

KELLY SERVICES, INC.

AUDIT COMMITTEE CHARTER

August 8, 2016

Purpose

Oversee the accounting and financial reporting processes of Kelly Services, Inc. (the “Company”) and the audits of the financial statements of the Company. The Audit Committee (the “Committee”) will assist the Board of Directors (the “Board”) in monitoring (1) the integrity of the Company’s financial statements, accounting and financial reporting processes, and financial statement audits, (2) the registered public accounting firm’s (independent auditor’s) qualifications and independence, (3) the performance of the Company’s internal audit function and independent auditors, (4) the Company’s compliance with legal and regulatory requirements, and (5) the Company’s Enterprise Risk Management program that includes systems of disclosure controls, procedures, internal controls over financial reporting, and compliance with ethical standards adopted by the Company.

The Committee will serve as the Company’s Qualified Legal Compliance Committee (the “QLCC”).

The Committee should encourage continuous improvement of, and promote adherence to the Company’s policies, procedures, and practices at all levels for corporate accountability, transparency, and integrity. The Committee should also provide for open communication among the independent auditor, financial and senior management, the internal audit function, and the Board.

Organization and Authority

The Board, upon the recommendation of the Corporate Governance and Nominating Committee, shall annually appoint three or more of its members to serve as members of the Committee and shall designate the Chairman and Vice Chairman of the Committee from among the members of the Committee. The members of the Committee shall meet the independence and financial literacy requirements set forth in the Nasdaq Global Market (Nasdaq) listing standards and the rules and regulations of the Securities and Exchange Commission (SEC). At least one member of the Committee shall be an “audit committee financial expert” as defined by the SEC and determined by the Board.

In fulfilling its obligations, the Committee will rely on management for the preparation, presentation, and accuracy of the Company’s financial statements, for the appropriateness of the accounting principles and reporting policies that are used by the Company, on management and the Company’s internal audit function for establishing and monitoring the effectiveness of the Company’s internal controls, and on the

Company's independent auditors for the audit of the Company's financial statements and the effectiveness of the Company's internal controls.

No member of the Committee shall simultaneously serve on the audit committees of more than two other public companies without the prior approval of the Board of Directors.

The Committee, in carrying out its responsibilities, believes its policies and procedures should remain flexible in order to best react to changing conditions and circumstances. The Committee will take appropriate actions to monitor the overall corporate "tone" for quality financial reporting, sound business risk practices, and ethical behavior.

Members of the Committee shall serve until their successors are duly elected and qualified or their earlier resignation or removal. The Board may remove any member from the Committee at any time with or without cause.

Procedural Matters

The Committee shall meet at such times as the Committee shall consider appropriate to fulfill its duties, but not less frequently than quarterly. A majority of the Committee shall constitute a quorum for the transaction of business and a vote of a majority of the members present at any meeting at which a quorum is present shall constitute the action of the Committee. Annually, the Committee will establish a calendar of agenda topics to be discussed during the year (to the extent these can be foreseen).

The Committee shall engage in continuing education, which will involve Committee presentations on business, financial, accounting, legal, and other subjects affecting the Committee's duties and will encourage individual Committee member participation in external programs related to the responsibilities of Audit Committee members generally.

The Committee will keep a record of its meetings and report on them to the Board. The Committee may meet by telephone or videoconference and may take action by written consent in lieu of meeting.

The Committee may delegate any of its responsibilities to (i) its Chairman or a subcommittee comprised of one or more members of the Committee or (ii) the Chief Financial Officer in each case as it deems appropriate; provided, however, that the Committee shall not delegate any power or authority required by law, regulation or listing standard to be exercised by the Committee as a whole.

The Committee shall evaluate its performance on an annual basis based on the responsibilities defined in its Charter and other criteria developed by the Corporate Governance and Nominating Committee.

