Kelly Services, Inc.
Corporate Governance Principles

Board of Directors

The Board of Directors (the "Board") is responsible for overseeing the business of Kelly Services, Inc. ("the Corporation" or "Company"). One of the Board's primary responsibilities is to provide effective governance over the affairs of the Company for the benefit of its shareholders by acting in good faith, on an informed basis, and with the honest belief that their decisions are in the best interests of the Company. At no time shall a Director when acting in his or her capacity as a Director of the Company allow personal interests to prevail over the interests of the Corporation and its shareholders. In discharging its obligations, Directors may rely on, among other things, the honesty and integrity of the Company's management, outside auditors, and advisors.

The following principles have been approved by the Board and, along with the charters of the Board committees, provide the framework for the governance of the Company. The Board recognizes the importance of effective governance practices, and regularly reviews these principles and other aspects of governance.

Responsibilities

In addition to its general oversight of management, the Board's responsibilities include, but are not limited to the following:

1. Review and, where appropriate, approve major financial and strategic objectives, business plans and actions, and monitor performance relative to achievement of those plans;

2. Consider long-range strategic issues and risks to the Company, including management's actions to address and mitigate risks;

3. Select, evaluate and compensate the Chief Executive Officer and oversee management succession planning;

4. With the advice of the Chief Executive Officer, select, assess and compensate senior management, and oversee their development; and

5. Approve corporate policies and processes that promote and maintain the integrity of the Corporation. The Board shall exercise reasonable oversight with respect to implementation and effectiveness of these policies and processes to include: accurate financial reporting, compliance with laws, rules and regulations affecting the business of the Corporation,

honest and ethical behavior, commitment to quality and customer satisfaction, dedication to service and personal responsiveness, professional excellence and high performance, innovation, creativity and open-mindedness, employee participation, contribution and teamwork, diversity, individual dignity and mutual respect and growth, profitability and industry leadership.

Status as a Controlled Company

NASDAQ has established specific exemptions from its governance requirements for controlled companies. The Company is a **"controlled company"** by virtue of the fact that Mr. Terence E. Adderley, Chairman of the Board of Directors, controls the power to vote more than fifty percent of the Company's outstanding voting stock.

A controlled company is not required to have a majority of its Board of Directors comprised of independent directors. Director nominees are not required to be selected or recommended for the Board's selection by a majority of independent directors or a nominations committee comprised solely of independent directors, nor does NASDAQ require a controlled company to certify the adoption of a formal written charter or board resolution, as applicable, addressing the nominations process. A controlled company is also exempt from NASDAQ's requirements regarding the determination of officer compensation by a majority of independent directors or a compensation committee comprised solely of independent directors.

A controlled company is required to have an Audit Committee composed of at least three directors, who are independent as defined under the rules of both the Securities and Exchange Commission and NASDAQ. NASDAQ further requires that all members of the Audit Committee have the ability to read and understand fundamental financial statements and that at least one member of the Committee possess financial sophistication. The independent directors must also meet at least twice a year in meetings at which only they are present.

Director Qualifications

The Board of Directors seeks individuals to serve as directors who have the highest personal and professional character and integrity and substantial experience in positions with a high degree of responsibility and who are respected leaders in the companies, institutions and industries with which they are affiliated. Directors must be committed to representing the long-term interest of the Company's shareholders.

Board Selection

The Corporate Governance and Nominating Committee is responsible for determining the skills and characteristics required of director nominees in the context of prevailing business conditions, and for making recommendations to the Board.

The Board of Directors has not adopted a policy by which shareholders may recommend nominees to the Board of Directors because of the Company's status as a "controlled company".

Director Independence

The Corporate Governance and Nominating Committee shall follow the independence requirements in the NASDAQ rules in making independence determinations with respect to each director and director nominee recommended for election at the annual meeting of shareholders. Each director shall keep the Governance and Nominating Committee fully and promptly informed as to any development that might affect the director's independence.

Service on Outside Boards

While there is no limit on the number of other boards on which a director may serve, the number of board memberships shall be a consideration along with any other time commitments a director or nominee may have in determining his or her ability to serve effectively. Directors must be willing and able to devote sufficient time to carrying out their duties and responsibilities effectively.

Size

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

Tenure

An independent or non-officer director shall tender his or her resignation from the Board of Directors at the time of a material change in occupation or duties, resignation, termination or retirement from his or her current occupation, or upon the attainment of 70 years of age, whichever occurs first.

