- Centralized Admin Solutions
- Computer Aided Design & Drafting
- Engineering Support
- Field Services
- Functional Service Provider
- Lab Management Solutions
- Manufacturing & Logistics
- Project Services
- Technical Writing



Talent Specialties Education

- Pre-K - 12
- Early Childhood
- Higher Ed
- Special Needs



Staffing Options

- Temporary Talent
- Temporary to Hire
- Direct Hire
- Payroll Service
- Local/Centralized Delivery
- On-Site Management

Kelly OCG



Managed Service Provider (MSP)

- Contingent Labor
- Direct Sourcing
- Human Cloud
- Identity Management
- Independent Contractors
- Payroll Outsourcing
- SOW/RFx Management



Recruitment Process Outsourcing (RPO)

- End-to-End Programs
- Project Hiring
- Modular Programs



Talent Advisory Services

- Talent Strategy
- Supply Chain Design & Categorization
- Talent Market Analytics & Insights
- Self-Managed MSP Implementation Consultation
- Micro Employer
- Value Proposition



Integrated Talent Solutions

- Total Talent Solutions
- Guided Work™

*Delivered through PERSOLKELLY Joint Venture partnership with PERSOL Group.



Supplier engagement and performance management

To support the management our supplier network we have invested significantly in the development of our Supplier Strategy & Engagement organization, a dedicated team of Supplier Strategists and Supplier Engagement Managers. This team is globally focused, but regionally structured – which means they are able to provide strategic consultation while maintaining a close proximity to local markets to retain knowledge of legal and cultural specifics, speed to talent, escalation points, etc.

Supplier risk management

Our suppliers are a critical part of our ecosystem which enables the placement of third-party work labor for our customers in a variety of specialty services focused on finance and accounting, engineering, IT, and science. We work with suppliers who share our values and commit to operating following our Supplier Code of Conduct guidelines. Adherence to this agreement is mandatory and must be renewed before the assignment of any new task through a client.

The **Kelly Supply Chain Enablement Team** regularly assesses suppliers' contractual and worker compliance with consideration given to client-directed suppliers. The team conducts regular audits on worker compliance and communicates any findings to the client program during the worker onboarding process. It also monitors and communicates contractual non-compliance through the internal supplier breach report process, which can lead to adjournment or termination from the Kelly program.

We have implemented a **supplier performance management** process to guide and initiate suppliers into our Kelly program. This process also analyzes and monitors suppliers' and partners' compliance with all topics covered in our Supplier Code of Conduct, measures their performance, and identifies hotspots where improvement is needed, allowing for the implementation of corrective plans to sustain improvements.

Supplier risk management program

Kelly works closely with partners and suppliers to guarantee that their business ethics and operations standards are as rigorous as our own. In 2020, we implemented a **supplier management program** to identify high-risk suppliers in the Kelly or to the client and analyze their resiliency in driving risk mitigation plans



more effectively. The program follows a risk assessment methodology that evaluates its strategic importance and considers performance management, compliance with breach reports, and assessment scores.

This program is part of our Responsible Supplier Management ecosystem model, created to mitigate risk and generate value for the company and to our Kelly network by:

- Identifying risks utilizing a holistic approach including Environmental, Social, and Governance issues (ESG).
- Providing a framework for standardized processes and procedures that facilitates monitoring and assessment of continuous performance and innovation.
- Enhancing collaboration with suppliers in alignment with standardized governance processes and management.
- Improving our ability to respond to client requests regarding supplier audits and increase responsible supply chain management practices.



SUPPLIER ENGAGEMENT AND **INSIGHTS COVID-19**

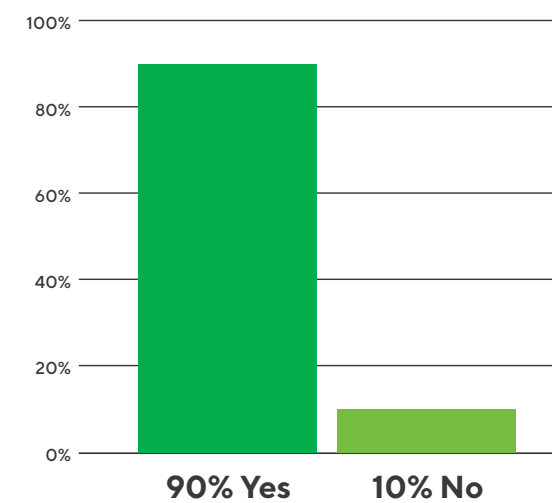
In 2020, our team led several projects with our supplier network to gather insights into the impact of the pandemic on their business, talent, and enterprise strategies. These insights continue to bring value to our client conversations, programs, and overall supplier management strategies. In this process, we received proactive participation of 600+ suppliers from more than 20 countries around the world, 49 percent of them represented a diverse supplier group.

Business Continuity Plans

Q: Does your customer have business continuity plans in place to manage multiple waves of the COVID-19 pandemic?

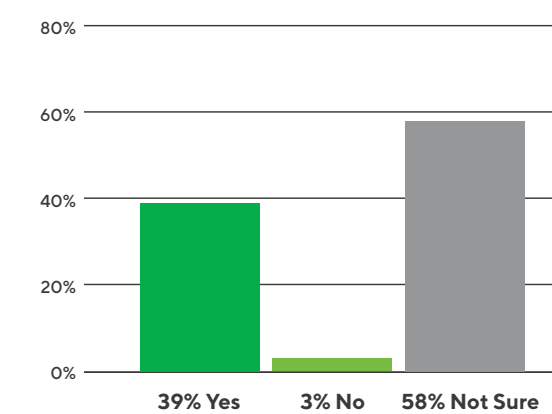
SUPPLIERS

Our suppliers are well-positioned to react to disruption.



CUSTOMERS

There's uncertainty about the continuity plans among our customers.

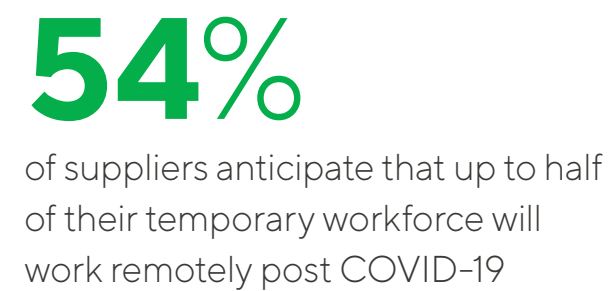


Remote Work

Q: Do you see a permanent shift to remote work arrangements?

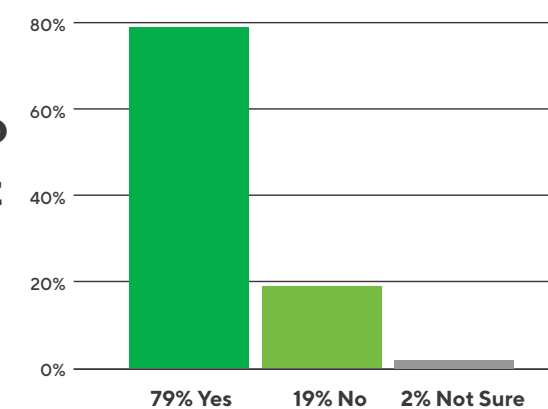
SUPPLIERS

Companies are embracing remote work.



CUSTOMERS

Companies are allowing employees to work remotely at least until the end of 2020.



Greatest Business Challenges

Q: What is the greatest challenge your customer is facing right now?