Duties and Responsibilities

Independent Auditor

1. The Committee is directly responsible for the appointment, compensation, retention, and oversight of the independent auditor engaged for the purpose of preparing or issuing the annual audit report on the consolidated financial statements of the Company or performing other audit, review, or attest services for the Company. The Committee has direct oversight of the independent auditor's evaluation of the Company's internal controls over financial reporting. The Committee will oversee the resolution of disagreements between management and the independent auditor, if they arise. The independent auditor shall report directly to the Committee. The Committee shall review the performance of the independent auditor, including the lead audit partner, at least annually, recommending either reengagement or replacement. The Committee is responsible for recommending that the Board submit the appointed independent auditor for shareholder ratification, as needed.
2. Approve all audit, audit related, internal control related, tax, and permitted non-audit services of the independent auditor prior to engagement by the Company. Pre-approval is delegated to the Chair of the Audit Committee and, for fee adjustments on pre-approved services for amounts less than \$25,000, to the Chief Financial Officer. The Chief Financial Officer, the Chief Accounting Officer, or their respective designee shall promptly disclose and seek pre-approval from the Audit Chair for services not otherwise approved. All changes to services and related fees shall be communicated to the full Committee at the next regularly scheduled meeting.
3. Consider in consultation with the independent auditor and the head of Internal Audit, the audit scope and plan of external and internal audits, the involvement of the internal auditors in the audit examination, and the independent auditor's responsibility under generally accepted auditing standards.
4. At least annually obtain, review, and discuss: (i) a report by the Company's independent auditors that describes the firm's internal quality control procedures, (ii) any material issues raised by the most recent internal quality control review, peer review, or Public Company Accounting Oversight Board (the "PCAOB") review or inspection of the firm, and (iii) all relationships and services, including non-audit, between the firm and the Company that may impact the objectivity and independence of the auditors in accordance with PCAOB Ethics and Independence Rule 3525, and make a recommendation to the Board based on its findings.
5. Discuss with the independent auditor any significant matters regarding internal controls over financial reporting that have come to its attention during the conduct of their audit. This includes review of independent auditor's report on

the effectiveness of internal controls over financial reporting prior to the filing of the Company's Form 10-K.

6. Discuss with the independent auditor the financial statements and the results of the audit or review of the financial statements and its associated report, including any opinions rendered in connection with the financial statements and other material written communications between the independent auditor and management, including, but not limited to, the schedule of unadjusted differences.
7. Discuss with the independent auditors the matters to be discussed by PCAOB Auditing Standard No. 18 and other related auditing standards, including information regarding the Company's relationships with related parties, significant unusual transactions, and transactions with executive officers.
8. Discuss with the independent auditor, all critical accounting policies and practices, and all alternative treatments of financial information within generally accepted accounting principles related to material items that have been discussed with management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditor.
9. Review with the independent auditor and the Company's General Counsel, any legal matter that could have a significant impact on the Company's financial statements.

Financial Reporting

10. (a) Review with management and where noted above, the independent auditors:
 - Prior to any release or filing:
 - the Company's quarterly and annual earnings press releases and supplemental financial presentation material, with emphasis on financial information and earnings guidance provided to analysts. Such discussion may be done generally;
 - the Company's quarterly and annual financial statements including the quarterly reports on Form 10-Q and the annual report on Form 10-K, including the disclosure under the Management's Discussion and Analysis, filed with the SEC;
 - any disclosure from the CEO and CFO made in connection with the certification of the Company's quarterly and annual reports filed with the SEC of: a) significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting that are reasonably

likely to adversely affect the Company's ability to record, process, summarize, and report financial data; and b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal controls; and

- consider the risk of management's ability to override the Company's internal controls.
 - the Company's disclosure controls and procedures utilized to monitor results quarterly;
 - the Company's critical accounting policies as disclosed in its Form 10-K annual report, including major issues regarding accounting principles or any significant changes in the Company's selection or application of accounting principles. Consideration of the judgment of both management and the independent auditor about the quality, not just the acceptability of accounting principles;
 - the independent auditor's audit of the financial statements and its associated report, including any significant judgments or opinions rendered in connection with the financial statements. This includes any related management letter and management's response to the recommendations;
 - any serious difficulties encountered in the conduct of the audit or disputes with management during the audit;
 - any major issues as to the adequacy and effectiveness of the Company's internal controls over financial reporting, any special steps or remediation plan adopted in light of material control deficiencies and the adequacy of disclosures about changes in internal control over financial reporting;
 - the Company's internal control report and the independent auditor's attestation of the report prior to the filing of the Company's Form 10-K;
 - consideration of the effect of regulatory and accounting initiatives, as well as off-balance sheet structures, on the financial statements; and
 - the completeness and clarity of the disclosures in the financial statements.
- (b) Recommend to the Board that the audited financial statements and Management's Discussion and Analysis be included in the Company's Form 10-K Annual Report.

Internal Audit

11. Review with management and the head of Internal Audit:

- significant findings during the year and management's responses;
- the Internal Audit Department's scope and responsibilities, budget and staffing, internal audit plan, and recommended changes in the planned scope of the internal audit;
- the progress and results of executing the internal audit plan including review of reports of material violations of the Company's Code of Business conduct and Ethics or any other Company policy;
- review and concur with management on the appointment, replacement, reassignment, or dismissal of the head of Internal Audit;
- review the Charter, reporting relationship, activities, staffing, and organizational structure of the internal audit function, as well as the qualifications of its personnel; and
- review the annual performance of the internal audit function.

Periodically review with the head of Internal Audit, any significant difficulties, disagreements with management, or scope restrictions encountered in the course of the function's work.

