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Industry-Driven ESG: Human Resources-Specific Strategy for Development and Localization

A Case Study of Randstad

Erasmus Mundus International Master in Global Markets, Local Creativities

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Industry-Driven ESG: Human Resources-Specific Strategy for Development and Localization A Case Study of Randstad

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ABSTRACT

How do multinational HR firms create sector-specific ESG strategies—and adapt them across diverse local markets? This thesis investigates that question through an in-depth case study of Randstad, a leading multinational in the human resources sector. Despite ESG's growing role in corporate governance, its application in labor-driven service sectors remains underexplored. This study addresses that gap by analyzing how Randstad constructs its ESG priorities and implements them across different national settings.

Drawing on expert interviews and longitudinal document analysis—including Randstad's annual and local sustainability initiative reports from 2010 to 2024—the research uses a mixed-methods approach supported by qualitative coding and co-occurrence analysis with Atlas.ti. The findings reveal that ESG is not a static checklist, but a dynamic and iterative process shaped by negotiation, learning, and organizational adaptation. Strategy formation is driven by internal values—such as people-centricity and talent development—as well as external pressures like CSRD compliance and investor expectations. Localization is achieved through a hybrid governance model that empowers national teams to adapt global themes to regulatory, cultural, and infrastructural contexts, while feeding local innovations back into global ESG evolution.

Ultimately, this thesis positions ESG as more than a compliance exercise: it is a strategic framework through which firms align internal purpose with external accountability to generate meaningful, context-sensitive social value.

Keywords: Sustainability; ESG report; ESG strategy; Sector-Specific ESG; Localization of ESG; Human resources (HR) services sector; Randstad

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CHAPTER 1: INTRODUCTION

1.1 Research background

What defines business success today? For multinational corporations (MNCs), financial performance alone is no longer enough. Stakeholders—investors, customers, and communities—expect companies to demonstrate meaningful contributions to people and the planet. This shift has propelled Environmental, Social, and Governance (ESG) factors to the center of corporate strategy, prompting firms to rethink their operations and redefine success for the 21st century. The urgency is clear: rising climate volatility and extreme weather events have sharpened public awareness of environmental risk,[1] while increasing societal focus on inequality and ethical responsibility continues to elevate ESG on the corporate agenda.[2]

This focus on ESG is the latest stage in a longer evolution of corporate responsibility. Early concepts of ethical business and Corporate Social Responsibility (CSR) paved the way, followed by the rise of Socially Responsible Investing (SRI) in the 1970s.[3] The formal coining of ESG in the UN's 2004 "Who Cares Wins" report marked a significant step towards integrating these factors into mainstream finance.[4] Global frameworks like the UN Sustainable Development Goals (SDGs) in 2015 and increasingly stringent regulations, notably the EU's Corporate Sustainability Reporting Directive (CSRD), have further cemented ESG's importance, driving its ongoing development and integration into corporate strategy.[5]

As corporate responsibility evolves, MNCs are increasingly embedding ESG practices into core strategies, driven by clear business incentives. ESG integration enhances brand reputation, builds customer loyalty, and strengthens competitive advantage in a landscape where stakeholders value ethical conduct. It also supports risk management, preparing firms for regulatory shifts and market disruptions, while improving long-term performance and access to new markets and talent.[6] Therefore, effectively demonstrating this commitment to

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[1] Tracy Dathe et al., *Implementing Environmental, Social and Governance (ESG) Principles for Sustainable Businesses: A Practical Guide in Sustainability Management*, Responsible Leadership and Sustainable Management (Cham: Springer International Publishing, 2024), 22, https://doi.org/10.1007/978-3-031-52734-0.
[2] Dathe et al., 28.
[3] Ioannis Passas, "The Evolution of ESG: From CSR to ESG 2.0," *Encyclopedia* 4, no. 4 (November 19, 2024): 1711–20, https://doi.org/10.3390/encyclopedia4040112.
[4] United Nations, *Who Cares Wins: Connecting Financial Markets to a Changing World* (New York: UN Global Compact, 2004), 2-4.
[5] United Nations, *Transforming Our World: The 2030 Agenda for Sustainable Development* (New York: UN, 2015).
[6] Matthew Nelson, *Is Your Nonfinancial Performance Revealing the True Value of Your Business to Investors?* (EY, 2017), 1-30, https://integratedreporting.ifrs.org/wp-content/uploads/2017/04/EY_Is_your_nonfinancial_performance_revealing.pdf (accessed May 2, 2025).

sustainability and ethical conduct necessitates a tangible integration of ESG principles throughout a corporation's operations and strategy.

Consequently, companies across industries are translating ESG principles into actions tailored to their contexts. Microsoft targets carbon negativity; IKEA emphasizes sustainable sourcing; Shell invests in renewables; Unilever adopts circular economy models; and JPMorgan Chase embeds ESG in financial services. This broad uptake reflects a shift from compliance toward ESG as a driver of growth, brand value, and stakeholder trust.[7]

Regional regulations, particularly in the EU with directives like CSRD and the Sustainable Finance Disclosure Regulation (SFDR), significantly influence the localization of ESG strategies, mandating greater transparency. In contrast, the U.S. presents a more fragmented landscape, with emerging climate disclosures and complex state-level rules.[8] As a result, MNCs must tailor ESG strategies to regional contexts—accounting for regulations, cultural norms, and stakeholder expectations—since one-size-fits-all approaches are ineffective.

This study investigates ESG implementation in the human resources (HR) industry through a case study of Randstad, a leading MNC headquartered in the Netherlands. The researcher's internship at Randstad provides both academic motivation and practical insight into the firm's ESG approach. While many sectors engage with ESG, the HR industry offers a uniquely relevant lens due to its intrinsic focus on the "Social" pillar. Unlike industries where ESG is often operationalized through environmental metrics or governance structures, HR firms are built around people—granting them a distinct capacity to directly shape labor practices, equity, and workforce well-being. This impact is substantial: in 2024, Randstad placed over 1.7 million individuals across 39 markets.[9] Studying this sector also enables analysis of how ESG strategies are developed within industry-specific contexts and adapted across diverse local settings. Through this dual focus—sector distinctiveness and localization—this research offers nuanced insights into how MNC HR firms embed ESG in practice.

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[7] Deloitte, *2024 Sustainability Action Report* (Deloitte, 2024), https://www2.deloitte.com/content/dam/Deloitte/us/Documents/audit/2024-sustainability-action-report.pdf. (accessed May 2, 2025).
[8] Emma Y. Peng and William Smith Iii, "Politics, Integration of ESG in CEO Compensation, and Firm Credit Ratings: Evidence from the USA," *Studies in Economics and Finance* 41, no. 3 (June 4, 2024): 456–77, https://doi.org/10.1108/SEF-06-2023-0350.
[9] Randstad, "About Randstad," *Randstad*, accessed May 2, 2025, https://www.randstad.com/about-randstad/.

1.2 Research questions and sub-questions

Building on the growing imperative for ESG integration and the unique characteristics of the HR industry, this thesis investigates how HR-specific ESG strategies are developed and localized within a multinational context. Focusing on Randstad as a case study, the research explores the processes, challenges, and outcomes of creating ESG approaches that are both globally informed and locally responsive in this people-centric sector.

The **primary research question** guiding this study is: ***How does the human resources industry, exemplified by Randstad, develop ESG strategies tailored to its sector and adapt them across diverse local market contexts?***

To unpack this inquiry, the thesis addresses two subsidiary research questions:

SRQ1: ***How does the human resources industry establish the foundational elements and strategic priorities for developing sector-specific ESG strategies?***
This question is explored through three key dimensions:

1) **Motivations and Pressures:** Examining internal drivers such as corporate values, risk management, and talent attraction, alongside external pressures like stakeholder expectations, regulatory changes, and investor demands.
2) **ESG Materiality, Governance, and Metrics:** Investigating how HR firms identify and manage ESG materiality, particularly in areas like labor practices; Diversity, Equity, and Inclusion (DE&I); employee well-being, and how these priorities are translated into measurable indicators.
3) **Alignment with Global Standards:** Analyzing how sector-specific strategies align with global ESG frameworks (e.g., UN SDGs, CSRD, ESRS, GRI), and how these standards are applied within the operational context of HR services.

SRQ2: ***How do multinational HR firms effectively adapt their sector-specific ESG strategies to diverse local market contexts?***
This question focuses on:

1) **Adaptation Mechanisms and Local Governance:** Exploring how ESG strategies are tailored through local initiatives and governance structures to fit national conditions.
2) **Measurement, Reporting, and Communication:** Assessing how local ESG activities are tracked, integrated into broader systems, and communicated to various stakeholders.
3) **Balancing Global Consistency and Local Relevance:** Analyzing the challenges of navigating regulatory and cultural variation, and the strategic trade-offs involved in maintaining both legitimacy and coherence.

Together, these questions provide a structured lens for understanding ESG strategy formation and localization in the HR sector. The findings aim to generate insights relevant to Randstad, its peers, and other multinational firms seeking to implement sustainable practices that are both globally coherent and locally meaningful.

1.3 Significance of research

This thesis explores a critical and evolving space at the intersection of corporate strategy, human resource management, and global sustainability. As firms move beyond financial metrics, understanding how ESG principles are implemented in practice becomes essential. By focusing on ESG strategy development and localization within the HR industry—using Randstad as a case study—this research offers valuable contributions across several dimensions.

1) Illuminating Industry-Specific ESG Dynamics: While ESG is a universal concept, its relevance and application differ by sector. Generic frameworks often overlook the specific challenges and opportunities in the HR services sector. This study highlights how ESG strategies are shaped in this sector, where firms are directly engaged with the "Social" pillar through workforce placement, talent development, and labor market inclusion. It offers a more granular understanding of how ESG is embedded in the business models of companies whose core operations revolve around people.[10][11]

2) Advancing Understanding of ESG Localization: MNCs face the complex task of aligning global ESG commitments with diverse local market realities, including varying regulations, cultural norms, and

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[10] "Organizational Success Is Expanding to Include ESG Performance - HR Plays Critical Role in Implementation, Says McLean & Company," *PR Newswire*, April 11, 2023, accessed May 2, 2025, Gale Academic OneFile, link.gale.com/apps/doc/A745101021/AONE?u=glasuni&sid=bookmark-AONE&xid=65eb2a5b.

[11] Sugumar Mariappanadar, "Human Resource Management in the Twenty-First Century: Sustainable HRM," in *Sustainable Human Resource Management Strategies and Practices*, by Sugumar Mariappanadar (Singapore: Springer Nature Singapore, 2024), 3, https://doi.org/10.1007/978-981-97-8688-6_1.

stakeholder expectations. This research addresses the underexplored practicalities of ESG localization by examining how Randstad adapts strategies across different markets. It explores the tension between global consistency and local responsiveness, offering insights into the mechanisms and trade-offs involved.[12] Analyzing these adaptation processes contributes to the broader discourse on international business strategy and the diffusion of global norms in diverse settings.[13]

3) Bridging Theory, Policy, and Practice: The thesis connects abstract ESG frameworks (e.g., CSRD, SDGs) to on-the-ground practices within a global company. Randstad's case offers concrete examples of how strategic goals are operationalized, how governance structures shape implementation, and how firms can navigate emerging ESG regulations. These insights benefit scholars, HR practitioners, sustainability professionals, and policymakers aiming to build effective ESG systems backed by data and organizational accountability.[14]

In essence, this research deepens understanding of ESG strategy and localization in the HR sector. By examining how a global firm navigates sector-specific demands and institutional variation, it offers both academic relevance and actionable insights for advancing corporate sustainability in a complex global environment.

1.4 Thesis structure

This thesis is structured to provide a focused investigation into the development and localization of ESG strategies within the HR services sector, using Randstad as an in-depth case study. Chapter 1 introduces the research background, establishes the study's relevance, outlines the guiding research questions, and previews the overall structure.

Chapter 2 offers a comprehensive literature review, tracing the evolution from CSR to ESG, highlighting sector-specific ESG characteristics, examining localization shaped by regulatory and national contexts,

[12] Mariappanadar, 10.
[13] Ambili Jayachandran et al., "Evolution of CSR and ESG Concepts in the Frame of Sustainability: Insights From Thematic Evolution Across Nations," in *Advances in Logistics, Operations, and Management Science*, ed. Biju Ajithakumari Vijayappan Nair, Glenn Muschert, and Ambili Jayachandran (IGI Global, 2024), 3, 18, https://doi.org/10.4018/979-8-3693-3880-3.ch001.
[14] Asoka Wöhrmann, "ESG—A Transformational Journey for Asset Management, Industries, Technology, and Society*," in *Sustainability, Technology, and Finance*, by Herman Bril, Georg Kell, and Andreas Rasche, 1st ed. (London: Routledge, 2022), 48–58, https://doi.org/10.4324/9781003262039-4.

exploring alignment with global frameworks such as the SDGs, and identifying key implementation challenges to define the research gap.

Chapter 3 outlines the research methodology, justifying the single case study design, detailing qualitative and complementary quantitative methods, and addressing ethical considerations.

Chapters 4 and 5 present the empirical findings. Chapter 4 addresses Randstad's global ESG strategy formation in response to SRQ1. It analyzes drivers and motivations, the evolution of materiality and reporting (including governance and cultural influences), current ESG priorities and metrics, and alignment with global standards—framed through relevant theoretical insights.

Chapter 5 focuses on SRQ2: the localization of ESG strategy. It explores adaptation mechanisms, local governance structures, reporting and communication practices, and the challenges of balancing global coherence with local relevance, interpreted through the study's theoretical lens.