SUPPLIERS

Health and safety of workers remains at the top.

- Uncertainty regarding the future
- Increasing revenue while containing cost
- Ensuring the health and safety of workers
- Remote worker performance and effectiveness of talent engagement and retention
- Remote onboarding and effective virtual training

CUSTOMERS

Facing the decline of available candidates.

- **49%** order fulfillment
- **29%** financial concerns
- **12%** employees concerned with coming back to work onsite
- **10%** other



Supplier Code of Conduct

Throughout our supply chain, we strive to set our expectations and replicate the general guidelines that must be ensured in the business operations of our partners and suppliers. Kelly requires workforce suppliers to abide by socially responsible business practices enumerated in the Supplier Code of Conduct regarding ethical and professional conduct; employee and working conditions; freedom of association; human rights, and environmental sustainability. We hold our suppliers to the same high level of accountability to which we hold ourselves.

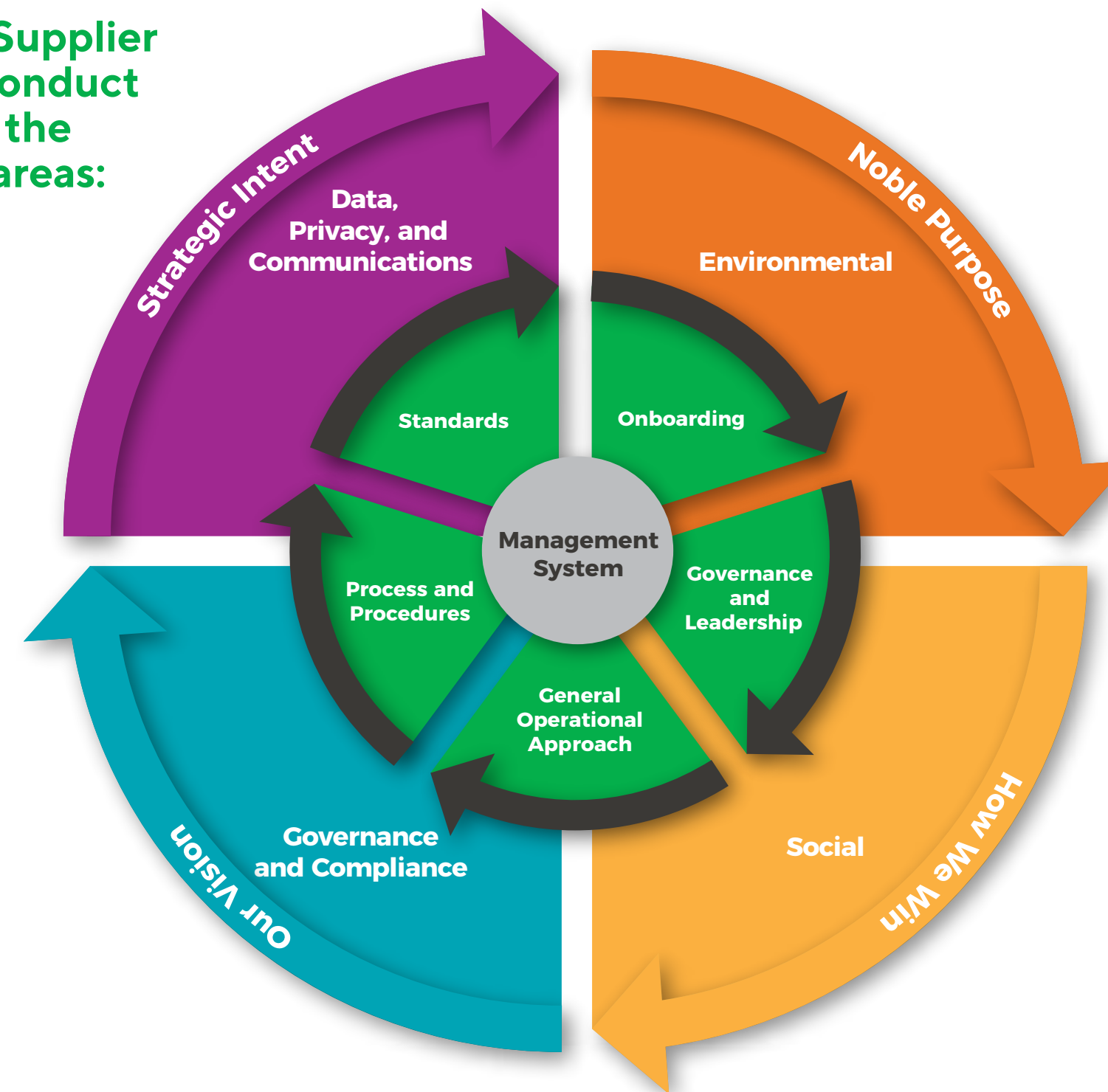
In accordance with the U.K Modern Slavery Act, Kelly has developed a Human Rights policy and has outlined internal procedures to ensure that our global operations are free of any type of slavery.

The ethical business conduct of our suppliers and partners is an integral part of our purchasing and partnering decisions. At Kelly, we constantly analyze supplier performance and work closely with our partners and suppliers to encourage them to go beyond compliance and implement

best practices to positively impact the lives of workers and communities where they work and live. Our Supplier Code of Conduct is available publicly to all stakeholders. It adheres to the professional code of conduct outlined by the World

Employment Confederation, the Responsible Business Alliance (formerly known as the Electronic Industry Citizenship Coalition Code of Conduct), and the ten principles of the Global Compact of the UN.

The Kelly Supplier Code of Conduct addresses the following areas:

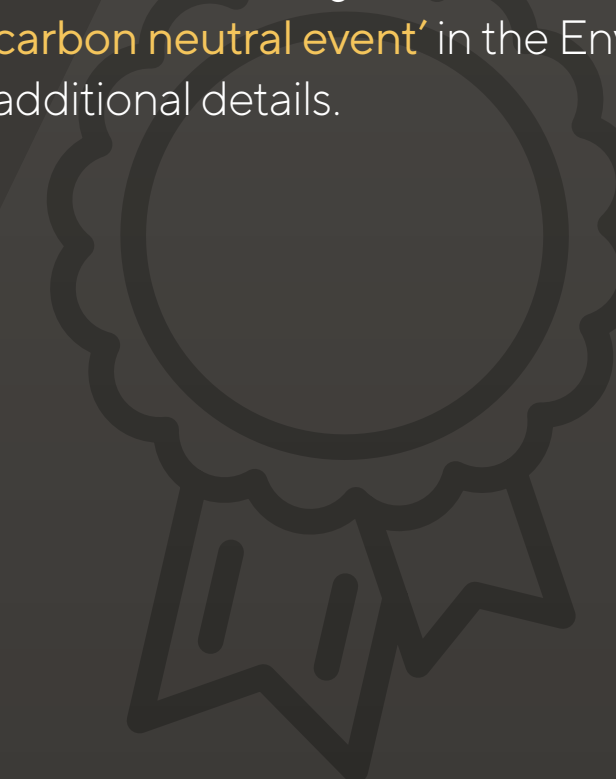


SUPPLIER AWARDS EVENT 2020

Kelly has a long history of awarding its suppliers' performance and their outstanding contribution to our Supplier Strategy and Engagement programs. This year, COVID-19 taught us the need to be agile and to look for innovative ways to connect, celebrate and collaborate. In the past, this event was held through regional and in-person meetings. This year we hosted our first global and virtual supplier award event.