Ethical and Legal Compliance

12. Establish and oversee procedures for the receipt, retention, and treatment of complaints received by the Company including confidential, anonymous submissions by the Company's employees, regarding potential fraud, accounting, internal accounting control or auditing matters, and alleged violations of the Code of Business Conduct and Ethics, including procedures for confidential, anonymous submissions by Company employees regarding questionable accounting or auditing matters.
13. Review the effectiveness of the process for monitoring compliance with state and federal laws affecting the Company and the results of management investigations and follow-up (including disciplinary action) of instances of non-compliance. Obtain updates, as appropriate, regarding legal compliance.
14. Meet periodically with the head of Internal Audit and the independent auditor in separate executive sessions. The Committee may also call into executive session any officer, employee, director, or external party.

15. Monitor compliance with policies and procedures for the review, approval, or ratification of related party transactions as defined by Regulation S-K under the federal securities laws and Nasdaq Corporate Governance Rule 5630. Discuss with the independent auditor, its evaluation of the Company's identification of, accounting for, and disclosure of its relationships with related parties as set forth under the standards of the PCAOB. Review any potential conflict of interest between a director or executive officer and the Company and any other potential violation of the Company's Code of Business Conduct and Ethics and make appropriate recommendations to the Board including requests for waivers of the Code.

Reports

16. Include in the Company's proxy statement the Report of the Audit Committee, as required by the SEC, that based on the review and discussion of the audited financial statements with management and the independent auditors, the Audit Committee recommended to the Board that the audited financial statements be included in the Company's Annual Report on Form 10-K for filing with the Commission. In addition, the report must state whether:

- the Audit Committee discussed with the independent auditors those matters required to be discussed by PCAOB Auditing Standard No.16 (Communications with Audit Committees);
- the Audit Committee has received from the auditors certain disclosures regarding the auditor's independence required by PCAOB Rule 3526;
- the Board of Directors has adopted a written Charter for the Audit Committee (a copy of the Charter must be included as an appendix to the Company's proxy statement at least once every three years); and
- the Audit Committee members are "independent" as defined by the Nasdaq rules.

Risk Management

17. On a regular basis review and discuss with management the Company's Enterprise Risk Management Program, including particularly management's risk assessment and risk management processes. The Committee shall discuss the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures.

General

18. The Committee shall have the authority in its sole discretion to engage and determine funding for independent legal, accounting, or other consultants to advise the Committee. The Company must provide appropriate funding for the payment of reasonable funding as determined by the Committee.
19. The Committee will have such additional duties and responsibilities as may be provided in applicable Nasdaq rules and the rules and regulations of the SEC, as in effect from time to time.
20. The Committee will annually assess the performance of its duties to ensure they have complied with their responsibilities.
21. The Committee will review and assess the adequacy of its Charter annually, recommending to the Board any necessary amendments.
22. The Committee shall be responsible for any other matters consistent with this Charter, the Company's bylaws, or as expressly delegated to the Committee by the Board from time to time.

Qualified Legal Compliance Committee

23. When functioning as the Company's QLCC, the Committee shall have the duty and authority to:
 - receive reports of potential material violations by the Company or any of its officers, directors, employees, or agents, of applicable U.S. federal or state law or of a fiduciary duty arising under such law, and of the Company's policies including the Code of Business Conduct and Ethics;
 - inform the Company's Executive Chairman and Chairman of the Board, Chief Executive Officer, and General Counsel of any such report;
 - determine whether an investigation into any matters within its scope of responsibility is necessary, and if so, to notify the Board of Directors, initiate an investigation, receive full access to all Company records and employees, and obtain advice and assistance from outside legal, accounting, or other advisors, as necessary to perform its duties and responsibilities;
 - handle reported matters according to written procedures;
 - at the conclusion of any such investigation, recommend implementation of an "appropriate response" (as defined by rule or regulation of the SEC) and

inform the Chief Executive Officer and General Counsel of the results of such investigation and the appropriate remedial measures to be adopted; and

- take all other appropriate action, including, as required by law, notifying the SEC if the Company fails to implement an appropriate response recommended by the Committee.

Limitation of Audit Committee's Role

While the Audit Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Audit Committee to plan or conduct audits or to determine that the Company's financial statements and disclosures are complete and accurate and are in accordance with generally accepted accounting principles and applicable rules and regulations. The Company's financial statements are the responsibility of management. The independent auditors are responsible for planning and conducting audits to determine whether the financial statements present fairly in all material respects the financial position of the company.

Reliance on Others

Nothing in this Charter is intended to preclude or impair the protection provided in Section 141(e) of the Delaware General Corporation Law for good faith reliance by members of the Committee on reports and other information provided by others.