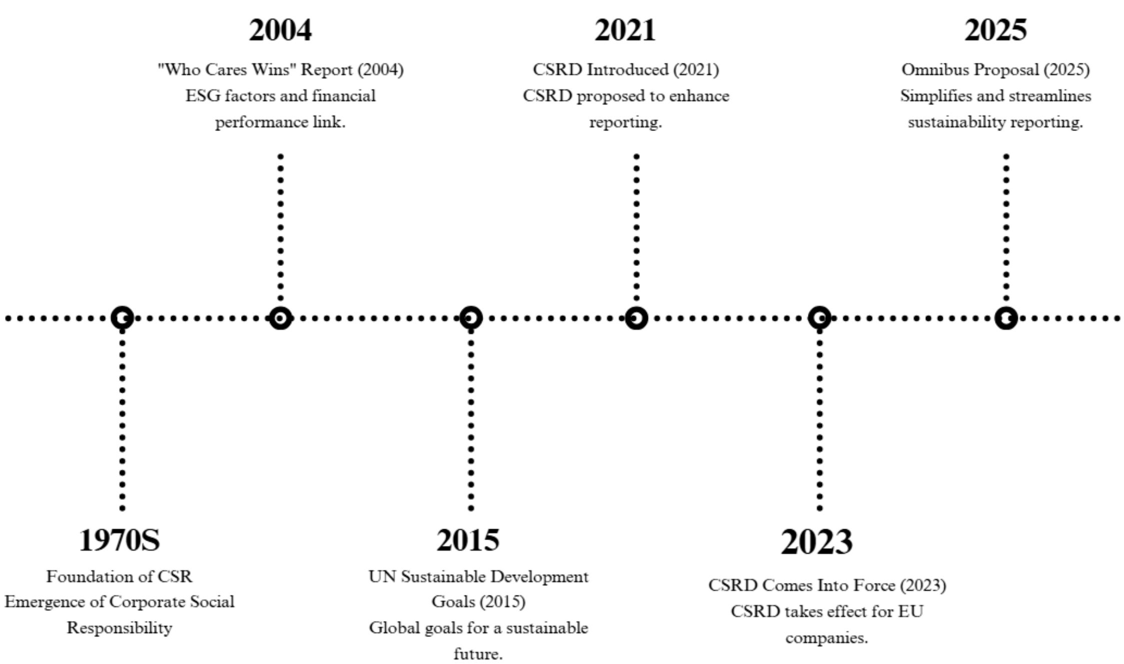
Chapter 6 concludes by synthesizing key findings, reflecting on their theoretical and practical implications, acknowledging research limitations, and suggesting directions for future inquiry.

CHAPTER 2: LITERATURE REVIEW

2.1 ESG and Its Evolution from Historiographical Perspective

The contemporary emphasis on ESG criteria represents a significant shift in understanding corporate responsibility, building upon decades of evolving thought and practice (as shown in Figure 1). Examining this evolution from a historiographical perspective—that is, considering how the narrative, interpretation, and emphasis of corporate responsibility have been shaped and understood over time— is crucial for contextualizing the current landscape where businesses are increasingly evaluated not just on financial performance, but also on their broader societal and environmental impacts.

Figure 1. The Evolution of ESG from CSR to Modern Frameworks, 1970-2025



Source: Developed by the author of the thesis

The journey towards ESG is deeply rooted in the concepts of CSR. Early notions of businesses having societal obligations beyond profit extend back centuries, but modern CSR began to take shape in the mid-twentieth century, often characterized by philanthropic activities and basic ethical considerations.[15] CSR gained further traction in the 1960s and 1970s amidst growing societal awareness of social and environmental

[15] Passas, "The Evolution of ESG," 1712.

issues, including civil rights and environmental protection movements, pressuring corporations to be more responsive to community needs.[16]

While CSR aimed to improve corporate reputation and stakeholder relations, it often lacked standardized metrics and regulatory backing, leading to criticisms regarding its consistency and potential for "greenwashing".[17] This paved the way for the more structured and measurable ESG framework.

The formal coining of ESG in the 2004 UN Global Compact report, "Who Cares Wins," marked a pivotal moment, explicitly encouraging the financial sector to integrate environmental, social, and governance factors into investment analysis and decision-making.[18] This initiative, alongside others like the UN Principles for Responsible Investment (PRI), began embedding ESG into the financial mainstream.[19]

The launch of the United Nations SDGs in 2015 provided a universal framework, further accelerating the alignment of business strategies with global sustainability targets.[20] Growing pressure from diverse stakeholders – including investors demanding better risk management and transparency, consumers favouring sustainable brands, and civil society actors seeking accountability – became major drivers. Regulatory developments, particularly in Europe with the Non-Financial Reporting Directive (NFRD) and its successor, the CSRD (coming into force from 2024), have significantly propelled ESG forward by mandating standardized disclosures and increasing corporate accountability.[21] This regulatory push, combined with market demands, reflects the ongoing maturation of ESG from a niche concern to a central element of corporate strategy and reporting.

2.2 Industry-Specific ESG Strategies and HR Services Sector

This section examines ESG strategy through a sectoral lens, recognizing that a uniform approach fails to account for diverse materiality profiles. Section 2.2.1 reviews literature on how sector characteristics shape ESG priorities and performance, while 2.2.2 focuses on the HR Services sector, highlighting its unique ESG challenges.

[16] Passas, 1713.
[17] Jayachandran et al., "Evolution of CSR and ESG Concepts in the Frame of Sustainability," 7.
[18] United Nations, "Who Cares Wins", 2.
[19] Passas, "The Evolution of ESG," 1714.
[20] Wöhrmann, "ESG—A Transformational Journey for Asset Management, Industries, Technology, and Society," 48.
[21] Koen Van Middelaar, "ESG-Litigation With the CSRD: The Annual Account Procedure in the Netherlands," *European Company Law* 21, no. Issue 6 (December 1, 2024): 120–21, https://doi.org/10.54648/EUCL2025003.

2.2.1 Industry-Specific ESG Adaptability and Characteristics

The premise that ESG performance and strategic priorities vary significantly across industries is well-established in the literature.[22] The nature of a sector's core operations, its environmental footprint, regulatory pressures, stakeholder expectations, and the specific social impacts it generates fundamentally shape its ESG landscape.[23] ESG materiality—the identification of factors relevant to financial performance and stakeholder expectations—depends on operational context. Greenhouse gas (GHG) emissions and waste are highly material for heavy industry, while IT firms prioritize data privacy and energy efficiency. Financial services emphasize financed emissions and inclusive finance.[24]

1) Sectoral Performance Differences: Empirical studies consistently reveal disparities in ESG performance across sectors. Based on CRISIL data, Indian banking leads in overall ESG, IT in governance. Environmentally impactful sectors like metals and chemicals lag, especially in environmental and social metrics.[25] However, significant performance variation within sectors is also noted (e.g., high standard deviation in Cement, Durables & Electricals, Telecom), indicating that industry classification alone is not fully deterministic.[26]

2) Strategic Responses: Companies tailor their ESG strategies to address sector-specific risks and opportunities. Fast-Moving Consumer Goods (FMCG) companies, facing consumer pressure, prioritize sustainable packaging, responsible sourcing (e.g., deforestation-free supply chains for palm oil, cocoa), waste reduction, and water stewardship.[27] Technology firms focus on energy efficiency, data security, and ethical AI, while the Oil and Gas sector concentrates on transition risk, emissions reduction, and investment in renewable energy.[28]

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[22] Rishav Kanoo et al., "Does the ESG Performance Differ Across Sectors? An Insight into the Indian Corporate Landscape," *International Journal of Economics and Financial Issues* 15, no. 1 (December 6, 2024): 246–55, https://doi.org/10.32479/ijefi.17333.
[23] Hongquan Chen et al., "Munificence, Dynamism, and Complexity: How Industry Context Drives Corporate Sustainability," *Business Strategy and the Environment* 26, no. 2 (February 2017): 125–41, https://doi.org/10.1002/bse.1902.
[24] CRISIL Limited, *CRISIL Sustainability Yearbook 2022* (Mumbai: CRISIL Limited, 2022), accessed May 2, 2025, https://www.crisil.com/en/home/what-we-do/financial-products/crisils-sustainability-solutions/download-crisil-sustainability-yearbook-2022.html.
[25] Kanoo et al., "Does the ESG Performance Differ Across Sectors?," 250–253.
[26] Kanoo et al., 254.
[27] Dariusz Michalski, "Operationalization of ESG-Integrated Strategy Through the Balanced Scorecard in FMCG Companies," *Sustainability* 16, no. 21 (October 22, 2024): 9174, https://doi.org/10.3390/su16219174.
[28] Dongwon Lee and Ji-Young Ahn, "Unlocking the Potential of Green Human Resource Management in Korea: A Comprehensive Review," *Asia Pacific Business Review* 31, no. 1 (January 2025): 133–56, https://doi.org/10.1080/13602381.2024.2358945.

3) Drivers and Pressures: Institutional theory suggests that regulatory requirements, investor pressure and societal norms compel ESG adoption.[29][30] However, the nature of this pressure varies. Financial institutions respond to sustainable finance directives, consumer goods companies to purchasing preferences, and heavy industries to emissions regulations. Interestingly, financial performance shortfalls can also motivate firms to improve ESG performance as a strategic action to potentially enhance future legitimacy and value, though high levels of existing ESG controversies can dampen this effect.[31]

Despite the clear evidence of sectoral differences, the literature faces several limitations. Firstly, measurement inconsistency is rampant. Different rating agencies (CRISIL, MSCI, Asset4, etc.) use varied methodologies, indicators, and weightings for E, S, and G pillars, making cross-study comparisons difficult.[32] Secondly, establishing causality remains complex. While correlations are evident, it's hard to disentangle whether sector characteristics cause specific ESG performance levels or if other factors, like underlying governance quality or firm resources, are the primary drivers.[33] Thirdly, geographical bias exists, with many studies focusing on specific regions. The generalizability of findings is limited by differing regulatory stringency and cultural contexts.[34] Finally, there's a risk of oversimplification. Sector is just one variable; firm-specific factors like size, age, leadership commitment, innovation capacity, and available slack resources significantly influence ESG strategy and outcomes.[35]

2.2.2 Industry-Specific ESG Strategies: The HR Services Sector

The HR Services sector, comprising firms centered on staffing, recruitment, and consulting, presents a distinct profile within the broader ESG discourse. Academic discussion highlights its unique position: while possessing a comparatively smaller direct environmental footprint than manufacturing sectors, its social impact, mediated through the management and deployment of vast workforces, is substantial.[36] Moreover,

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[29] Paul J. DiMaggio and Walter W. Powell, "The Iron Cage Revisited: Institutional Isomorphism and Collective Rationality in Organizational Fields," *American Sociological Review* 48, no. 2 (April 1983): 147, https://doi.org/10.2307/2095101.
[30] Deloitte, 2024 Sustainability Action Report, 12-31.
[31] Ranjan DasGupta, "Financial Performance Shortfall, ESG Controversies, and ESG Performance: Evidence from Firms around the World," *Finance Research Letters* 46 (May 2022): 102487, https://doi.org/10.1016/j.frl.2021.102487.
[32] Elena Escrig-Olmedo et al., "Rating the Raters: Evaluating How ESG Rating Agencies Integrate Sustainability Principles," *Sustainability* 11, no. 3 (February 11, 2019): 915, https://doi.org/10.3390/su11030915.
[33] DasGupta, "Financial Performance Shortfall, ESG Controversies, and ESG Performance", 5-7.
[34] Lee and Ahn, "Unlocking the Potential of Green Human Resource Management in Korea",147-150.
[35] Effrosyni Taraza et al., "Environmental, Social, and Governance of Businesses and Organizations and the Role of Human Resources:," in *Advances in Human Resources Management and Organizational Development*, ed. Christos Papademetriou et al. (IGI Global, 2024), 116–32, https://doi.org/10.4018/979-8-3693-2991-7.ch006.
[36] Taraza et al.

these firms act as influential intermediaries, shaping the human capital strategies and, consequently, the ESG practices of their diverse clientele across industries.

Literature on ESG materiality emphasizes identifying factors most relevant to a specific industry's value creation and risk profile. Applying this to the HR Services sector reveals a strong weighting towards Social and Governance dimensions.

1) Environmental (E) Materiality: While direct operational impacts (office energy, travel) exist, scholars implicitly suggest the sector's larger environmental relevance lies in its indirect influence. Concepts from Green Human Resources Management (GHRM), such as those explored by Lee & Ahn, regarding training for environmental management and promoting eco-friendly behaviors,[37] can be applied not just internally but also externally through advising clients on green workforce transitions and staffing for green jobs.

2) Social (S) Materiality: This dimension is paramount and ethically charged for the sector. Academic work on Sustainable Human Resources Management (SHRM), such as Mariappanadar's concepts of the "Stakeholder Harm Index" and "ethics of care", provides critical frameworks that extend analysis beyond direct employees.[38][39] For HR service firms, frameworks are crucial for labor practices of placed workers. Essential issues include internal staff well-being, DE&I for both internal operations and placements, skills development for contingent worker employability, human rights compliance in recruitment, and data privacy protection.[40][41]

3) Governance (G) Materiality: General corporate governance literature, such as that reviewed by Taraza et al.,[42] points to the importance of business ethics, board oversight, transparency, and risk management. For the HR Services sector, these translate into specific challenges: maintaining ethical standards in balancing client

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[37] Lee and Ahn, "Unlocking the Potential of Green Human Resource Management in Korea," 149–51.
[38] Mariappanadar, "Human Resource Management in the Twenty-First Century", 11-20.
[39] Sugumar Mariappanadar, "Stakeholder Harm Index: A Framework to Review Work Intensification from the Critical HRM Perspective," *Human Resource Management Review* 24, no. 4 (December 2014): 313–29, https://doi.org/10.1016/j.hrmr.2014.03.009.
[40] Stevens & Bolton LLP, "What Is ESG and Why Is It Important for HR Professionals?," *Stevens & Bolton LLP*, November 3, 2022, accessed May 2, 2025, https://www.stevens-bolton.com/site/insights/articles/what-is-esg-and-why-is-it-important-for-hr-professionals.
[41] Christos Papademetriou et al., "Sustainability: ESG and Human Resource Management," in *Advances in Human Resources Management and Organizational Development*, ed. Christos Papademetriou et al. (IGI Global, 2024), 1–15, https://doi.org/10.4018/979-8-3693-2991-7.ch001.
[42] Taraza et al., "Environmental, Social, and Governance of Businesses and Organizations and the Role of Human Resources", 122-124.

demands with worker rights, ensuring robust board oversight of labor practices for the placed workforce, achieving transparency in business models and fee structures, and managing significant risks related to co-employment liabilities, evolving labor laws, and reputational damage.