The event brought together 100+ attendees representing all three regions, which included a pre-recorded message from the Managing Director from the World Employment Confederation, who congratulated the suppliers and confirmed how essential they are during these challenging times. This year, the event recognized the outstanding performance of 25 suppliers across the globe, including six diverse suppliers from our network.

During the event, we invited our suppliers to contribute to the One Tree Planted initiative, supporting the reforestation of the New South Wales area in the wake of the devastating wildfires of 2020. Please see ['Our first carbon neutral event'](#) in the Environment section for additional details.





ENGAGEMENT

Social investment programs

We believe that it takes all of us working together to truly make an impact in the communities where we live and work. Our employees have a tradition of giving back and are allowed up to eight paid days per year to participate in community outreach initiatives in our **Kelly Engage Program**. We also provide financial support to several large-scale national and local organizations to increase opportunities for small businesses or disadvantaged workforces,

talent development, and empowering our employees to be change-makers in their local communities. Our purpose is to create significant shared value supporting local organizations on initiatives aligned with our business strategy and core values.

As a workforce provider, our main focus is to support initiatives for talent development and increase working opportunities to local communities' needs. We also promote future talent development by prioritizing investment in local organizations that promote STEM education and scholarship programs.

Social impact partners

Kelly maintains active community and professional affiliation with national and local organizations that serve diverse populations. In 2020, we established partnerships to provide intern/externship programs with Detroit Promise, NPower, and Per Scholars. These local organizations provide education, training, and employment networking opportunities to underserved communities to support our efforts for workforce inclusion and diversity. Other organizations we have contributed to either financially, through volunteer hours, or in-kind include:

InvestVets is a community-based organization that aims to improve employment outcomes for those who have served in our nation's Armed Forces and

In 2020, we contributed approximately \$59,000 USD to social development initiatives, and our employees contributed more than 4,700 volunteer hours to social impact initiatives.

their families in Michigan by eliminating cultural barriers and empowering veterans. InvestVets connects employers with veteran and military talent by offering activities that reduce the high expectations and stress that are common with traditional job fairs. In 2020 Kelly Services attended two job fairs, presented a company overview, and provided a list of open opportunities.

On My Own of Michigan is a member-centered nonprofit that provides support to adults with mild developmental disabilities such as autism, Down Syndrome, and other cognitive impairments, as they build and maintain lives of independence. In 2020 we continued our partnership by facilitating a virtual workshop that focused on resume building, interviewing, and job skills. In addition to workshops, participants have access to local recruiters for follow-up and access to potential opportunities.

Detroit Public Schools Detroit Public Schools is Michigan's largest public education system. The District's mission is to provide every student with a beneficial and rightful educational experience, preparing students to be career and college ready, and qualified to compete in the global market.

Kelly Innovation Fund

Established in 2018, the Kelly Innovation Fund provides targeted investments to help build a better future for talent, clients, and partners alike. The Fund supports early-stage companies to help empower talent and enrich the way they work, by focusing on growing new talent, supporting the independent workers, and connecting skilled talent with our clients.



CONNECTING TALENT
Business Talent Group
Delivering curated, vetted and legally compliant talent on-demand



DEVELOPING TALENT
Kenzie Academy
Developing the next generation of STEM talent



ENABLING TALENT
Moonlighting
Leveraging blockchain to support mobility for the freelancer community



SUPPORTING TALENT
IPSE - U.S.
Not-for-profit association giving independent workers a powerful voice at the policy-making table



HAVEN Oakland County's only comprehensive program for victims of domestic violence and sexual assault, HAVEN provides shelter, counseling, advocacy, and educational programming to nearly 30,000 people each year. In addition, Kelly volunteers provide career preparation services to help HAVEN clients boost their confidence and achieve financial independence. We expect to resume the Career Readiness Seminar in 2021, where Kelly volunteers provide career preparation services to help HAVEN clients boost their confidence and achieve financial independence.

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.

Oakland Community College Foundation The Student Success Fund provides immediate financial assistance to help currently enrolled students, attending one of the five OCC campuses, through emergency situations that are impeding their ability to continue their education. Emergency situations involve



circumstances that are beyond the student's control, such as an accident, loss of income, illness, or unanticipated educational expenses. Students must have exhausted all other sources of funding before applying for this program.

Life Remodeled Life Remodeled exists to bridge people across divides 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. In 2020, 50 Kelly volunteers contributed more than 200 volunteer hours towards the Life Remodeled Six Day Project.

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.



Kelly Engage

Kelly Engage is our volunteering program where employees actively participate in multiple initiatives to support local communities.

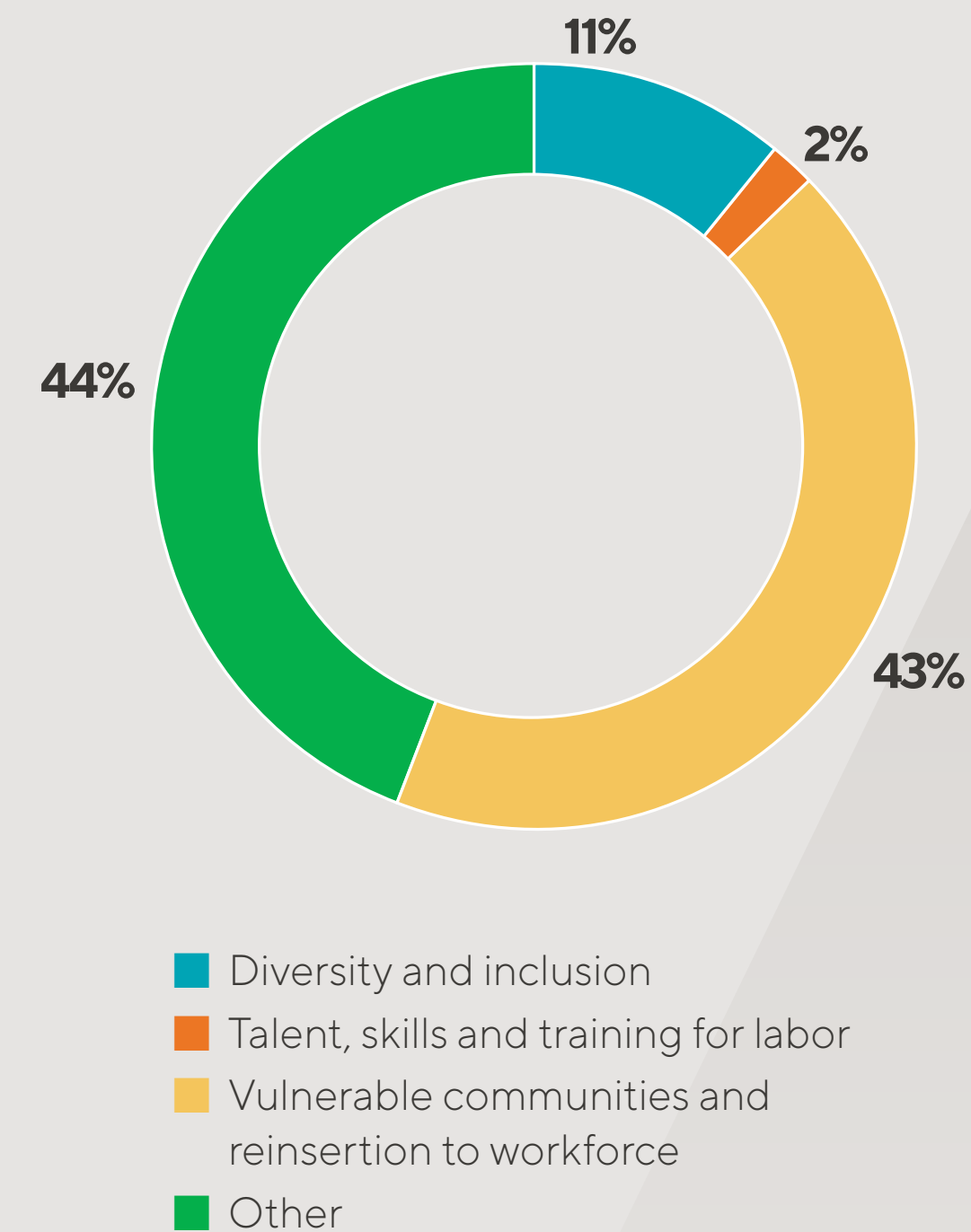
We aim to empower our employees to contribute their time and talent to support local social impact cases focused on three main areas:

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

In 2020, 605 Kelly U.S. volunteers provided more than 4,700 hours dedicated to community development processes and social initiatives focusing 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.





Life Remodeled

In 2020, fifty Kelly employees rolled up their sleeves (and donned their masks) to beautify the city block surrounding the Durfee Innovation Society, a hub for academic enrichment, workforce development, and entrepreneurship opportunities for youth and adults.

“This year more than ever it is important to bring communities together.”

– **Mike Berich**, Vice President, KellyOCG

“For me personally, the most rewarding part was when the neighbor of the house I was working on approached me and expressed his gratitude for what we were doing. The positive and emotional feedback from him, and all of the beeping and thumbs up from the residents that drove by, is the reason I will be back next year.”

– **Merissa Boone**, first-year participant, and Centralized Screening supervisor

Virtual volunteering – Developing KIDS

Considering the challenges for conducting a volunteer event with social distancing as “the new normal” and many still facing shelter-in-place, two of our volunteers got a bit creative by sharing their expertise with young people in vulnerable communities to help them advance in their professional development. Kelly volunteers recorded a short video from their remote locations and shared best practices to support job search, social media do’s and don’ts, and interview must-have skills. The video was shared on our social media sites and Developing KIDS channels.

Global efforts to make a difference even during the Coronavirus pandemic

- Our **team in Italy** developed an e-learning course concerning how to deal with working from home. The training supported our remote workforce to balance work and personal life during the Coronavirus pandemic. The program focused on ensuring employee physical and psychological health, paying attention to possible risks, and providing suggestions on setting up the workstation and managing flexible times while supporting employees’ health and well-being. Additionally, the program

provided training skills for leadership, management, communication, and a proactive approach to the job when working from home.

- **Kelly Mexico** volunteers participated and donated more than 8,300 USD in diverse social impact initiatives for people affected by the coronavirus pandemic. Efforts included donations to local hospitals, donations of IT equipment to children in homeschooling, lunch boxes, and personal medical equipment for health care workers.
- For the 9th consecutive year, our **Kelly Portugal** team partnered with AMI and launched a social media/ mailing campaign named “Saco Solidário – sacos que enchem corações” – Bags that fill hearts! This campaign was created nationwide and consisted of raising food and hygiene items among employees, customers, and company partners, in the scope of the Fight Against Poverty in Portugal. Due to the pandemic in 2020, the campaign was online, where clients and employees could donate directly on the AMI webpage that was created together with Kelly specifically for this campaign.



Business continuity and risk management

Like most businesses worldwide, we are confronting serious challenges raised by the COVID-19 Pandemic for our company, employees, and business partners. Our **Disaster Recovery Risk Management Program** played a significant role in rolling out a rapid response to the Coronavirus, where the experienced crisis team at Kelly worked around the clock to assess and act decisively to support the health and safety of our employees and global workforce, as well as providing our partners and clients with recommendations for an effective responsive plan.

Since the Coronavirus outbreak was first reported in December 2019, Kelly used state-of-the-art technology solutions to track and monitor the crisis globally. We also established the **Emergency Management Team**, a cross-functional and experienced crisis management group that has supported decision-making and has provided resources for employees and clients.

As part of our response, we implemented specific guidelines and policies for preparing and responding to pandemics in our **Emergency Operations Resource Plan**. This plan includes infection control

measures, communication, education, and other operational procedures for all our global networks 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.

Kelly's adoption of information technology systems and policies that enable remote work were extremely beneficial during this time. Kelly workers have been able to perform nearly all essential functions remotely. Our **Kelly Anywhere platform** and integrated information systems allowed us to guarantee continuity of major operations by moving our employees to remote work in less than 24 hours. We also supported our customers in implementing remote work plans for temporary employees – when possible.

We know the importance of maintaining consistent, updated, and transparent

information with our employees and customers, especially during this time of uncertainty. Our executives and responsive team members have been actively engaged through various channels to maintain communications with employees, customers, and suppliers during this event. We also implemented a page on our website and launched the **Kelly Cares Hotline (855-Kelly-06)** to stay informed and more rapidly connect with employees.

Kelly crisis response program:

Our priority is to protect the health and safety of our workforce and their families when there is an unplanned business interruption resulting from natural disasters, power outages, fires, civil unrest, and other natural or man-made disasters that could affect the viability of our company and jeopardize the interests of our shareholders and customers.

RISK MANAGEMENT

Kelly's Board of Directors and its Audit committee oversee our risk-management framework and the Enterprise Risk Management (ERM) program. Our risk-mitigation strategy considers policies, procedures, and monitoring mechanisms to identify critical risk, facilitate the establishment of our corporate risk appetite and tolerance statement, and integration of risk concepts within the company's strategic planning process. Current areas of particular emphasis include cybersecurity, data privacy, wage-hour risk management, and improvements to the Company's compliance governance and incident reporting practices. More information about the committee and risk management can be found in our [2020 Annual Report](#).



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. Business continuity planning is incorporated into Kelly's business continuity planning and response is

incorporated into Kelly's overall business strategy. The key components of the program include:

- **Global incident monitoring:** Kelly invests in state-of-the-art technology solutions that enable us to globally track and monitor crisis events that may affect our employees and assets.

Key crisis response program components



- **Communications:** We have a comprehensive communications protocol (including on-demand, automated voice calling, bulk texting, and mass emailing) that leverages a variety of methods to maintain communications with employees, customers, and vendors/suppliers before, during, and after a crisis event.
- **Emergency management team:** This team of decision-making representatives from across the Kelly business and service sectors is empowered to make strategic decisions 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 to alternative sites in the event that one becomes inoperable.
- **Emergency Operations Center:** Located within our corporate campus, this dedicated facility is available to support our field operations, clients, and employees in the wake of a crisis event.

Kelly Relief Fund

In 2020 our Kelly Relief Fund provided financial assistance to 41 of our employees, contributing \$26,300 USD through grants and an additional \$25,667 in financial donations. This program provides short-term financial assistance to Kelly's permanent staff and temporary employees who have been impacted by natural and human-made disasters.

- **Uninterrupted Power Supply:** We have a UPS System (uninterrupted power supply) that automatically activates Kelly's U.S. headquarters Operations in the event of a power outage.
- **IT Disaster Recovery:** Kelly is contracted with a reputable global leader in IT data Center restoration. Within 24 hours of an IT disaster declaration, the vendor ensures the availability of the equipment necessary to run Kelly's critical IT systems from a remote location.