An officer-director shall tender his or her resignation from the Board of Directors at the time of resignation, retirement or termination as an officer of the Company or upon the attainment of 70 years of age, whichever occurs first. Terence E. Adderley may continue to serve as a Director beyond his seventieth birthday.

The Board of Directors retains sole discretion to determine whether to accept or reject any Director resignation.

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

Director Orientation and Continuing Education

An understanding of the Company's business is required to enable a Director to make a substantial contribution to the Board. New Board members will participate in an orientation program to become familiar with the Company's vision, strategic direction, core values, ethics, corporate governance practices, financial statements including other financial matters and key policies. The program may include review of written materials, personal briefings by the senior management, and visits to Company facilities as appropriate. To assist the Directors in discharging their duties, Directors are encouraged to participate in continuing director education programs that include internal and external presentations on business, financial, accounting, legal and other subjects affecting the Company's business.

Meetings

The Chairman shall establish the annual schedule of Board meetings. In general, regular meetings following the close of each calendar quarter and a separate meeting dedicated primarily to strategic planning for the Company are desirable for the Board to properly discharge its duties. The Chairman, the Chief Executive Officer and a majority of Directors then in office may call special meetings upon appropriate notice to address specific needs of the Company.

The Chairman shall regularly attend and preside at meetings of the Board of Directors and stockholder meetings. The Chairman shall lead the Board in the exercise of its corporate oversight functions, including assignment of specific tasks to Board committees or individual members of the Board in furtherance of the Board's responsibilities as set forth in these Corporate Governance Principles.

The Chairman shall establish the agenda for each Board meeting. Directors may suggest the inclusion of items on the agenda, request the presence of or a report by any member of the Corporation's senior management or at any meeting raise subjects that are not on the agenda for that meeting.

Absent unusual circumstances, Directors are expected to attend all meetings of the shareholders, all meetings of the Board of Directors and all meetings of the committees on which the Directors individually serve and to familiarize themselves with the materials distributed prior to each Board or committee meeting. The Chairman shall ensure information flows to the Board to facilitate understanding of, and discussion regarding, matters of interest to or concern to the Board, including, time permitting, approval in advance of the Board package as prepared by management. Meeting materials are generally distributed at least three business days prior to a meeting. Highly confidential or sensitive matters, and matters that arise immediately prior to a Board meeting, may be presented and discussed without prior distribution of background material.

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

The Chairman shall oversee the preparation of proxy materials for meetings of the stockholders.

Chairman-Additional Duties

The Chairman shall facilitate communication between the Directors and management, both inside and outside of meetings of the Board, maintain visibility as the Chairman to the investment community and the general public and attend and participate in external meetings and presentations as deemed by the Chairman to be appropriate and convenient.

Lead Independent Director

If the Director appointed to serve as Chairman is not an independent Director, the independent Directors shall elect one of the independent Directors as the Lead Director. The Lead Director shall ensure that the Board functions independent of management and shall have such duties and authority as the independent Directors shall from time to time specify, including presiding at all Board and shareholder meetings which the Chairman is not present. The Lead director will also be responsible for providing advice and counsel to the Chairman and Chief Executive Officer as necessary and chairing executive sessions of the independent Directors. The duties and authority of the Lead Director shall be consistent with these Corporate Governance Principles.

Executive Sessions

The independent directors shall meet in executive session at least twice annually. The Lead Director will advise the Chairman of the schedule of executive sessions and will provide feedback to the Chairman and the Chief Executive Officer on discussions in executive sessions.

Director Access to Management and Independent Advisors

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

The Board has the authority to retain the legal, financial and other expert advisors that it deems appropriate to assist the Directors in the discharge of their duties.

Management Evaluation and Succession Planning

The Chairman shall oversee the development of appropriate performance objectives for the Chief Executive Officer annually, present the proposed objectives to the Compensation Committee (the "Committee"), monitor performance against Committee approved quantitative and qualitative objectives, assess and present performance results to the Committee for evaluation and with the Chairman of the Compensation Committee present the Committee's performance evaluation to the Chief Executive Officer.

At least annually, the Chief Executive Officer shall meet with the Compensation Committee to review the performance of the members of senior management and other highly compensated individuals, including potential succession arrangements.