2.3 The Localization of ESG Strategies

Although ESG concerns are global, effective implementation requires adaptation to national contexts. MNCs must balance global consistency with local responsiveness. Literature highlights how international ESG frameworks interact with local regulations, cultures, and institutional constraints—creating both alignment opportunities and localization challenges.

2.3.1 Global Harmonization and Its Limits

Supranational bodies, most notably the European Union, have been highly influential in shaping the ESG landscape through comprehensive regulatory initiatives. The EU's NFRD, implemented from 2017/2018, mandated certain large companies to disclose ESG information, aiming to enhance transparency.[43] Subsequent measures, including the CSRD introducing the detailed European Sustainability Reporting Standards (ESRS), the SFDR, and the EU Taxonomy, represent a significant push towards standardization and comparability across member states.[44][45] Research by Cicchiello et al. suggests the NFRD positively influenced firms' overall ESG performance scores when comparing EU firms to US counterparts, indicating regulation can incentivize improved sustainability outcomes.[46] Similarly, Suta et al. find that frameworks like the TCFD (a precursor often integrated into ESRS) correlate with higher climate disclosure scores.[47]

However, the literature also presents critiques. Quirici highlights inconsistencies and alignment challenges even within the EU's framework, such as differing definitions of "sustainable investment" between the SFDR

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[43] Antonella Francesca Cicchiello, Ferdinando Marrazza, and Salvatore Perdichizzi, "Non‐financial Disclosure Regulation and Environmental, Social, and Governance (ESG) Performance: The Case of EU and US Firms," *Corporate Social Responsibility and Environmental Management* 30, no. 3 (May 2023): 1121–28, https://doi.org/10.1002/csr.2408.
[44] Luca Spataro, Maria Cristina Quirici, and Gabriella Iermano, "Introduction," in *ESG Integration and SRI Strategies in the EU*, ed. Luca Spataro, Maria Cristina Quirici, and Gabriella Iermano, Palgrave Studies in Impact Finance (Cham: Springer Nature Switzerland, 2023), 1–7, https://doi.org/10.1007/978-3-031-36457-0_1.
[45] Alex Suta et al., "Dictionary-Based Assessment of European Sustainability Reporting Standard (ESRS) Disclosure Topics," *Discover Sustainability* 6, no. 1 (February 27, 2025): 146, https://doi.org/10.1007/s43621-025-00930-6.
[46] Cicchiello, Marrazza, and Perdichizzi, "Non‐financial Disclosure Regulation and Environmental, Social, and Governance," 1125–27.
[47] Suta et al., "Dictionary-Based Assessment of European Sustainability Reporting Standard (ESRS) Disclosure Topics."

and the Taxonomy, potentially leading to confusion and greenwashing risks.[48] Furthermore, early studies on the NFRD indicated that while disclosure quantity might have increased, the quality and comparability remained problematic due to the flexibility allowed in reporting frameworks and national implementation variations, a point implicitly supported by Heichl and Hirsch's findings of differing national reporting patterns under NFRD.[49] The CSRD and ESRS aim to address these shortcomings, but their effectiveness in achieving true comparability across diverse national settings is yet to be fully assessed empirically.

2.3.2 National Variation and Institutional Contexts

Despite the drive for supranational harmonization, national context significantly shapes ESG practices and their outcomes. Shin et al. compellingly argue that national culture moderates the relationship between ESG and financial performance; for instance, firms in high individualism or masculinity cultures may see stronger financial rewards for ESG efforts.[50] Country-level governance also plays a critical role. Mooneeapen et al. find that internationalized firms in countries with lower democracy and political stability exhibit higher ESG performance, potentially as a strategy to gain legitimacy, particularly from international stakeholders. Conversely, they find higher regulatory quality is positively associated specifically with corporate governance performance, suggesting enforcement drives compliance in this pillar.[51]

Singhania and Saini's cross-country benchmarking further underscores national differences, revealing significant variation in the adoption and stringency of specific ESG regulations even among countries subject to similar international pressures.[52] Much comparative literature, as noted by Cicchiello et al., tends to focus on broad EU versus US comparisons, reflecting their contrasting regulatory philosophies (mandatory versus largely voluntary).[53] A critique of this focus is that it may overlook significant variations within these large

[48] Maria Cristina Quirici, "SRI: An Insight on the Evolution of Its Definition and a Focus on the European ESG Regulation," in *ESG Integration and SRI Strategies in the EU*, ed. Luca Spataro, Maria Cristina Quirici, and Gabriella Iermano, Palgrave Studies in Impact Finance (Cham: Springer Nature Switzerland, 2023), 67–85, https://doi.org/10.1007/978-3-031-36457-0_4.
[49] Veronika Heichl and Simon Hirsch, "Sustainable Fingerprint – Using Textual Analysis to Detect How Listed EU Firms Report about ESG Topics," *Journal of Cleaner Production* 426 (November 2023): 138960, https://doi.org/10.1016/j.jclepro.2023.138960.
[50] Jiyoung Shin, Jon Jungbien Moon, and Jingoo Kang, "Where Does ESG Pay? The Role of National Culture in Moderating the Relationship between ESG Performance and Financial Performance," *International Business Review* 32, no. 3 (June 2023): 102071, https://doi.org/10.1016/j.ibusrev.2022.102071.
[51] Oren Mooneeapen, Subhash Abhayawansa, and Naushad Mamode Khan, "The Influence of the Country Governance Environment on Corporate Environmental, Social and Governance (ESG) Performance," *Sustainability Accounting, Management and Policy Journal* 13, no. 4 (May 25, 2022): 953–85, https://doi.org/10.1108/SAMPJ-07-2021-0298.
[52] Monica Singhania and Neha Saini, "Quantification of ESG Regulations: A Cross-Country Benchmarking Analysis," *Vision: The Journal of Business Perspective* 26, no. 2 (June 2022): 163–71, https://doi.org/10.1177/09722629211054173.
[53] Cicchiello, Marrazza, and Perdichizzi, "Non‑financial Disclosure Regulation and Environmental, Social, and Governance," 1125–27.

blocs, driven by distinct national legal traditions (civil vs. common law), political ideologies, or specific governance codes that influence corporate behavior beyond the supranational minimums.[54]

2.4 ESG and Global Frameworks: The Synergy with SDGs

Scholarly work suggests that the SDGs provide a universal language and framework that can help contextualize and guide corporate ESG efforts.[55] Consolandi et al. argue that the SDGs help clarify environmental and social externalities sometimes only implicitly covered by ESG standards, offering a lens to evaluate corporate impact.[56] Aligning ESG strategies with relevant SDGs allows companies to demonstrate contributions to societal challenges beyond firm-centric risk management. Methodologies are emerging, often leveraging existing reporting frameworks like Global Reporting Initiative (GRI), to map corporate activities and ESG disclosures onto relevant SDG targets, aiming for greater coherence.[57] Işık et al. note that incorporating ESG principles is seen as pivotal for SDG attainment, influencing responsible business practices.[58]

Academic literature suggests several SDGs are particularly pertinent to the HR Services sector, given its focus on workforce deployment, although the nature of the sector's contribution is debated. SDG 8 (Decent Work and Economic Growth) is frequently highlighted as central. While the sector undeniably contributes to job creation (target 8.5), scholars applying critical frameworks, such as Consolandi et al.'s distinction between financial materiality and impact,[59] question alignment with the "Decent Work" aspect (target 8.8). The sector's reliance on flexible labor models raises concerns about job precarity, potentially conflicting with decent work principles, an area needing more empirical investigation specific to the sector, though general research like Magau's emphasizes the importance of HR practices for decent work conditions.[60]

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[54] Mooneeapen, Abhayawansa, and Mamode Khan, "The Influence of the Country Governance Environment on Corporate Environmental, Social and Governance (ESG) Performance," 19–27.
[55] Tarun Kumar Soni, "Demystifying the Relationship between ESG and SDG Performance: Study of Emerging Economies," *Investment Management and Financial Innovations* 20, no. 3 (July 3, 2023): 1–12, https://doi.org/10.21511/imfi.20(3).2023.01.
[56] Costanza Consolandi et al., "Material ESG Outcomes and SDG Externalities: Evaluating the Health Care Sector's Contribution to the SDGs," *Organization & Environment* 33, no. 4 (December 2020): 511–33, https://doi.org/10.1177/1086026619899795.
[57] Lukacs Bence and Rickards Robert, "How the Categorisation of SDG Targets into ESG Pillars Can Inform the Corporate SDG Report," *Chemical Engineering Transactions* 107 (December 2023): 193–98, https://doi.org/10.3303/CET23107033.
[58] Cem Işık et al., "Navigating Sustainability: Unveiling the Interconnected Dynamics of ESG FACTORS and SDGs in BRICS ‐11," *Sustainable Development* 32, no. 5 (October 2024): 5437–51, https://doi.org/10.1002/sd.2977.
[59] Consolandi et al., "Material ESG Outcomes and SDG Externalities," 18–19.
[60] Mpho D. Magau, "Relationship between Implementation of Sustainable Human Resource Practices and Corporate Market Value," *SA Journal of Human Resource Management* 22 (October 15, 2024), https://doi.org/10.4102/sajhrm.v22i0.2787.

SDG 5 (Gender Equality) and SDG 10 (Reduced Inequalities) are also highly relevant. Literature acknowledges the sector's potential positive influence through implementing non-discriminatory recruitment practices and promoting DE&I (targets 5.5, 10.2).[61] However, the risk of perpetuating existing labor market biases remains a critical concern unless actively managed through ethical safeguards. SDG 4 (Quality Education), specifically target 4.4 (skills for employment), connects to the sector's potential role in facilitating skills development for the contingent workforce, though the extent and quality of such initiatives are often questioned in practice. Regarding SDG 13 (Climate Action), the sector's role is primarily seen as indirect or enabling – sourcing talent for green transitions in client companies – rather than through significant direct emissions reduction. The synergy between HR services' ESG activities and SDG attainment remains largely assumed; van Zanten's findings on the divergence between ESG ratings and SDG scores underscore the need for robust, impact-focused metrics to validate the sector's contributions beyond conventional ESG reporting.[62]

2.5 Challenges and Critiques in ESG Implementation

Despite the increasing prominence of ESG factors in corporate strategy and investment decisions, the practical implementation of ESG principles faces significant challenges and criticisms. This section synthesizes critiques from across the literature, moving from data and reporting issues to organizational barriers and the contextual limits of ESG frameworks—concluding with sector-specific tensions relevant to the HR Services industry.

2.5.1 Data Integrity and Greenwashing Risks

A primary challenge discussed extensively in the literature is the integrity and reliability of ESG data. Tettamanzi et al. note that traditional financial reporting is often inadequate for capturing sustainability performance, necessitating new standards.[63] However, as Kang and Hong point out, the current ESG data landscape suffers from inconsistencies, gaps, and divergence among different rating agencies, making

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[61] Magau, 4–8.
[62] Van Zanten, "Measuring Companies' Environmental and Social Impacts," 20–27.
[63] Patrizia Tettamanzi, Giorgio Venturini, and Michael Murgolo, "Sustainability and Financial Accounting: A Critical Review on the ESG Dynamics," *Environmental Science and Pollution Research* 29, no. 11 (March 2022): 16758–61, https://doi.org/10.1007/s11356-022-18596-2.

objective assessment difficult.[64] This lack of standardized, verifiable data creates fertile ground for "greenwashing", where companies may exaggerate or misrepresent their ESG credentials. De Silva Lokuwaduge and De Silva argue that greenwashing can range from selective disclosure to symbolic reporting that masks poor actual performance, undermining stakeholder trust.[65] Paradoxically, some research suggests regulatory pressures, like green finance policies, might inadvertently incentivize greenwashing, particularly among financially constrained firms seeking reputational benefits, as argued by Yu et al.[66] This challenges the assumption, noted by Hassani and Bahini, that ESG disclosure inherently reduces information asymmetry; without robust verification, it can obscure rather than clarify.[67]

2.5.2 Organizational and Cultural Barriers

Effective ESG implementation often encounters internal resistance rooted in organizational culture and structure. Shapira discusses the challenge from a board oversight perspective, noting that directors may prioritize short-term financial performance or lack the expertise to adequately oversee complex ESG risks.[68] Integrating ESG requires a shift from traditional business-as-usual, which can face pushback if not championed by leadership and embedded in corporate culture.[69] Saviano et al., examining the banking sector, highlight critical knowledge management barriers, including the need for specialized ESG competencies, effective training programs, and improved inter-departmental workflows to handle new data types and processes.[70] Without addressing these internal capabilities and potential cultural resistance, ESG initiatives risk remaining superficial.

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[64] Songhee Kang and Ahreum Hong, "Navigating ESG Challenges in ICT: Risks and Rewards across the Pandemic Landscape," *International Review of Economics & Finance* 99 (April 2025): 103994, https://doi.org/10.1016/j.iref.2025.103994.
[65] Chitra S De Silva Lokuwaduge and Keshara M De Silva, "ESG Risk Disclosure and the Risk of Green Washing," *Australasian Business, Accounting and Finance Journal* 16, no. 1 (2022): 146–59, https://doi.org/10.14453/aabfj.v16i1.10.
[66] Zhen Yu et al., "Can Green Finance Policy Curb Corporate ESG Report 'Green Washing'? — Experiential Evidence from Chinese Listed Companies," *Applied Economics Letters*, June 9, 2024, 1–5, https://doi.org/10.1080/13504851.2024.2363284.
[67] Bertrand Kian Hassani and Yacoub Bahini, "Relationships between ESG Disclosure and Economic Growth: A Critical Review," *Journal of Risk and Financial Management* 15, no. 11 (November 18, 2022): 538, https://doi.org/10.3390/jrfm15110538.
[68] Roy Shapira, "Mission Critical ESG and the Scope of Director Oversight Duties," *Columbia Business Law Review 2022*, no. 2 (2022): 732-803
[69] Muhammad Sani Khamisu, Ratna Achuta Paluri, and Vandana Sonwaney, "Stakeholders' Perspectives on Critical Success Factors for Environmental Social and Governance (ESG) Implementation," *Journal of Environmental Management* 365 (August 2024): 121583, https://doi.org/10.1016/j.jenvman.2024.121583.
[70] Marialuisa Saviano et al., "The Challenges in Integrating ESG Factors into Banks' Credit Department: A Knowledge Management Enhanced Framework," *Journal of Knowledge Management* 28, no. 8 (October 10, 2024): 2460–81, https://doi.org/10.1108/JKM-11-2023-1042.