GOVERNANCE

Ethics and business conduct

Governance structure

Code of Business Conduct and Ethics

Privacy and data protection

Communication and reporting

Internal communications

External communications-sustainability standards

Transparency and integrity line

Our sustainability strategy supports the following SDGs:





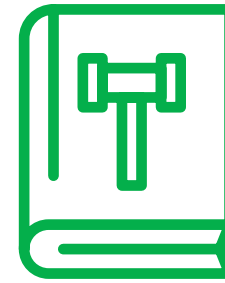
KEY MILESTONES



All **committees** of the Board of Directors: Audit, Compensation and Talent Management, and Corporate Governance and Nominating, became fully independent, satisfying Nasdaq requirements for the Board's guidelines for director independence.



44% of the **Board of Directors** are diverse, representing women or ethnically diverse members.



97% of employees signed the **Code of Business Conduct and Ethics**.



96% of our suppliers signed the **Supplier Code of Conduct**.



Recognized in the "Silver" category for **third consecutive year** by EcoVadis, ranking among the top 6% and 91st percentile of companies assessed on environment, labor and human rights, ethics, and sustainable procurement.



We adopted an integrated **ESG reporting framework** to disclose our sustainability performance, in which we aligned to GRI, SASB, and UNGC standards.



ETHICS AND BUSINESS CONDUCT

Governance structure

Kelly is committed to operating with integrity and doing the right thing; conducting ourselves in a legal, ethical, and trustworthy manner; and strictly upholding our regulatory obligations in every country in which we operate. Our Board of Directors is responsible for leading effective governance over the affairs of the company, complying with policies and values of our business practices while providing long-term value for all our stakeholders and shareholders.

The Board of Directors oversees certain ESG matters and has delegated to the **Sustainability Governance team** the responsibility of managing performance of the sustainability strategy in our global operations. This team is represented by cross-functional leaders across the company who review, monitor, and communicate impact through external disclosures and sustainability reporting frameworks in order to ensure transparency and consistency with industry-level benchmarking.

Kelly complies with the listing standards of the Nasdaq® Global Market pertaining to controlled companies and has committed itself to the highest principles of business ethics and corporate governance requirements, including:

- The Board has adopted a Code of Business Conduct and Ethics that applies to all directors, officers, and employees.
- Kelly has a majority independent Board and fully independent Audit, Compensation and Talent Management, and Corporate Governance and Nominating Committees.
- The charters of Board committees clearly establish their respective roles, qualifications, and responsibilities.

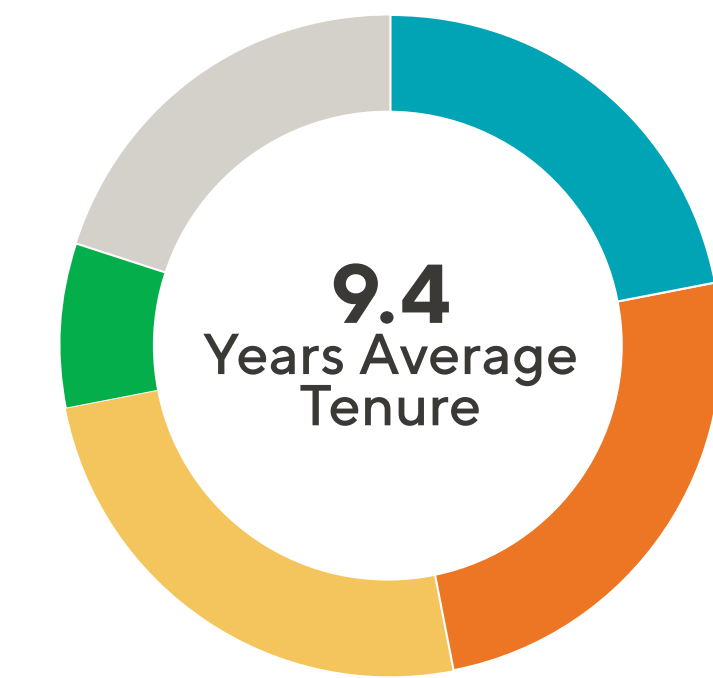
Board composition and committees:

BOARD OF DIRECTORS

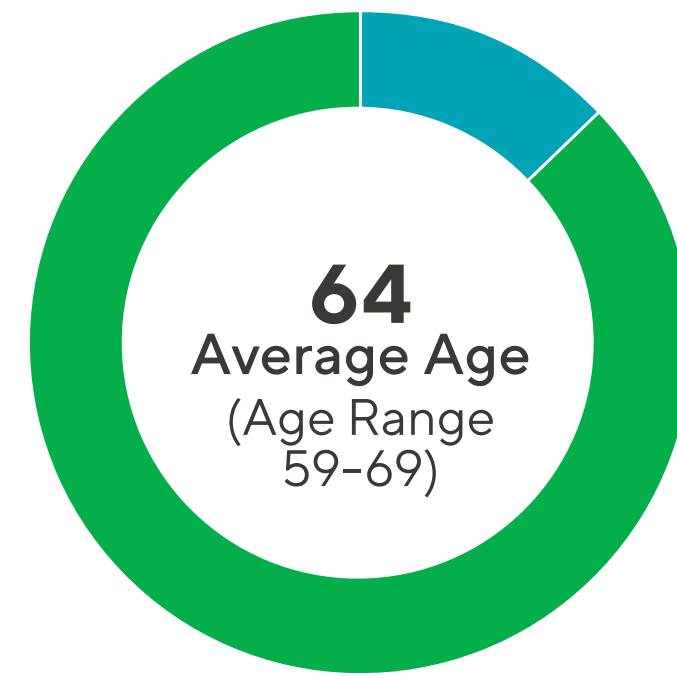
AUDIT COMMITTEE	COMPENSATION AND TALENT MANAGEMENT COMMITTEE	GOVERNANCE AND NOMINATING COMMITTEE
<p>Responsible for overseeing:</p> <ul style="list-style-type: none"> • Quality and integrity of Kelly's financial statements • Enterprise Risk Management program • Compliance with legal and regulatory requirements • Internal Audit function and independent auditors • Serves as the Qualified Legal Compliance Committee • Related party transactions 	<p>Responsible for overseeing:</p> <ul style="list-style-type: none"> • Company's compensation philosophy and executive compensation program • Determination and approval of the compensation of CEO, Senior Officers, and Section 16 Officers • Director compensation levels and CEO and Senior Officer succession planning • Stock ownership requirements for Directors and Senior Officers and compliance with guidelines 	<p>Responsible for overseeing:</p> <ul style="list-style-type: none"> • Annual evaluation process for Board, Board committees, and Directors • Compliance with Company's Corporate Governance Principles • Execution of the Company's Corporate Sustainability Strategy • Identification and recommendation of nominees to serve on the board • Director independence
<ul style="list-style-type: none"> • Total meetings: 6 • Members: All independent • 50% gender or ethnically diverse 	<ul style="list-style-type: none"> • Total meetings: 7 • Members: All independent • 75% gender or ethnically diverse 	<ul style="list-style-type: none"> • Total meetings: 4 • Members: All independent • 50% gender or ethnically diverse