Board Committees

The present Board Committees are the Audit, Compensation and Corporate Governance and Nominating Committee. Each committee shall have a written charter of responsibilities, duties and authorities, which shall be reviewed at least annually by the Board. Each Committee shall report to the full Board with respect to its activities, findings and recommendations after each meeting held.

The Chairman shall recommend to the Board assignments of Board members to standing and temporary committees and the appointment of committee chairs, subject to the provisions of each committee's charter.

Each Committee shall have the full power and authority to retain, at the Company's expense, consultants, legal counsel, or others, as the Committee deems necessary or appropriate with respect to specific matters in its purview.

Each Committee Chair shall establish agendas and set meetings at the frequency and length appropriate and necessary to carry out its responsibilities.

The Chairman shall serve as a member of the Corporate Governance and Nominating Committee and participate in meetings of the other standing committees as the Chairman deems appropriate and convenient.

Board and Committee Evaluation

The Board and each Board Committee will conduct an annual evaluation of their respective performance. The Chairman shall organize and oversee the evaluation of the effectiveness of the Board and its Committees. The evaluation process shall include an assessment of Board and Committee effectiveness and independence, access to and review of information from management, responsiveness to shareholder concerns, maintenance of standards of business conduct and ethics and maintenance of these guidelines. The purpose of the evaluation is to increase the effectiveness of the Board as a whole and not to focus on the performance of individual Board members. The results of this evaluation process will also be used in assessing critical skills required of prospective candidates for election to the Board and making recommendations to the Board with respect to assignments of Board members to the various committees.

Shareholder Communications with the Board

Shareholders may communicate with the Board of Directors. Such communications must be in writing, addressed to the Board of Directors and mailed to the Corporate Secretary. All written shareholder communications will be reported to the Board of Directors at its regularly scheduled meetings.

Code of Business Conduct and Ethics

The Board of Directors has adopted a Code of Business Conduct and Ethics ("the Code") that applies to all Directors, officers and employees to help them recognize and deal with ethical issues, deter wrongdoing, provide mechanisms to report dishonest or unethical conduct and help foster a culture of honesty and accountability. The Code addresses conflicts of interest, corporate opportunities, confidentiality, protection and proper use of assets, fair dealing, compliance with laws, rules and regulations and Company policies, public company reporting requirements and provides an enforcement mechanism. Any waiver of the Code for a Director or an Executive Officer must be made by the Board of Directors and must be disclosed in accordance with applicable Federal law.

Director Compensation

The Governance Committee annually reviews Director compensation practices to ensure the Company's Directors are fairly compensated in relation to other publicly traded companies of comparable scope and size, and that compensation is designed to align Directors' interest with the long-term interests of stockholders. Changes in Director compensation, if any, are recommended by the Corporate Governance and Nominating Committee and considered by the full Board. Non-management Directors receive an annual retainer for Board service; non-management Directors who serve as Chair of a standing committee may receive an annual retainer for such service. Directors who are Company employees shall not be compensated for their services as Directors.

Director and Executive Management Stock Ownership

The Company and its shareholders are best served by operating under a long-term strategy that encourages the achievement of superior performance results. Stock ownership is an important tool to strengthen the alignment of interests of shareholders, Directors, and Company management. As such, the Company has established the following stock ownership guidelines:

Non-employee Directors are expected to own Kelly Class A and Class B common stock ("Common Stock") with a minimum fair market value of two-times the value of the annual retainer.

Non-employee Directors are allowed five years from the later of (i) February 12, 2008, the effective date of these guidelines, or (ii) the non-employee Director's first date of appointment to the Board of Directors to satisfy these guidelines.

The Company also maintains an Executive Stock Ownership Requirements Plan for senior officers. "Stock Ownership" is defined to include stock owned by the officer directly and 60% of any restricted stock awards not yet vested. Upon achievement of the minimum share ownership requirement, all executives are additionally required to retain ownership in 50% of any after-tax shares of vested restricted stock. The minimum share ownership requirements for senior officers by title are: Chief Executive Officer 70,000 shares, Executive Vice Presidents 30,000 shares, and Senior Vice Presidents 10,000 shares.

Annual Review

The Corporate Governance and Nominating Committee will annually consider whether these guidelines continue to reflect the goals, functions and needs of the Company, the Board, the shareholders and the controlling shareholder and recommend changes, if appropriate, to the full Board.