2.5.3 The Tension Between Standardization and Contextualization

The drive for globally standardized ESG reporting frameworks, aimed at improving comparability, clashes with the need for context-specific approaches. Kang and Hong refer to this as the "customizability-standardisation paradox."[71] While standards like the EU's ESRS aim for harmonization, critics argue that a one-size-fits-all approach may overlook nuances critical to specific industries, firm sizes, or national contexts.[72] Hassani and Bahini question whether complete, mandatory disclosure is economically optimal, suggesting thresholds tailored to country development levels or firm characteristics might be more effective.[73] Finding a balance that ensures comparability without sacrificing relevance to specific operational realities remains a central challenge for regulators and companies alike. The effectiveness of emerging standards in navigating this tension is yet to be fully determined.

2.5.4 ESG & SDG Misalignment

Although ESG is frequently aligned with the UN SDGs, conceptual and empirical gaps persist. ESG ratings often reflect risk mitigation for investors ("outside-in") rather than societal impact ("inside-out"), leading to poor alignment with SDG progress.[74] Voluntary SDG disclosures further complicate matters, allowing firms to selectively report on favorable targets while ignoring more contentious or resource-intensive issues.[75] Evidence from emerging economies also shows stronger links between environmental disclosures and SDG alignment than for social or governance elements, raising concerns about impact asymmetry.[76]

2.5.5 HR Services Sector-Specific Challenges

ESG implementation in the HR services sector presents unique structural and ethical tensions, especially concerning contingent workers placed at client sites. Social and governance issues dominate materiality, but

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[71] Kang and Hong, "Navigating ESG Challenges in ICT," 12.
[72] Zbigniew Korzeb et al., "How Do ESG Challenges Affect Default Risk? An Empirical Analysis from the Global Banking Sector Perspective," *Studies in Economics and Finance* 42, no. 1 (January 2, 2025): 89–114, https://doi.org/10.1108/SEF-09-2023-0540.
[73] Hassani and Bahini, "Relationships between ESG Disclosure and Economic Growth," 14–15.
[74] Jan Anton Van Zanten, "Measuring Companies' Environmental and Social Impacts: An Analysis of ESG Ratings and SDG Scores," *Organization & Environment*, April 4, 2025, https://doi.org/10.1177/10860266251326895.
[75] Işık et al., "Navigating Sustainability," 10–11.
[76] Kumar Soni, "Demystifying the Relationship between ESG and SDG Performance," 10–11.

existing frameworks like SHRM and GHRM require adaptation to address the tripartite relationship between firm, worker, and client, where accountability is often diffuse.[77]

Performance incentives add complexity. Recruiters rewarded on volume may deprioritize DE&I, ethical screening, or long-term inclusion, undermining ESG goals—particularly in the social domain.[78] The risk of "social washing" is significant: firms may showcase internal diversity while overlooking precarious conditions among outsourced labor, raising questions of legitimacy.[79]

Data collection further complicates impact assessment. Measuring social outcomes across fragmented, client-controlled environments poses methodological and legal challenges.[80]

Despite these issues, the HR services sector remains under-researched. While most ESG studies focus on high-emission industries or cross-sector trends, this sector—central to labor intermediation and directly tied to SDGs 5, 8, and 10—demands more focused scrutiny.

2.6 Conclusion: Identifying the Research Gap

This literature review traced the evolution of ESG from its CSR roots to a strategic priority shaped by regulatory mandates and stakeholder demands. While ESG adoption is growing, its implementation varies widely depending on industry characteristics, national institutions, and organizational capacity.

Sectoral ESG materiality is uneven. The HR services sector, though low in direct environmental impact, plays a pivotal role in shaping labor markets through contingent and outsourced workforces. Yet its structural complexity and client-facing model complicate efforts to measure social impact, enforce governance, and avoid social washing. Frameworks like SHRM and GHRM offer conceptual foundations but require further adaptation to address intermediated employment and cross-border dynamics.

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[77] Sugumar Mariappanadar, "High-Performance Sustainable Work Practices for Implementing ESG Strategy," in *Sustainable Human Resource Management Strategies and Practices*, by Sugumar Mariappanadar (Singapore: Springer Nature Singapore, 2024), 179–202, https://doi.org/10.1007/978-981-97-8688-6_8.
[78] Lee and Ahn, "Unlocking the Potential of Green Human Resource Management in Korea," 149–51.
[79] Lyndsay M. C. Hayhurst and Courtney Szto, "Corporatizating Activism Through Sport-Focused Social Justice? Investigating Nike's Corporate Responsibility Initiatives in Sport for Development and Peace," *Journal of Sport and Social Issues* 40, no. 6 (December 2016): 522–44, https://doi.org/10.1177/0193723516655579.
[80] Deloitte, *2024 Sustainability Action Report*, 12-31.

Substantial research explores ESG localization, particularly the tension between global standards and local responsiveness. However, most studies focus on heavy industries or cross-regional reporting, offering little insight into how service-based, socially intensive sectors implement ESG on the ground. Much of the literature remains normative—critiquing greenwashing and SDG misalignment—without unpacking the micro-level processes of adaptation.

This creates a critical research gap at the intersection of three underexplored areas: (1) ESG operationalization beyond high-emission sectors; (2) localization in service industries with diffuse social impact; and (3) the ethical and strategic challenges of managing ESG in firms dependent on temporary, client-embedded laborr; and (4) the gap between theoretical ESG–SDG alignment and its practical implementation. Addressing these gaps is essential to advancing ESG where social outcomes are central but structurally difficult to measure. This thesis responds to these challenges by investigating ESG strategy development and localization in the HR services sector, offering insights grounded in a case study of Randstad.

CHAPTER 3: RESEARCH METHODOLOGY

3.1 Theoretical Framework

This study examines how Randstad, a MNC in the HR services sector, formulates and localizes its ESG strategy across institutional contexts. To analyze these processes, it applies a synthesized theoretical framework combining Institutional Theory, Stakeholder Theory, and Legitimacy Theory. These three theories guide the interpretation of the ESG strategy formation and localization process visualized in Figure 2.

Institutional Theory explains how external environments—comprising formal rules (e.g., laws, regulations) and informal norms (e.g., cultural expectations)—shape organizational behavior.[81] For Randstad, global ESG frameworks (e.g., ESRS, SDGs) and investor demands influence strategy design, while local regulations and cultural norms drive national-level adaptation.[82]

Stakeholder Theory identifies the actors who exert these institutional pressures.[83] Randstad engages a wide stakeholder network—investors, clients, employees, placed workers, governments, and communities—whose influence varies globally and locally. Globally, the firm responds to investor expectations and normative trends; locally, national stakeholders shape ESG practices through direct demands and social influence.

Legitimacy Theory explains the motivations behind these strategic and adaptive responses. Beyond compliance, organizations seek to gain and sustain legitimacy by aligning with prevailing norms.[84] Randstad, for instance, aims to demonstrate its credibility by adhering to international ESG standards and addressing local social expectations.

While Figure 2 presents the structural logic of ESG strategy formation and localization—shaped by global pressures, local contexts, and organizational capabilities—the three theories offer the analytical lens through which this process is interpreted. Institutional Theory is especially relevant in Chapter 5, which focuses on

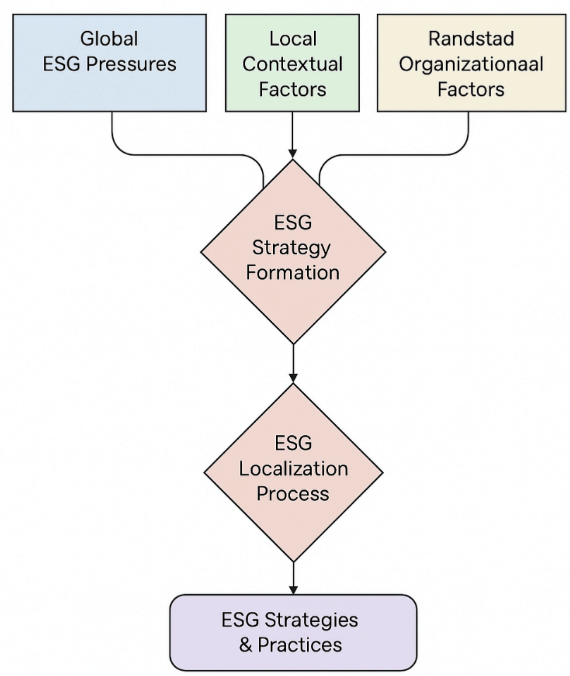
[81] DiMaggio and Powell, "The Iron Cage Revisited," 147.
[82] Mooneeapen, Abhayawansa, and Mamode Khan, "The Influence of the Country Governance Environment on Corporate Environmental, Social and Governance (ESG) Performance," 19–27.
[83] R. Edward Freeman, *Strategic Management: A Stakeholder Approach*, 1st ed. (Cambridge University Press, 2010), https://doi.org/10.1017/CBO9781139192675.
[84] Suchman, Mark C. "Managing Legitimacy: Strategic and Institutional Approaches." *The Academy of Management Review* 20, no. 3 (1995): 571-610.

ESG localization, while Stakeholder and Legitimacy Theories are central to Chapter 4's analysis of strategic development and alignment.

As shown in the figure, ESG strategy emerges from the interaction of three core forces:

1) **Global ESG Pressures**: International regulatory frameworks (e.g., ESRS), sustainability benchmarks, investor expectations, and transnational commitments (e.g., SDGs).
2) **Local Contextual Factors**: National ESG regulations, labor laws, cultural norms, stakeholder priorities, and country-level governance.
3) **Randstad Organizational Factors**: The company's internal capabilities, resources, sector-specific role, and governance structures that mediate how external pressures are interpreted and acted upon.

Figure 2. Conceptual Framework for Analyzing ESG Strategy Formation and Localization in Randstad



Source: Developed by the author of the thesis

Together, these dynamics produce ESG strategies and practices that are globally coherent yet locally responsive—a core focus of this thesis.

3.2 Definition of Terms and Concepts

The key concepts used in this thesis are presented below. The theoretical and operational definitions are provided to lay out how the terms are characterized in the literature, and how they are utilized in the present study.

Table 1. Terms and concepts used in the thesis

Concept	Theoretical Definition	Operational Definition (in this study)
Environmental, Social, and Governance (ESG)	A framework used to assess a corporation's business practices and performance on various sustainability and ethical issues, encompassing environmental impact, social relationships (with employees, suppliers, customers, communities), and corporate governance structures.[85]	Refers specifically to Randstad's policies, practices, performance, and disclosures related to environmental sustainability (e.g., office footprint), social responsibility (e.g., labor practices for placed workers, DE&I, human rights), and internal governance mechanisms.
Industry-Specific ESG Strategies	The tailoring of ESG priorities and initiatives based on the unique risks, opportunities, impacts, and stakeholder expectations inherent to a particular economic sector (e.g., manufacturing vs. services vs. finance).[86]	Refers to how Randstad's ESG approach addresses issues particularly material to the HR Services sector, such as decent work for contingent labor, data privacy in recruitment, ethical algorithms, and DE&I in placements, potentially differing from ESG strategies in other industries.
ESG Localization	The process by which MNCs adapt their global corporate strategies, policies, and practices (in this case, related to ESG) to align with the specific conditions, regulations, norms, and stakeholder expectations	Refers to the specific ways Randstad modifies or tailors its global ESG commitments, reporting focus (e.g., alignment with ESRS vs. other standards), and operational initiatives (e.g.,

[85] Stuart L. Gillan, Andrew Koch, and Laura T. Starks, "Firms and Social Responsibility: A Review of ESG and CSR Research in Corporate Finance," *Journal of Corporate Finance* 66 (February 2021): 101889, https://doi.org/10.1016/j.jcorpfin.2021.101889.
[86] Mooneeapen, Abhayawansa, and Mamode Khan, "The Influence of the Country Governance Environment on Corporate Environmental, Social and Governance (ESG) Performance", 955-980.

	of the local host country environments in which they operate.[87]	social programs, diversity targets) to fit the distinct legal, cultural, and market contexts of its various national subsidiaries.
Sustainable Development Goals (SDGs)	A collection of 17 interlinked global goals established by the United Nations in 2015, designed as a “shared blueprint for peace and prosperity for people and the planet, now and into the future,” covering areas like poverty, inequality, climate change, decent work, and justice.[88]	Refers to the specific UN SDGs (particularly 4, 5, 8, 10, 13) relevant to the HR Services sector and Randstad’s operations, serving as a global framework against which the company’s ESG impacts and contributions might be assessed or aligned.
Double Materiality	An approach to materiality assessment in sustainability reporting, considering both financial materiality (how ESG issues affect the company’s financial performance and value) and impact materiality (how the company's activities impact the environment and society), as notably required by the EU’s CSRD/ESRS.[89]	Refers to the dual perspective potentially used by Randstad (especially within its EU operations) to identify material ESG topics: considering factors affecting its business value (e.g., talent attraction, client demands) and its outward impacts on people and planet (e.g., contribution to decent work, inequality).
Key Performance Indicators (KPIs)	Quantitative or qualitative metrics used to evaluate an organization’s performance on specific strategic or operational goals, often aligned with regulatory, stakeholder, or internal benchmarks.	Refers to Randstad’s use of both global and local ESG indicators (e.g., talent placed, DE&I representation, training hours, safety rates) to track and communicate progress on material topics, aligned with ESRS and SDGs. Used to measure strategy effectiveness and accountability across global and local levels.