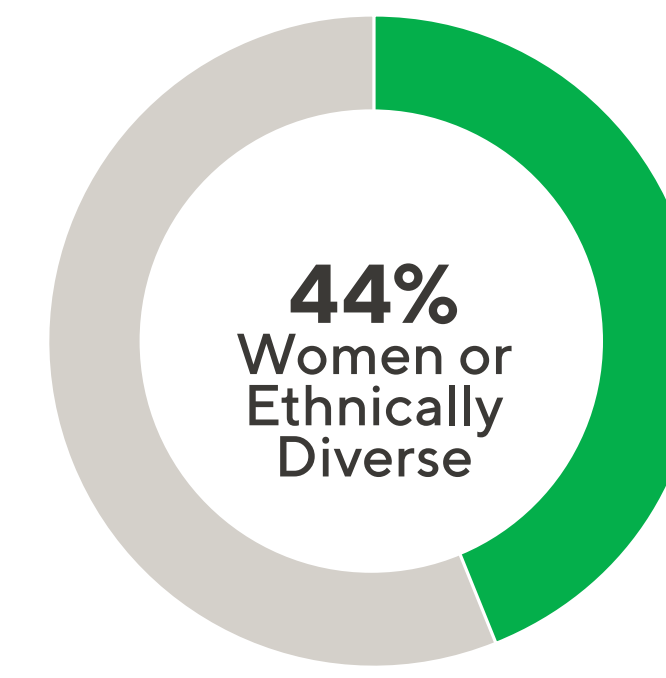
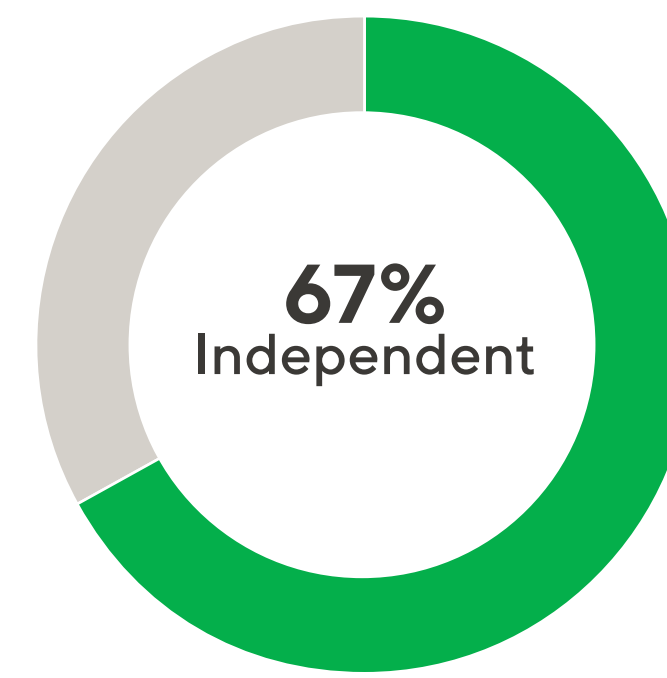
BOARD DIVERSITY



- 0-2 Years
- 7-10 Years
- ≥15 Years
- 3-6 Years
- 11-14 Years



- 50's
- 60's



In October 2019, Peter Quigley became Kelly’s new President and CEO and joined our Board of Directors. Kelly’s Board is made up of nine members of diverse backgrounds, all of whom bring a high level of integrity and ethics to the table and are known for their character, judgment, business experience and expertise, objectivity, and independence of thought.



Code of Business Conduct and Ethics

With a global outreach in more than 50 countries worldwide, nothing is more important for us than to operate legally and ethically and to guarantee trusted relationships with our employees, partners, and customers. The Board of Directors has adopted a **Code of Business Conduct and Ethics**, applicable to directors and all employees at all levels, at all employment locations. Kelly employees are responsible for conducting themselves according to the Company's business integrity guidelines and ensuring that our suppliers, agents, and representatives know their obligations to do the same.



The Code is intended to guide employees and collaborators in identifying and resolving ethical issues properly, deterring wrongdoing, providing mechanisms to report dishonest or unethical conduct anonymously, and conducting investigations promptly. All global policies and procedures within the Code are revised and updated annually and measured against best-in-class performers and their business requirements, helping to foster a culture of honesty and accountability. A third party independently manages our integrity hotline where employees are able to report concerns anonymously.

All our business integrity policies and procedures extend to guiding our relationship with our global network of suppliers, which is one of our company's strongest competitive advantages and one of our greatest responsibilities. We have also developed a **Supplier Code of Conduct** that covers all standards our supplier must meet as it relates to ethical business practices, employees and people, human rights, and environmental impact. Suppliers must adhere to the Code of Conduct and recommit to it before taking on a newly assigned task.

KELLY'S CODE OF BUSINESS CONDUCT AND ETHICS ADDRESSES AREAS SUCH AS:

- **Conflicts of Interest:** Such conflicts may occur when a Kelly employee's 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 promptly.
- **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.
- Other policies are related to insider trading; confidentiality and privacy; external communications; protection and proper use of assets; fair dealing; contract management; risk tolerance; political contributions.

Employees may not give, promise, or offer anything – no matter how small in value – to any customer, government employee, or another 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 participating 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.



Privacy and data protection

Data protection and data privacy are especially relevant for employment companies such as Kelly, who are entrusted with the sensitive personal data of our candidates, employees, customers, and suppliers. With the increased use of technology and global outreach of our business we take seriously our responsibility to ensure the proper collection, use, and security of this personal data.

We make sure that all of our employees are provided with the tools and information necessary to understand their responsibility in handling personal data through the use of our Data Privacy Resource Center. This repository of information presents our Data Privacy principles and data incident reporting platform as well as documents, resources, and on-going training on privacy and security awareness.

Additionally, all employees at Kelly are proactively made aware of this commitment and have completed mandatory training on GDPR and Privacy and Security Awareness. Privacy and data protection procedures and standards are also communicated in our Code of Business Conduct and Supplier Code of

Conduct, and compliance is mandatory for our global members and suppliers.

Additional Training:

- Cybersecurity awareness training on working remotely
- IT Security: Privacy, Data Security, Email and Phishing
- Returning to Workplace Safely

In 2020, data protection stakeholders have continued their ongoing efforts to strengthen Kelly’s protection around personal data with updates to our **Information Security Policies** to ensure the highest information security standards across our network. Kelly has also adopted international standard procedures to ensure ongoing compliance with the European Union’s **General Data Protection Regulation (GDPR)**, California’s **Consumer Privacy Rights Act**, and all other data privacy laws and regulations in the countries where we do business. Privacy and data protection matters are managed and overseen directly by the Enterprise Risk, and Information Technology groups, who provide regular quarterly updates to the Audit Committee concerning the proactive approach

to cybersecurity, and changes in the regulatory environment, that may impose additional compliance requirements related to the collection, use, processing, disclosure, transfer, and retention of personal information.

Kelly has also implemented processes to manage vendor risk and evaluate data protections at third parties who may process confidential data on Kelly’s behalf. These risk management controls include but are not limited: architecture reviews,

SSAE audits and review of vendor SOC1 and SOC2 Type II reports for critical and SOX vendors, ongoing monitoring and reporting of vendor security by an independent third party, vulnerability assessments conducted internally and annually by an external third party, data protection impact assessment, annual enterprise risk assessment, incident response and notification procedures, and Data Protection Agreements including standard contractual clauses (SCCs) for privacy compliance.





COMMUNICATION AND REPORTING

Internal communications

We are committed to maintaining internal and external communications with our stakeholders on a continuing basis, providing effective communication channels where employees and collaborators can engage with our commitments and goals. Kelly uses two main internal communication channels: our Kelly intranet (KellyWeb) and the Automated Virtual Assistant (chatbot) system. The KellyWeb provides an easy means of sharing and accessing information, connecting different work teams to trending topics occurring in the company, affinity employee groups, and the industry.

Other internal communication channels 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

Kelly's external communication channels help us monitor and inform our external audiences, including customers and clients, about our performance. We have adopted international sustainability standards such as

GRI, SASB, and UNGC to ensure consistency, accountability, and transparency of our annual goals and impact. We also participate in external assessments such as EcoVadis, CDP, Human Right Campaign Foundation's Corporate Equality Index (CEI), Responsible Business Alliance (RBA), and ISS Corporate Solutions (ICS) which measures our sustainability performance and provides recommendations on our 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 2020 EcoVadis score places our company in the "Silver" category of suppliers; we have been recognized in the top six percent and 91st percentile of companies in our industry assessed on environment, labor and human rights, ethics, and sustainable procurement.
- **RBA – Responsible Business Alliance.** In 2020 we conducted our internal self-assessment following the RBA guidelines, with a low-risk score.
- **CDP –** We participate in the CDP climate – 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** – Since 2018, we have adopted the GRI-Standard methodology as a standard to communicate and understand our sustainability performance and strategy on critical issues such as climate change, human rights, governance, and social well-being.
 - [Growing with purpose, Sustainability Report 2019](#)
 - [Growing with purpose, Sustainability Report 2018](#)
- **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.
- **SASB – Sustainability Accounting Standards Board.** In 2020, we adopted the SASB framework to report on material sustainability metrics that apply to our operational industry and are relevant to investors: The Professional Commercial Services Standards. We expect to continue disclosing our ESG commitments using SASB in future reports.

- **NASDAQ 2020 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.
- [Kelly 2020 Annual Report](#)

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.integrityhelpline.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.



ABOUT THIS REPORT





ABOUT THIS REPORT

Scope

This report conveys our Corporate Sustainability performance for the 2020 fiscal year, spanning January 1 to December 31, 2020. In some cases, we included accumulated data and information about programs and activities relevant to our corporate sustainability strategy that occurred in previous years, as noted. Considering our global operations, this report's scope focuses on our internal operations in the U.S., 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.

Kelly Corporate Sustainability Report 2020 is informed by the following frameworks:

- **Global Reporting Initiative (GRI)** Standards: Core option.
- The **Sustainability Accounting Standards Board (SASB)** framework for the Professional Commercial Services Standards.
- The **Ten Principles of the United Nations Global Compact (UNGC)**

The data disclosed in this report are cross-referenced with these frameworks, but also present metrics not explicitly mentioned by these frameworks that we considered to be relevant to our ESG initiatives and Corporate Sustainability Strategy. We continue to work on improving our data gathering, especially from business partners and customers worldwide. Our Reporting standard also aligns with external international sustainability frameworks such as CDP, UNGC, EcoVadis, and financial disclosures of the NASDAQ 2020 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.

Report content has been developed considering our stakeholder engagement and [materiality assessment](#). This report has been registered to GRI and its content does not expect to be verified externally by any agency or organization to audit information.

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.

ESG DATA TABLE





ESG DATA TABLE

DESCRIPTION	FY 2020	GRI	SASB	UNSDG
Organizational profile				
Name of the organization	Kelly Services, Inc. KELYA	102-1		
Total revenue	\$4.5 billion	201-1		
Activities, brands, products and services, and scale of the organization	Kelly is a global workforce staffing solutions and talent management leader for a variety of industries and companies. Services span outsourcing, consulting, recruitment, talent advisory, career transition and vendor management services. About Kelly Services (PAGE 5), Kelly 2020–Annual Report	102-2, 102-7		
Location of headquarters	Global and U.S HQ: 999 West Big Beaver Road, Troy, Michigan 48084 EMEA HQ: Av. Edouard-Dubois 20, CH-2006 Neuchatel, Switzerland APAC HQ: 36 Robinson Road, #20-01 City House, Singapore 068877	102-3		
Location of operations and markets served	Global operations in 51 countries (with the ability to support KellyOCG MSP programs in 8 additional countries) Global coverage and value chain (PAGE 9)	102-4, 102-6		
Ownership and legal form	Public company traded on the Nasdaq stock exchange (KELYA and KELYB). Legal business structure: C Corporation Kelly 2020–Annual Report	102-5		
Significant changes to the organization and supply chain	Global coverage and value chain (PAGE 9) Kelly 2020–Annual Report	102-9, 102-10		
Strategy				
Statement from senior decision-maker	Message from our President and CEO (PAGE 4) Kelly 2020–Annual Report	102-14		
Key impacts, risks, and opportunities	Corporate Sustainability at Kelly Services (PAGE 11) Kelly 2020–Annual Report	102-15		
Values, principles, standards and norms of behaviors	Governance (PAGE 53) Code of Business Conduct and Ethics (PAGE 57) Supplier Code of Conduct (PAGE 46)	102-16		



DESCRIPTION	FY 2020	GRI	SASB	UNSDG
Stakeholders				
Stakeholder engagement	Key stakeholders, Stakeholder engagement and materiality (PAGE 16)	102-40, 102-42, 102-43, 102-44, 102-47		
External initiatives	Memberships and external engagement (PAGE 16)	102-12, 102-13		
Entities included in the consolidated financial statements	Kelly 2020-Annual Report	102-45		
Reporting practices				
Reporting practice	About this report (PAGE 60)	101, 102-46, 102-54, 102-55		
Restatement of information	<p>Restatement of information on Kelly Services – GRI Report 2018 and Kelly Services – GRI Report 2019 disclosure 205: 100% of employees certified acknowledgment of understanding our "Code". 97% of employees certified acknowledge of understanding of our "Code" in 2018, and 92% in 2019. The change of this information results from the validation of information.</p> <p>Restatement of information on Kelly Services – GRI Report 2018 and Kelly Services – GRI Report 2019 disclosure 305: Indirect Scope 2 (location-based) GHG emissions: 6,475 MTCO₂e in 2018 and 5,762 MTCO₂e in 2019. Scope 2 (location-based) GHG emissions for 2018 were 5,722 MTCO₂e and 4,994 MTCO₂e in 2019. 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.</p>	102-48		
Changes in reporting	About this report (PAGE 60)	102-49, 102-54, 102-55		
External assurance	About this report (PAGE 60)	102-56		
Reporting period and cycle	Fiscal year 2020 (January 1, 2020 to December 31, 2020)	102-50, 102-52		
Date of most recent report	Growing with purpose – GRI report 2019 , published in May 2020	102-51		
Contact point for questions regarding the report	Sustainability@kellyservices.com Kelly Services HQ, Troy, MI 48084	102-53		



DESCRIPTION	FY 2020	GRI	SASB	UNSDG
Governance				
Governance structure	Governance (PAGE 53) Kelly 2020-Annual Report	102-18, 102-22		
Corporate governance principles	Code of business conduct and ethics (PAGE 57)	102-22, 102-25, 102-26, 102-35		
Delegating authority and executive-level responsibility for ESG topics	Governance (PAGE 53)	102-19, 102-20, 102-31, 102-32, 102-33		
Consulting stakeholders on ESG topics	Stakeholder engagement and materiality (PAGE 16)	102-21, 102-29		
Composition of the highest governance and its committees	The highest governance body is represented by the Board of Directors. Committees include: Audit, Compensation and Talent Management, and Corporate Governance and Nominating. Governance (PAGE 53)	102-23, 102-24, 102-25		
Public policy and political contributions	Code of business conduct and ethics (PAGE 57)	415		
Board of directors				
Women	33%	405-1	SV-PS-330a.1	
Men	67%	405-1	SV-PS-330a.1	
Total executive and non-executive board members	9	102-22		
Board average tenure	9.4 years	102-22		
Independent board members	67%	102-22		
Board gender or ethnically diverse	44%	102-22		
Governance committee reviews Kelly's ESG initiatives	Yes	102-29		