87 Bryan W Husted and David B Allen, “Corporate Social Responsibility in the Multinational Enterprise: Strategic and Institutional Approaches,” *Journal of International Business Studies* 37, no. 6 (November 2006): 838–49, https://doi.org/10.1057/palgrave.jibs.8400227.
88 United Nations, *Transforming Our World: The 2030 Agenda for Sustainable Development* (New York: UN, 2015).
89 European Financial Reporting Advisory Group (EFRAG), “Draft ESRS 1 General Requirements,” November 2022, Appendix C Definition of double materiality.

3.3 Research Design

This study adopts a practical, problem-driven approach to examine how and why ESG strategies are developed and adapted in real-world business contexts. To explore these processes in depth, it employs a mixed-methods single case study design, enabling both descriptive and explanatory insights.

A single case study is particularly well-suited for addressing the research questions: How does a leading HR services firm define its sector-specific ESG priorities? Why are certain strategies adopted or emphasized? And how are these strategies localized across different national contexts? This design allows for a nuanced analysis of the interplay between industry-specific pressures, global ESG standards, local institutional variation, and internal organizational dynamics within the bounded case of Randstad.[90]

Randstad was selected through purposive sampling for several reasons aligned with the research objectives. As a global leader in the HR services sector headquartered in the Netherlands, Randstad represents a critical case for studying ESG in a people-centered industry closely tied to SDGs 4, 5, 8, and 10. Its operations span multiple countries, offering a valuable lens into ESG localization across diverse regulatory and cultural environments.

Moreover, Randstad's demonstrated commitment to sustainability—evidenced by its SBTi-validated climate goals,[91] high ESG ratings (e.g., EcoVadis Platinum, Dow Jones Sustainability Index Europe),[92] and the evolution of ESG-related reporting since 2010—makes it a suitable case for examining the maturation of ESG practices over time. Its long-standing documentation of local sustainability initiatives since 2015 further supports the study's focus on adaptation. Finally, the availability of rich public data and access to internal perspectives through interviews increases the feasibility and depth of this inquiry.

In sum, the chosen research design supports an in-depth understanding of both how ESG strategies are structured and why specific approaches are adopted or adapted across global and local contexts within a strategically significant sector.

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[90] Sufumi So, "*Case Study Research: Design and Methods* by YIN, ROBERT K," *The Modern Language Journal* 95, no. 3 (September 2011): 474–75, https://doi.org/10.1111/j.1540-4781.2011.01212_17.x.

[91] Science Based Targets, "Companies Taking Action," SBTi Website, accessed May 4, 2025, https://sciencebasedtargets.org/companies-taking-action. (Verify Randstad's current status).

[92] Randstad, "Sustainability: ESG Ratings and Recognition," Randstad Holding Website, accessed May 4, 2025, https://www.randstad.com/sustainability/esg-ratings-and-recognition/. (Verify specific ratings mentioned).

3.4 Data Collection Methods

To gain a comprehensive understanding of Randstad's ESG strategy development, industry-specific focus, and localization, this study utilizes multiple data sources within its mixed-methods design, combining qualitative depth with quantitative textual analysis.

Qualitative Data

1) Document Analysis: This forms a core data source for tracing the evolution and content of Randstad's articulated ESG strategy. Key documents collected and analyzed encompass a longitudinal period to capture strategic shifts:

a) Randstad's Annual Reports (2010-2024).
b) Reports on Local Sustainability Initiatives (targeting 2015-2024 where publicly available, to identify specific local adaptations).
c) Specific publicly accessible reports "Impact measurement pilot report (2021)" and its "Sustainability Report (2024)".
d) Other relevant materials such as company policy documents, press releases, and website content pertaining to ESG accessible during the research period. This analysis focuses on identifying stated strategies, priorities, reported activities, and alignment with industry-specific ESG concerns and global frameworks like the ESRS or SDGs.

2) Semi-structured Interviews: To explore the practical implementation, decision-making rationale, drivers, and challenges associated with developing industry-relevant and localized ESG strategies, semi-structured interviews are planned. The selection aimed to capture diverse perspectives across different ESG-related functions, as detailed in Table 2. The researcher's ongoing internship at Randstad provided valuable insights into the company's ESG operational structure and key personnel, which directly facilitated this selection process, ensuring participants were well-positioned to address the research questions. An interview guide, informed by the theoretical framework (Section 3.1) and literature review, will structure the conversations while allowing flexibility.[93]

[93] Brinkmann, Svend, and Steinar Kvale. *Interviews: Learning the Craft of Qualitative Research Interviewing*. Third ed. Thousand Oaks, California: SAGE Publications, Inc, 2015.

Table 2. Overview of Interview Participants

Interviewee Job Title	Primary Focus Area	Key Responsibilities	Connection to Key ESG Frameworks
ESG Specialist	ESG Reporting & CSRD Compliance	Responsibility for ESG-related reporting; Ensuring compliance with CSRD regulations; Implementing controls for non-financial reporting; Supporting Randstad's alignment with UN SDGs.	CSRD, ESRS, UN SDGs, IFRS Sustainability Disclosure Standards, GRI
Net Zero project Leader	Net Zero Project (Scope 1-3) & Climate Action	Leading the Net Zero project for scope 1-3 emissions; Implementing sustainable mobility, energy efficiency, renewable electricity, and sustainable travel initiatives; Managing supplier engagement policy for emissions reduction; Overseeing global Net Zero Ambassador Network.	UN SDG 13 (Climate Action), Science-Based Targets initiative (SBTi)
Global lead - ESG Risk	ESG Strategy, Risk & Opportunity Management	Leading ESG reviews to strengthen and align Randstad's ESG strategy; Guiding management on ESG risks and opportunities; Member of Business Risk & Audit Function (BR&AF) providing insights on risk management, internal control, and governance.	CSRD, ESRS, UN SDGs, IFRS Sustainability Disclosure Standards, GRI
Senior global sustainability specialist	Global Sustainability Strategy & Reporting	Developing and implementing global sustainability agenda; Managing integrated non-financial reporting systems; Overseeing annual application to Dow Jones Sustainability Index (DJSI); Leading global sustainability community & Decision making	UN SDGs (4, 5, 8, 10,13), DJSI, IIRC Integrated Reporting Framework, CSRD, ESRS
Business Development Manager ESG, Yacht (Randstad Professional)	ESG Business Development & Market Connection	Connecting market trends in Finance, HR, M&C, and Legal to ESG opportunities; Providing impact analyses and strategic advice to Yacht's management; Building networks and expertise in ESG; Focusing on innovation, technology, HR, sales, and sustainability ESG.	Market trends in ESG, Sustainability principles across various business functions

Quantitative Data

The primary textual data for quantitative analysis consists of the content extracted from Randstad's main Annual Reports (2010-2024); ESG and Sustainability Reports (2022-2024); Local Sustainability Initiatives Reports (2015-2024). This textual corpus is collected to facilitate a subsequent quantitative content analysis[94], aimed at examining the evolution of reporting themes and tracking specific ESG metrics over time.

[94] Kimberly A. Neuendorf, *The Content Analysis Guidebook* (2455 Teller Road, Thousand Oaks California 91320: SAGE Publications, Inc, 2017), https://doi.org/10.4135/9781071802878.

3.5 Data Analysis Methods

This study employs a mixed-methods approach, integrating qualitative and quantitative text analysis to examine how ESG strategies are developed and adapted. Analyses were conducted using ATLAS.ti, accessed through a licensed version provided by the Erasmus University Rotterdam library.

3.5.1 Qualitative Data Analysis

The qualitative data—comprising semi-structured interview transcripts and selected company documents—were analyzed using reflexive thematic analysis, as outlined by Braun and Clarke (2006)[95], and facilitated through ATLAS.ti. This method supported an iterative, flexible exploration of how ESG strategies are developed and adapted within Randstad.

Coding was conducted both deductively—based on the theoretical framework—and inductively, allowing unanticipated insights to emerge from participants' narratives. Codes were progressively grouped into broader analytical themes, such as strategic drivers, governance mechanisms, adaptation processes, and local implementation dynamics. These themes structure the empirical findings in Chapters 4 and 5.

ATLAS.ti was used to support the organization of transcripts, capture reflexive memos, and retrieve relevant coded segments for analysis. Visual tools within the software were also used to explore thematic relationships in a qualitative sense, helping to refine interpretations rather than quantify them. This process enabled a nuanced understanding of ESG strategy as experienced and narrated by key actors, aligning with the case study's focus on real-world processes and context-specific meaning.

3.5.2 Quantitative Data Analysis

To complement the interpretive depth of thematic analysis, this study employs quantitative text analysis to identify frequency, co-occurrence, and structural patterns within coded data, using ATLAS.ti on both interview transcripts and corporate documents.

For both data sources, code frequency highlighted the most prominent topics, while co-occurrence analysis revealed how themes—such as ESG priorities, adaptation mechanisms, or reporting practices—tended to

[95] Virginia Braun and Victoria Clarke, "Using Thematic Analysis in Psychology," *Qualitative Research in Psychology* 3, no. 2 (January 2006): 77–101, https://doi.org/10.1191/1478088706qp063oa.

cluster. These patterns informed the structuring of findings across both empirical chapters. Network visualizations further mapped conceptual linkages between themes and participant roles or document types, illustrating how emphases varied across organizational levels and content types.

Quantitative content analysis of Randstad's reports (2010–2024) traced the evolution of ESG discourse across global and local disclosures. Code counts and visual tools—such as heatmaps and line charts—revealed shifts in thematic focus over time and geography, providing a macro-level view of reporting trends. These patterns reinforced insights from the interviews and qualitative coding, helping to contextualize findings within broader organizational and temporal developments.

Combined with qualitative analysis, these quantitative techniques form an integrated mixed-methods approach. While qualitative coding captures depth and nuance, quantitative tools reveal structural and comparative patterns. Co-occurrence, in particular, is used both interpretively (to support theme development) and computationally (to detect scaled relationships and prominence across datasets).

3.6 Ethical Considerations

This study adheres to the ethical guidelines of Erasmus University Rotterdam (EUR).

A key ethical concern involved data from the case organization, Randstad. Publicly available materials (e.g., annual reports, ESG disclosures, website content) were used with proper citation. Access to internal, non-public information was granted through a thesis internship under the supervision of a company coach. Use of such data complies with confidentiality agreements to ensure sensitive business information remains protected.

For qualitative data, ethical protocols were strictly followed. All interview participants received EUR-compliant consent forms outlining the study's purpose, data usage, confidentiality, and their rights (including the right to withdraw). Participation was voluntary, and identifying details have been removed or anonymized in reporting.

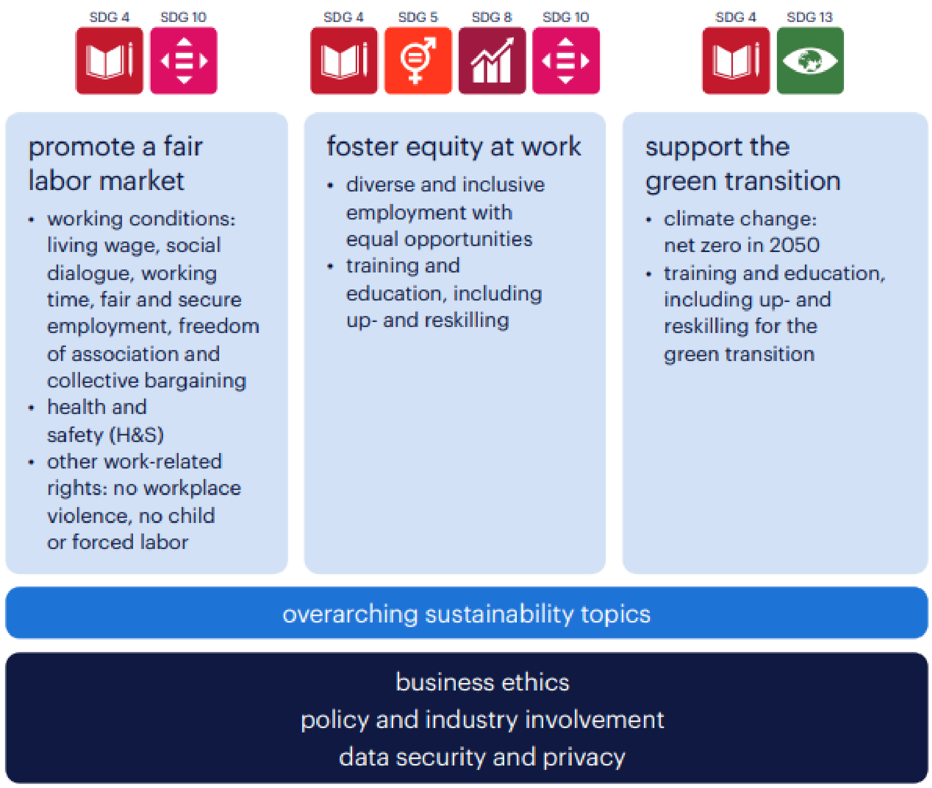
All data—interview transcripts, notes, and document corpora—are stored securely in line with EUR's data management policies. This research aims to contribute ethically sound insights, maintaining transparency while respecting the interests of both Randstad and individual participants.

CHAPTER 4 CASE STUDY: RANDSTAD'S SPECIFIC ESG STRATEGIES

4.1 Introduction

This chapter presents the empirical findings derived from the case study of Randstad, focusing on how the company develops ESG strategies tailored to the HR services sector, specifically addressing the SRQ1. The subsequent analysis is structured around the three critical dimensions guiding the exploration of SRQ1: first, the key internal drivers and external pressures motivating Randstad's ESG approach (Section 4.2); second, Randstad's approach to ESG materiality, encompassing the evolution of its reporting framework, relevant governance structures, and the metrics employed for performance measurement (Section 4.3); and third, the mechanisms employed to ensure Randstad's strategies align with recognized global frameworks and standards (Section 4.4).