DESCRIPTION	FY 2020	GRI	SASB	UNSDG
Committees of the board				
Audit committee	6 meetings			
Independent members	100%			
Gender or ethnically diverse members	50%			
Compensation committee	7 meetings			
Independent members	100%			
Gender or ethnically diverse members	75%			
Corporate governance and nominating committee	4 meetings			
Independent members	100%			
Gender or ethnically diverse members	50%			
Process for determining remuneration	Kelly 2020–Annual Report	102-35, 102-36		
Risk management				
Business continuity risks related to disruptions of operations	Business continuity and risk management (PAGE 51)	102-30, 102-31		
Ethics and integrity				
Mechanisms for advice and concerns about ethics and integrity	Code of business conduct and ethics (PAGE 57) regarding conflict of interest, anti-bribery; anti-corruption; insider trading; confidential and customer data privacy. Supplier Code of Conduct (PAGE 46) regarding ethical and professional conduct.	102-17	SV-PS-510a.1	
% employees who read and acknowledge the Code of Business Conduct and Ethics	97%	102-16		Principle 10
% Suppliers who read and acknowledge the Code of Conduct	96%	102-16		Principle 10



DESCRIPTION	FY 2020	GRI	SASB	UNSDG
Privacy and data protection			SV-PS-230a.1	Principle 1
Policies and practices relating to collection, usage, and retention of customer information	Privacy and data protection (PAGE 58)		SV-PS-230a.2	
Number of data breaches	0	418-1	SV-PS-230a.3	
% involving customers' confidential business information (CBI) or personally identifiable information (PII)	0	418-1	SV-PS-230a.3	
Number of customers affected	0	418-1	SV-PS-230a.3	
Social	Our people (PAGE 29)	103		
Total permanent employees		102-8	SV-PS-000.A	
By region	7,145	102-8		
Americas	69%			
EMEA	28%			
APAC	3%			
Total temporary employees	370,000	102-8	SV-PS-000.A	
Total full-time employees (U.S.)	4,162	102-8	SV-PS-000.A	
By gender				
Female	71%			
Male	29%			
Employees in senior management roles (U.S.)	70	405-1	SV-PS-330a.1	
By gender				
Female	39%			
Male	61%			



DESCRIPTION	FY 2020	GRI	SASB	UNSDG
Employees in middle management roles (U.S.)	2,078			
By gender				
Female	64%			
Male	36%			
Employees in non-managerial roles (U.S.)	2,014	405-1	SV-PS-330a.1	
By gender				
Female	78%			
Male	22%			
New employee hires (U.S.)	536	401-1		
Female	65%			
Male	35%			
New employee hires by age (U.S.)		401-1		
Under 30	19%			
Between 30 to 50	61%			
Over 50	20%			
Employee turnover (U.S.)	932	401-2	SV-PS-330a.2	
Female	68%			
Male	32%			
Employee turnover by age (U.S.)		401-2	SV-PS-330a.2	
Under 30	18%			
Between 30 to 50	58%			
Over 50	24%			



DESCRIPTION	FY 2020	GRI	SASB	UNSDG
Benefits (U.S.)	Benefits (PAGE 29)	401-2		
Short-term disability for new parents	84	401-3		
Female	98%			
Male	2%			
Employee satisfaction metric¹	70%		SV-PS-330a.3	
Employees subject to collective bargaining agreement	0	102-41		
Training and education				
Average hours of training per year per employee	14	404-1		
Senior management	13.2	404-1		
Middle management	13.7	404-1		
Non-managerial	14.7	404-1		
Programs for upgrading employee skills and transition assistance programs	Career development opportunities and training (PAGE 31)	404-2		Principle 6
Occupational health and safety	Occupational health and safety (PAGE 23)	403-1		
Total number of recordable injuries/illness	5	403-2		
Total number of cases with days away from work	1	403-2		
Total number of work-related fatalities	0	403-2		
Days away/restricted and transferred incidence rate (DART)	0.06			
Total Recordable Incidence Rate (TRIR)	0.11			

¹The satisfaction metric is based on annual employee survey for the statement "I would recommend this company as a great place to work"



DESCRIPTION	FY 2020	GRI	SASB	UNSDG
Human rights		406, 407, 408, 409,		
Human Rights commitment	Code of Business Conduct and Ethics (PAGE 57) Human trafficking and slavery (PAGE 42)	412-1		Principle 1, 4, 5, 6
Supplier Code of Conduct	Supplier Code of Conduct (PAGE 46)	414-1		Principle 1, 3, 4, 5, 6
Health and safety	Occupational health and safety (PAGE 23)	403-1		Principle 6
Community engagement	Kelly Engage (PAGE 47) Social investment programs (PAGE 47)			
Employee volunteering hours	4,738			
Donations and investment in social impact initiatives	58,810			
Supplier diversity	Supplier diversity program (PAGE 40)	414-1		Principle 6
Suppliers participating in program	450			
Hires	20,553			
Diverse spend under management	\$1.25B	204-1		
Diverse spend in STEM and Professional Labor Categories	88%			
U.S. supplier diversity participation				
Minority-owned business	69%			
Women-owned business	22%			
Small-business administration	9%			
LGBTQ Community-owned business	0%			



DESCRIPTION	FY 2020	GRI	SASB	UNSDG
Environmental		103		
Greenhouse gas emissions by scope (mt CO₂e)^{2 3}		305-5		
Direct - Scope 1 emissions	762	305-1		
Indirect - Scope 2 emissions (location-based)	4,149	305-2		
Scope 3 emissions	682	305-3		
Air- Business travel	681			
Rail- Business travel	0.591			
Greenhouse gas intensity				
(Scope 1 & 2 mt CO ₂ e) ⁴ / Average number of employees in HQ-U.S ⁵	3.9	305-4		
Energy Usage Index (EUI)⁶ - measured in BTU per Sq. Ft.	320,750	302-3		
Total electricity consumed (MWh)	6,709	302-1, 302-4		
Waste management (tons)				
Waste diverted from landfill ⁷	70.13	306-2		
Non-compliance with environmental laws and regulations	none	307		

²Base year calculation: 2017

³GHG Scope 1 emission in base year: 700 CO₂e

⁴Carbon footprint (CO₂e) measurement is based upon stationary combustion from natural gas (Scope 1) and electricity consumption (Scope 2) from the local grid in company-owned facilities located in Troy, Michigan. All other worldwide facilities are excluded. The measurement followed the US-EPA methodology. The analysis does not categorize the type of gases.

⁵The average number of employees in HQ 2020: 1,272.

⁶Energy management is analyzed considering energy efficiency through the Energy Usage Index (EUI) per building per year in kBTU

⁷Waste is generated from office-based operations. Waste diverted from final disposition to landfills corresponds to internal procedures to recycle paper-use, office-rated activities, and e-waste programs.