Figure 3. Randstad's Three Pillars of Sustainability



Source: Randstad Sustainability Report 2024[96]

[96] Randstad N.V., 6.

As depicted in Figure 3, Randstad's strategic ESG framework is built upon three fundamental sustainability pillars: 1) promoting a fair labor market (addressing working conditions, health & safety, and labor rights), 2) fostering equity at work (focusing on diverse and inclusive employment and skills development), and 3) supporting the green transition (including climate action and reskilling for green jobs).[97] These pillars are explicitly linked to key UN SDGs, notably SDG 4, 5, 8, 10, and 13.[98] This framework provides the backdrop against which the findings on strategy development and localization are presented.

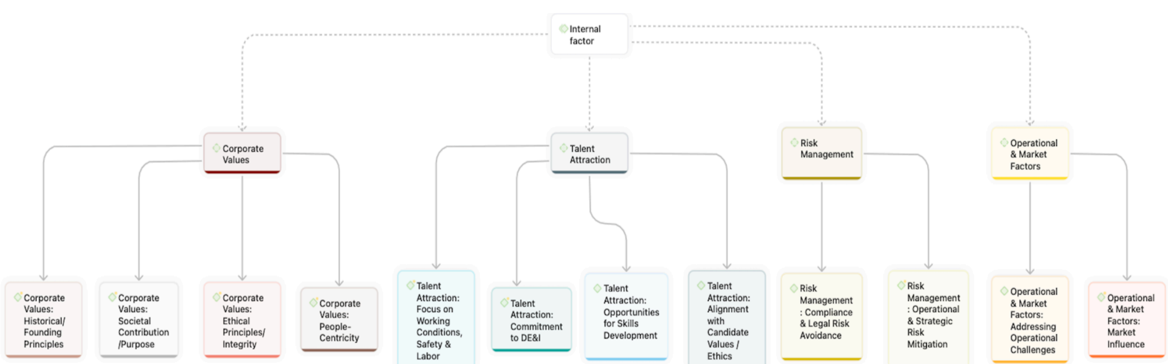
4.2 Drivers and Motivations

This section analyzes the internal drivers and external pressures shaping Randstad's HR-specific ESG strategy, addressing the first dimension of SRQ1: What motivates HR firms like Randstad to develop tailored ESG strategies instead of adopting generic frameworks? Findings are based on thematic interview analysis with five Randstad ESG professionals, supported by code relationships identified in ATLAS.ti.[99] Seven key drivers emerged and are grouped below as internal motivations and external pressures.

Internal Drivers

There are four internal drivers shaping Randstad's ESG strategy, linked to its values, talent goals, risk exposure, and market operations (Figure 4).

Figure 4. Randstad's ESG Strategy Internal Drivers



Source: Author's analysis based on interview data (ATLAS.ti)

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[97] Randstad N.V., "Randstad Sustainability Report" (Diemen, Netherlands, 2025), 3, https://www.randstad.com/s3fs-media/rscom/public/2024-09/Randstad_Sustainability_Report_v2_0.pdf?VersionId=_8AzpqR3ix_uCEy5n5WTxYeNSzb0LeL9.
[98] Randstad N.V., "Randstad Sustainability Report," 6.
[99] Aishan Liu, 'Qualitative Analysis of Interviews', Atlas ti Project, 5 May 2025.

Note: For detailed coding structure and analysis, see Appendix 3.

1) Corporate Values

This was the most frequently cited internal driver, with 29 coded references across interviews.[100] Respondents consistently linked ESG—particularly social initiatives like labor rights and equity—to Randstad's people-centric mission and societal purpose. These values also intersect with talent attraction and compliance considerations. The co-occurrence analysis (see Table 3) shows Corporate Values often intersect with Talent Attraction and Regulatory Trends, suggesting these values are not only intrinsic but also form a basis for responding to workforce needs and compliance pressures.

'We really focus on working conditions, labor rights, health and safety to make sure that for our employees, and especially the talent that we place in our client organizations that they work in safe and secure work conditions and that there are no human rights that are violated.'[101]

– Senior global sustainability specialist

Table 3. Co-occurrence Matrix of ESG Strategy Driver Themes

	•Corporate Values Gr=27	•Investor Demands Gr=3	•Operational & Market Factors Gr=6	•Regulatory Trends Gr=14	•Risk Management Gr=4	•Stakeholder Expectations Gr=4	•Talent Attraction Gr=16
•Corporate Values Gr=27	0	0	2	3	0	1	6
•Investor Demands Gr=3	0	0	0	1	0	0	0
•Operational & Market Factors Gr=6	2	0	0	0	0	0	1
•Regulatory Trends Gr=14	3	1	0	0	0	1	0
•Risk Management Gr=4	0	0	0	0	0	0	1
•Stakeholder Expectations Gr=4	1	0	0	1	0	0	0
•Talent Attraction Gr=16	6	0	1	0	1	0	0

Source: Author's analysis based on interview data (ATLAS.ti)

Note: For detailed coding structure and analysis, see Appendix 3.

[100] Liu, Qualitative Analysis of Interviews.
[101] Senior global sustainability specialist, interview by the author, April 8, 2025, transcript.

2) Talent Attraction

Attracting and retaining talent emerged as a core strategic driver, recognized as the second most cited internal motivation, with 19 coded references.[102] ESG was seen as central to DE&I, ensuring safe work environments, and aligning with candidate values. Participants emphasized the dual focus on internal employees and placed workers. The strong co-occurrence with Corporate Values reinforces the idea that Randstad leverages its value proposition, including its ESG stance, to appeal to current and potential employees.

'Internally for our own employees we want to be an inclusive employer and promote the hiring and inclusion of diverse candidates, including people with disabilities, women, etc…'[103]

– Senior global sustainability specialist

3) Risk Management

Though mentioned less frequently (4 coded references),[104] risk management was identified as a distinct internal driver due to the strategic weight interviewees placed on it. ESG was positioned not just as a compliance tool, but as a proactive mechanism for identifying and mitigating reputational, operational, and emerging risks—including climate-related exposures.

'Our key control framework lists out all the controls that are in place which mitigate the risks… What control means is that we try to manage the potential negative effect of something going wrong… which is the risk. So the potential event of us not having a very healthy and safe workplace because health and safety is a social risk… We also consider climate as an emerging risk that might hit us in the future.'[105]

– ESG Risk Global lead

4) Operational & Market Factors

Motivations stemming from operational realities and market dynamics were also present, with 6 coded references.[106] Interviewees highlighted sector-specific operational challenges, competitive benchmarking, and

[102] Liu, Qualitative Analysis of Interviews.
[103] Senior global sustainability specialist, interview.
[104] Liu, Qualitative Analysis of Interviews.
[105] ESG Risk Global lead, interview by the author, April 8, 2025, transcript.
[106] Liu, Qualitative Analysis of Interviews.

the role of ESG in talent pipeline development and measurable social value creation. These patterns are also reflected in the co-occurrence data.

'If you place someone in employment – especially someone with a distance to the labor market – their well-being is increased. They can then take care of their family, human capital is created, and the government no longer has to pay subsidiary benefits…'[107]

– Senior global sustainability specialist

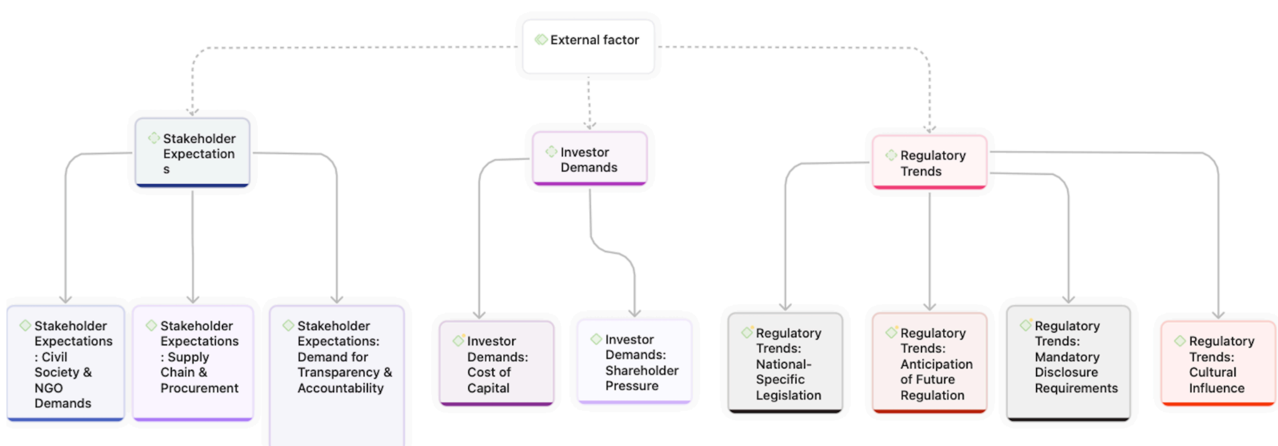
'Recently I conducted a benchmarking exercise to see via the annual reports of competitors and other industry peers what type of targets and what type of KPIs are they setting for their ESG topics…'[108]

– ESG Risk Global lead

External Pressures

Three key external pressures stem from evolving regulatory demands, investor expectations, and broader stakeholder engagement (Figure 5).

Figure 5. Randstad's ESG Strategy External Drivers



Source: Author's analysis based on interview data (ATLAS.ti)

Note: For detailed coding structure and analysis, see Appendix 3.

[107] Senior global sustainability specialist, interview.
[108] ESG Risk Global lead, interview.

1) Regulatory Trends

This was the most frequently cited external pressure, with 14 coded references.[109] The EU's CSRD and ESRS were central drivers, shaping Randstad's ESG reporting and transparency. Some interviewees highlighted proactive alignment across EU markets despite uneven national implementation.

'The ESG part of the annual report is aligned with the CSRD, the new European Directive which mandates companies to report on ESG. The Netherlands had not officially implemented CSRD by the deadline, so it was not formally applicable here, but we want to show our efforts to the outside world…' [110]

– ESG Specialist

2) Investor Demands

Investor pressure (4 coded references) was noted as evolving.[111] While shareholders have traditionally emphasized short-term financial returns, interviewees observed a growing interest in sustainability topics, particularly in relation to disclosure practices and potential capital implications. This shift reinforces the emerging relevance of ESG to investor relations, even as short-term expectations persist.

'So to quarterly results, shareholders meet to find a way to engage leadership for the long term because they are very focused on the short term results. And it's nice to see that shareholders are also asking us more and more questions about sustainability related topics.' [112]

– Senior global sustainability specialist

3) Stakeholder Expectations

Also coded in 4 instances,[113] broader stakeholder pressure—including from NGOs, advocacy networks, and civil society—was cited as influential, particularly regarding ethical sourcing and inclusive hiring. These actors play a growing role in shaping Randstad's ESG commitments beyond regulatory or investor demands.

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[109] Liu, Qualitative Analysis of Interviews.
[110] ESG Specialist, interview by the author, April 4, 2025, transcript.
[111] Liu, Qualitative Analysis of Interviews.
[112] Senior global sustainability specialist, interview.
[113] Liu, Qualitative Analysis of Interviews.

'We are members of a couple of NGOs and network organizations. An example of that is tent membership for partnership for refugees. So we do have a global refugee support program which fits within the equity at work pillar in which we aim to help refugees to find work'[114]

– Senior global sustainability specialist

In sum, Randstad's ESG strategy is shaped by a dynamic interplay of internal values—especially people-centricity and talent attraction—and external pressures led by regulation, investor scrutiny, and stakeholder expectations. Operational challenges, benchmarking, and risk management also contribute to a multifaceted motivational landscape. These drivers collectively push the company to articulate a sector-specific ESG approach that is both values-driven and responsive to evolving institutional demands.

4.3 The Evolution of ESG Materiality and Reporting at Randstad

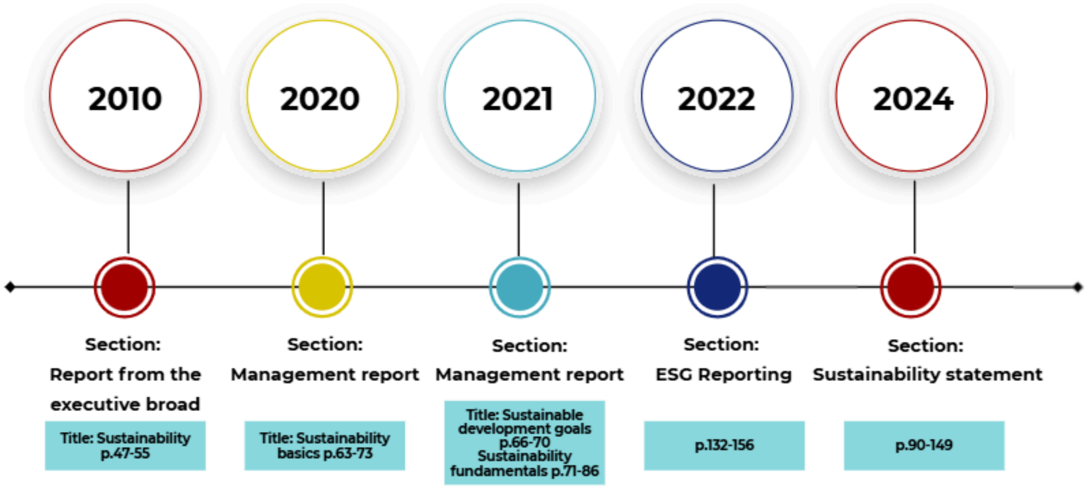
This section delves into the historical development of Randstad's approach to ESG factors, addressing a key component of SRQ1's second dimension: how the company's understanding and communication of material ESG issues have evolved over time. Based on Randstad's Annual Reports (2010-2024), particularly ESG and Sustainability sections, this analysis traces the progression of its ESG reporting structures, the maturation of its materiality assessment processes, and the shifting thematic focus within its disclosures.The section will first examine Randstad's overall ESG journey in reporting and materiality (4.3.1), followed by a quantitative analysis of the thematic evolution of reported topics (4.3.2). It will then explore the internal governance mechanisms guiding these developments (4.3.3) and briefly consider the potential influence of corporate culture (4.3.4) on Randstad's ESG trajectory.

4.3.1 Randstad's ESG Journey in Reporting

An analysis of Randstad's corporate reporting from 2010 to 2024 reveals a significant and progressive evolution. This journey involves noticeable changes in how the company structures its ESG disclosures over time, with sustainability information migrating from subsections within broader reports to standalone, comprehensive statements. This structural progression is visually summarized in the timeline presented in Figure 6.

Figure 6. Randstad's ESG Reporting Journey, 2010-2024

[114] Senior global sustainability specialist, interview.



Source: Developed by the author of the thesis

Beyond these structural shifts, Randstad's ESG journey also demonstrates a clear evolution in its thematic focus, its approach to materiality (including the methods for identifying and prioritizing key topics), and its responsiveness to key external drivers such as regulatory trends. These broader aspects, which together showcase a clear trajectory towards greater depth, transparency, and alignment with increasingly sophisticated standards, are detailed in Table 4.

Table 4. Evolution of Randstad's ESG Reporting Focus and Drivers (2010-2024)

Year	Report Type/Section	Primary Focus Evolved	Key Changes	Key Drivers
2010	Annual Report (Subsection: "Sustainability" within "Report from the Executive Board")	Foundational Sustainability; Broad CSR principles	Initial articulation of sustainability as a core value; focus on societal role, value to candidates/clients; reporting on 8 topics based on GRI/UNGC.	Early adoption of voluntary frameworks (GRI).
2020	Annual Report (Subsection: "Sustainability basics" within "Management report")	Foundational Sustainability Principles & Practices	Shift to "Sustainability basics"; materiality assessment from 2018 mentioned (23 topics), new assessment planned for 2021. Emphasis on key material topics.	Increasing alignment with GRI; pre-CSRD awareness in EU; emerging stakeholder expectations.

2021	Annual Report (Subsections: "Sustainable Development Goals," "Sustainability fundamentals" within "Management report")	SDG Alignment; Deeper Sustainability Integration; Formalized Materiality	Explicit focus on SDGs; introduction of "Sustainability fundamentals" covering all ESG. Updated double materiality assessment (14 topics) based on GRI & SASB, shift towards societal value.	Alignment with UN SDGs; early influence of EU Taxonomy; preparation for evolving disclosure standards.
2022	Annual Report (Standalone "ESG Reporting" section)	Comprehensive ESG Framework Adoption	Formal adoption of an integrated ESG framework (Environmental, Social, Governance); dedicated section for clarity and transparency; focus on quantitative data for material topics.	Anticipation of CSRD (proposed 2021); preparation for ESRS; continued use of GRI; inclusion in DJSI & AEX ESG Index.
2024	Standalone "Sustainability statement"	Holistic, ESRS-aligned Sustainability; Double Materiality	Transition to a comprehensive, standalone "Sustainability statement"; first-time preparation per ESRS requirements; detailed double materiality assessment (2023) identifying 9 key material topics, emphasizing stakeholder validation and value chain impacts. Focus on three strategic pillars (fair labor market, workplace equity, green transition).	Mandatory CSRD/ESRS compliance; focus on double materiality and value chain impacts as per ESRS; ongoing stakeholder engagement.

Source: Author's analysis based on Randstad's Annual Reports

This subsection will trace these developments chronologically, focusing on the evolution of reporting structures, materiality assessment processes, and the stated strategic ESG orientations. The subsequent section (4.3.2) will then provide a quantitative content analysis of the specific thematic shifts within these reports.

1) 2010–2020: Foundational Years – From Integrated CSR to Defined Sustainability Basics

Initially, around 2010, Randstad integrated its sustainability reporting as a distinct subsection titled "Sustainability" within the "Report from the executive board" section of its Annual Report.[115] This early approach centered on broad CSR principles, emphasizing its societal role, the value delivered to candidates

[115] Randstad N.V., "Annual Report 2010" (Diemen, Netherlands, 2011), 47–55, https://www.randstad.com/s3fs-media/rscom/public/2020-07/randstad-annual-report-2010.pdf.

and clients, and adherence to voluntary frameworks like the GRI and the UN Global Compact for its initial set of eight reporting topics. The focus was foundational, establishing sustainability as a core value.

By 2020, a notable structural shift occurred as sustainability disclosures, then termed “Sustainability basics,” were moved into the “Management report” section of the Annual Report.[116] This period also signaled a more formalized approach to identifying key issues, with the 2020 report detailing a materiality assessment from which identified 23 topics and anticipating a new assessment. The thematic focus sharpened towards foundational sustainability principles and practices, driven by an increasing alignment with GRI and a growing awareness of emerging regulatory expectations in the EU, like the precursors to the CSRD.

2) 2021–2022: Deepening ESG Integration and Strategic Alignment

The evolution continued into 2021, with sustainability content in the “Management report” further delineated into “Sustainable development goals” and “Sustainability fundamentals.”[117] This marked a significant step towards deeper integration of global sustainability agendas, particularly the UN SDGs (e.g., SDG 8 for decent work, SDG 5 for gender equality). A key development was the updated double materiality assessment in 2021, based on GRI and Sustainability Accounting Standards Board (SASB) standards, which refined the list to 14 material topics. This reflected, as noted in the 2021 report, a “shift in the perception of Randstad’s business impact, as well as in the interests of our stakeholders, moving increasingly toward our value for society.”[118]

To further enhance clarity and transparency, Randstad introduced a stand-alone “ESG Reporting” section in its 2022 Annual Report.[119] This structural change signified the formal adoption of an integrated ESG framework, comprehensively covering environmental, social, and governance aspects with a strong emphasis on quantitative data for material topics. This period was heavily influenced by the anticipation of the CSRD and preparations for the ESRS, alongside continued adherence to GRI and recognition in indices like the DJSI. The thematic focus broadened to encompass a more holistic view of ESG, with specific attention to areas like human rights, diversity, and ethical governance.

[116] Randstad N.V., “Annual Report 2020” (Diemen, Netherlands, 2021), 63–73, https://www.randstad.com/s3fs-media/rscom/public/2021-02/randstad-annual-report-2020.pdf.
[117] Randstad N.V., “Annual Report 2021” (Diemen, Netherlands, 2022), 66–86, https://www.randstad.com/s3fs-media/rscom/public/2022-02/randstad-annual-report-2021.pdf.
[118] Randstad N.V., “Annual Report 2021,” 22.
[119] Randstad N.V., “Annual Report 2022” (Diemen, Netherlands, 2023), 132–56, https://www.randstad.com/s3fs-media/rscom/public/2023-02/Randstad_Annual_Report_2022_FINAL.pdf.

3) 2024: Holistic Sustainability under Mandatory ESRS Compliance

The 2024 "Sustainability statement"[120] represents the culmination of this journey to date, marking a paradigm shift driven by mandatory compliance with the CSRD and the adoption of ESRS. The transition to a comprehensive, standalone statement signifies a deeply integrated and holistic approach to sustainability. Central to this is the rigorous application of the double materiality principle, detailed in the 2024 report following an assessment in 2023 which refined material topics to nine key areas based on ESRS guidelines and extensive stakeholder validation. The reporting is now clearly structured around Randstad's three strategic sustainability pillars, all explicitly linked to relevant SDGs. There is a pronounced emphasis on long-term commitments, value chain impacts, due diligence, risk management, and the integration of sustainability within core business strategy and governance.

4) Overall Trends and Drivers

The timeline illustrates Randstad's ESG reporting evolution—from a CSR subsection to a standalone sustainability report aligned with European standards. This structural shift reflects increasingly sophisticated materiality assessments, moving from basic topic lists to formal single and double materiality analysis, alongside growing emphasis on transparency and stakeholder engagement.

Key drivers include early adoption of voluntary frameworks like GRI, influence from global agendas such as the UN SDGs, and intensifying EU regulatory pressure—culminating in CSRD and ESRS compliance. These forces have driven Randstad to sharpen its ESG focus, especially on social equity, decent work, transparent workforce management, and integrated sustainability. Having traced this structural evolution, the analysis now turns in subsection 4.3.2 to a quantitative review of ESG theme prominence and shifting emphases over time.

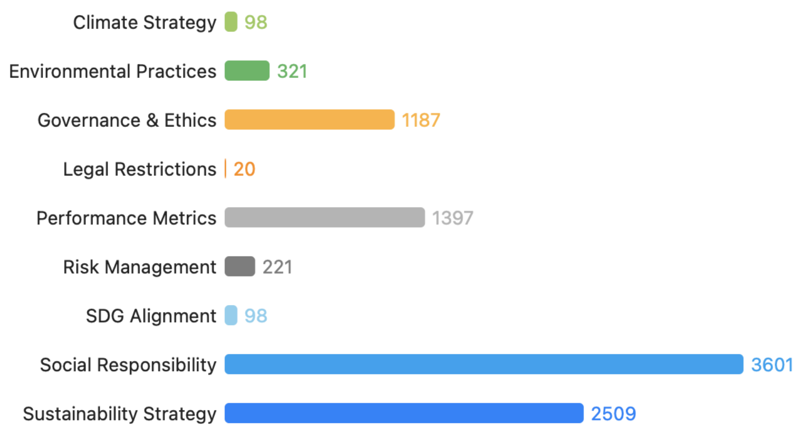
4.3.2 Thematic Evolution of Reported ESG Topics

This section analyzes how Randstad's ESG reporting themes evolved from 2010 to 2024, based on a systematic content analysis conducted in Atlas.ti.[121] Five key annual reports (2010, 2020, 2021, 2022, and 2024) were selected, as these years mark turning points in Randstad's reporting evolution, as identified in the

[120] Randstad N.V., "Annual Report 2024" (Diemen, Netherlands, 2025), 90–149, https://www.randstad.com/s3fs-media/rscom/public/2025-02/Randstad_Annual_Report_2024_0.pdf.
[121] Aishan Liu, 'Randstad's Key Strategic ESG Themes', Atlas ti Project, 6 May 2025.

structural analysis in section 4.3.1. Nine core ESG themes were identified, with Figures 7 and 8 illustrating their frequency and relative prominence. For detailed coding data, see Appendix 3.

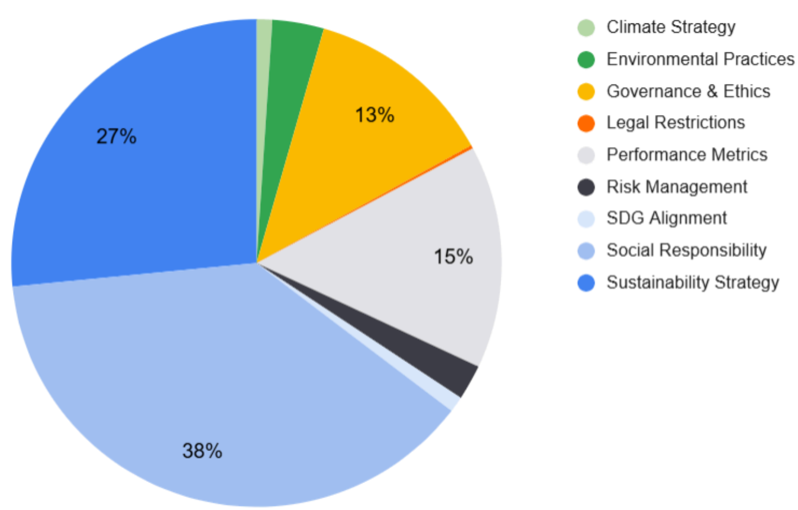
Figure 7. Coding Frequency of Key Strategic ESG Themes in Randstad's Reporting (2010, 2020, 2021, 2022, 2024)



Source: Author's analysis based on Randstad's Annual Reports (ATLAS.ti)

Note: For detailed coding structure and analysis, see Appendix 3.

Figure 8. Relative Prominence of Key Strategic ESG Themes in Randstad's Reporting (2010, 2020, 2021, 2022, 2024)



Source: Author's analysis based on Randstad's Annual Reports (ATLAS.ti)

Note: For detailed coding structure and analysis, see Appendix 3.

To ensure analytical transparency and conceptual clarity, the table below outlines the scope and interpretation of each ESG theme used in the coding process.

Table 5. Definition of ESG Themes Used in Content Analysis

Theme	Definition / Scope
Social Responsibility	Inclusive employment, fair labor practices, and broader societal value creation.
Sustainability Strategy	Randstad's overall ESG ambitions, frameworks, and sustainability pillars.
Performance Metrics	KPIs and other indicators used to monitor ESG performance and outcomes.
Governance & Ethics	Board oversight, compliance structures, corporate integrity, and transparency.
Environmental Practices	Operational environmental efforts such as waste reduction, energy use, and mobility.
Climate Strategy	Climate-related disclosures: carbon footprint, CO_2 targets, SBTi commitments.
Risk Management	References to ESG-related risk assessment, control mechanisms, and reporting (e.g., IRO-1).
SDG Alignment	Mapping or referencing of the UN Sustainable Development Goals.

Source: Author's analysis based on Randstad's Annual Reports (ATLAS.ti)

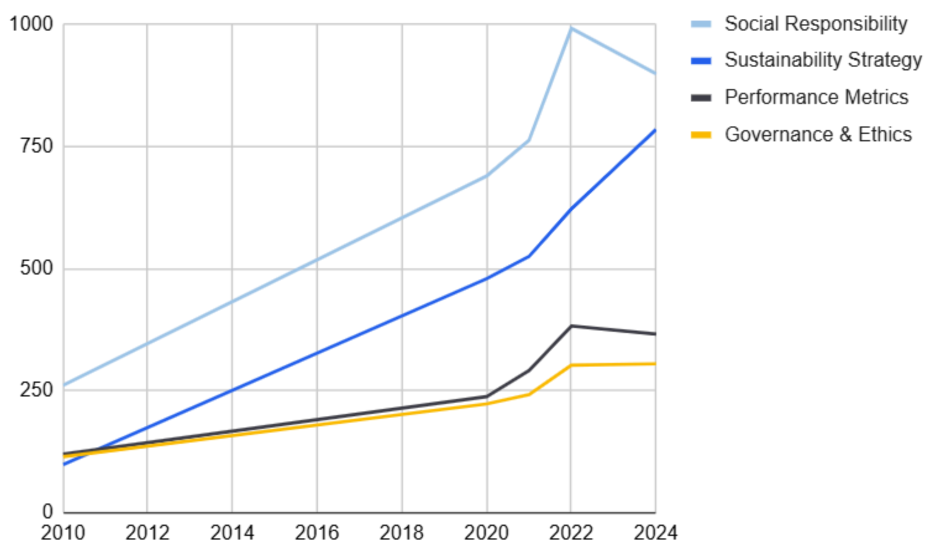
These definitions provide the conceptual foundation for the analysis that follows. Based on these themes, several patterns emerge across Randstad's ESG reports. Social Responsibility consistently dominates Randstad's ESG discourse, reflecting its identity as an HR services provider. Thematic emphasis centers on societal value creation, fair labor, and inclusive employment. "Sustainability Strategy," "Performance Metrics," and "Governance & Ethics" also featured prominently, together accounting for over 90% of coded content across years.[122] This indicates a strong focus on aligning ESG with core business strategy, measurement, and accountability structures. In contrast, themes like "Environmental Practices," "Climate

[122] Liu, Randstad's Key Strategic ESG Themes.

Strategy," and "SDG Alignment" received less textual attention, reflecting either a more targeted focus or limited operational relevance.

This thematic distribution suggests a hierarchy of strategic focus, with social and governance concerns deeply embedded in Randstad's reporting identity, while environmental and alignment topics remained more peripheral. To further illustrate these patterns over time, Figure 9 visualizes the evolution of the four most prominent themes across the selected reports.

Figure 9. Trends in Discussion Frequency for Selected Strategic ESG Themes in Pivotal Randstad Reports (2010-2024)



Source: Author's analysis based on Randstad's Annual Reports (ATLAS.ti)

Note: For detailed coding structure and analysis, see Appendix 3.

"Social Responsibility" rose steadily to a 2022 peak, mirroring Randstad's deepening articulation of social impact. "Sustainability Strategy" expanded sharply, especially from 2020 onward, aligning with its shift to a structured, ESRS-aligned strategy. "Performance Metrics" showed steady growth, indicating increased emphasis on data transparency and measurable outcomes. "Governance & Ethics" steadily increased, driven by rising expectations for board oversight and ethical conduct, especially under ESRS G1 and GOV disclosures.

Among less prominent themes, "Environmental Practices" and "Climate Strategy" both gained attention post-2020, reflecting broader regulatory and global climate discourse. The sharp 2024 rise in "Risk Management" corresponds directly with ESRS IRO-1 requirements. "SDG Alignment" peaked around 2021 but declined in 2024, possibly due to a reporting shift from SDG mapping to ESRS compliance.

Summary of Thematic Evolution

From 2010 to 2024, Randstad's ESG reporting grew in volume, depth, and alignment with regulatory standards. The rise of "Sustainability Strategy" and the 2024 spike in "Risk Management" underscore how evolving regulatory frameworks have reshaped thematic priorities. These trends support the broader reporting transformation discussed in section 4.3.1, highlighting both strategic integration and compliance adaptation in Randstad's ESG trajectory.

4.3.3 Internal Governance for ESG Materiality and Strategy

Randstad's ESG strategy and materiality processes are governed by a structured system involving executive leadership, dedicated committees, and specialized roles. This governance framework ensures that sustainability is integrated into strategic planning, operational execution, and risk oversight. As confirmed by both corporate reports and interview data, this structure supports ESG strategy development, implementation, reporting, and risk management.

Executive Oversight and Strategic Steering

The Executive Board holds ultimate responsibility for sustainability, guiding strategic direction, aligning efforts with business goals, approving policies, and setting ESG targets. This top-level commitment is key to embedding ESG throughout the organization. Supporting this is the Sustainability Committee (also referred to as the "sustainability steering committee" in the 2024 Sustainability Statement),[123] comprising Executive Leadership Team and functional leaders. The committee steers ESG integration, monitors material topics, and aligns global strategy. As one Senior Global Sustainability Specialist involved in strategy-making described their evolving role tied to this strategic focus:

'I started within this role officially three years ago. So my role also has evolved over time… We focus on the sustainability strategy. So we really look at what we are good at and how we as an organization make a

[123] Randstad N.V., 92.

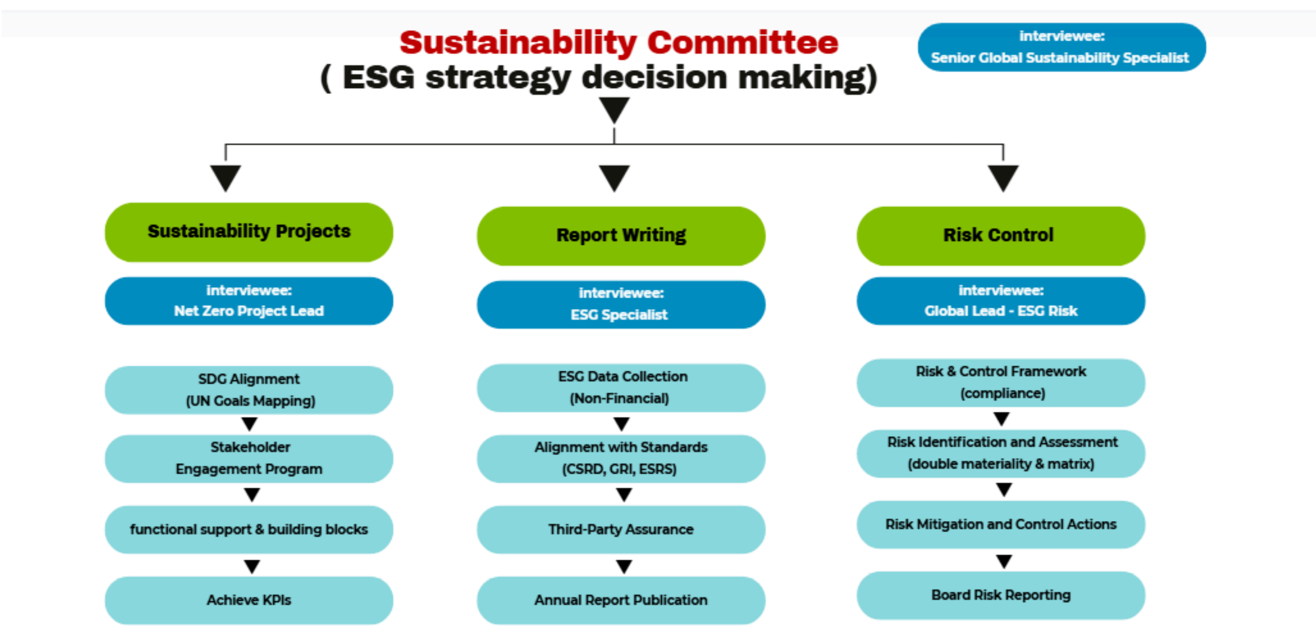
positive impact on the world around us and what are the most challenging sustainability issues at this point where we as a company can contribute to. So we identified three pillars....'[124]

This quote highlights the strategic thinking driven at this level, focusing on impact and identifying core areas where Randstad can contribute, leading to the formulation of its key sustainability pillars. The global sustainability function, as noted in reports, is responsible for driving and coordinating these efforts and ensuring global alignment, with sustainability topics being annually discussed with the Supervisory Board.

Operationalizing ESG Strategy

The strategic direction and decisions established by the Executive Board and the Sustainability Committee are operationalized through distinct functions and responsibilities within the organization. The interplay between strategic oversight and operational execution, particularly involving key ESG-related roles, is illustrated in Figure 10. This flowchart depicts how central ESG strategy decision-making translates into three critical operational streams: sustainability projects, report writing, and risk control, each supported by specialized personnel.

Figure 10. Randstad's ESG Governance and Operational Flow for Materiality



Source: Developed by the author of the thesis

[124] Senior global sustainability specialist, interview.

1) Sustainability Projects (Implementation and Impact)

Strategic ESG objectives are translated into concrete initiatives and projects. An example of such a project is Randstad's Road to Net Zero. The leadership for such projects often involves a collaborative approach, pairing sustainability expertise with business operational knowledge to ensure effective management and achievement of targets. The Net Zero Project Lead elaborated on this dual-leadership model:

'I lead together with our head of sustainability committee. The reason we have leaders is I am more from the business side whereas she is more from the sustainability side so we want to make sure that the actions and targets that we put in place for our ultimate reduction in emissions that we can effectively steer and manage it. So my role is to make sure we manage the results of what we're trying to do.'[125]

As indicated in Figure 10, this stream focuses on practical implementation, including aligning projects with broader goals like the UN SDGs, managing stakeholder engagement programs, building functional support within the business, and diligently working to achieve defined KPIs.

2) Report Writing (Disclosure and Transparency)

A dedicated team, often situated within or working closely with financial reporting functions, is responsible for translating Randstad's ESG strategy, actions, and performance into public disclosures. The significance of this function has grown substantially with evolving regulatory requirements such as the CSRD. An ESG Specialist involved in this process described their role:

'I'm mainly focused on the sustainability statement. So that means the ESG part of the annual report is aligned with the CSRD, the new European Directive mandates companies to report on the CSRD on ESG.'[126]

This function, as shown in Figure 10, ensures that ESG data (both non-financial and financial impacts where relevant) is systematically collected, aligned with applicable standards (like CSRD, GRI, ESRS), potentially subjected to third-party assurance, and ultimately consolidated for annual report publication or standalone sustainability statements.

[125] Net Zero Project Lead, interview by the author, April 7, 2025, transcript.
[126] ESG Specialist, interview.

3) Risk Control (Oversight and Assurance)

Randstad's Business Risk and Audit function plays a critical role in overseeing ESG-related risks and controls, operating within established risk management frameworks like the "three lines of defense" model.[127] An ESG Senior Expert within this function explained their role in ensuring that ESG risks are managed effectively to help achieve strategic objectives:

'My official title is ESG senior expert at Randstad business risk and audit function. Wwe guide management to achieve our strategic objectives in a good way... Therefore I look into environmental, social and governance risks…'[128]

This stream is responsible for developing the ESG risk and control framework, conducting risk identification and assessment (key to double materiality), defining mitigation actions, and reporting ESG risks to the Board. The 2024 Sustainability Statement confirms that ESG risks are fully embedded in enterprise risk management, with internal controls in place to ensure data accuracy.[129]

Sustainability performance is also integrated into management objectives and compensation, promoting accountability and reinforcing commitment to ESG goals. Dedicated working groups further embed ESG across Randstad's three core pillars.

Together, this layered governance—from executive-level oversight via the Sustainability Committee to specialized risk and audit roles—demonstrates Randstad's structured approach to defining ESG strategy, managing material topics, and ensuring transparent, compliant reporting.

4.3.4 Influence of Corporate Culture on ESG Approach

Beyond formal structures and processes, Randstad's corporate culture appears to play a significant, albeit less tangible, role in shaping its ESG development and approach to materiality. Insights from interviews suggest that deeply ingrained values and a particular mindset contribute to the company's proactive stance on sustainability.

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[127] The Institute of Internal Auditors, "The IIA's Three Lines Model: An Update of the Three Lines of Defense" (Lake Mary, FL: The Institute of Internal Auditors, July 2020), https://www.theiia.org/globalassets/documents/resources/the-iias-three-lines-model-an-update-of-the-three-lines-of-defense-july-2020/three-lines-model-updated-english.pdf.
[128] ESG Risk Global Lead, interview.
[129] Randstad N.V., "Annual Report 2024," 93.

A Senior Global Sustainability Specialist highlighted the foundational influence of Randstad's core values, particularly the principle of "simultaneous promotion of all interests."[130] This value, instilled by the company's founder, Frits Goldschmeding, emphasizes an organizational obligation to benefit all stakeholders—not just shareholders, but also employees, clients, and society at large. The interviewee explained:

'It's interesting to look at our corporate values and the fifth one is simultaneous promotion of all interests which actually implies that as an organization that is also the philosophy of our founder Goldsmithing that as an organization you are obliged and you only have a right to exist as an organization if you give to the society... that is one of the values and part of our culture that I think helped in our sustainability strategy.'[131]

This long-standing philosophy suggests a cultural predisposition towards considering broader societal impact, which naturally aligns with and supports the development of a comprehensive ESG strategy. The specialist further connected this to the inherent nature of Randstad's business:

'If you look at our business it's actually a sustainable service because we help people to find work and with work you can pay your bills, pay for your family and contribute to society. It has so many benefits for financial and also mental well-being of people. So we really see it as our role living up to the values of our founder to also do it in a sustainable and fair way.'[132]

This perspective indicates that the company culture views its core services as inherently sustainable and sees its role as ensuring these services are delivered responsibly, further reinforcing the drive for robust ESG practices. This cultural underpinning helps explain Randstad's willingness to voluntarily adopt standards like CSRD ahead of mandatory implementation, as it aligns with a pre-existing value system focused on societal contribution.

Randstad's core value of simultaneous promotion of all interests profoundly shapes its culture, driving it to consider all stakeholders' impact, crucial for materiality assessments and ESG strategy. This approach is not merely about compliance but mirrors the company's fundamental identity and historical ethos. This deep-seated cultural motivation synergizes with external influences and governance frameworks, guiding Randstad's broader ESG initiatives.

[130] Randstad, "Our core values," Randstad, accessed May 18, 2025, https://www.randstad.com/about-randstad/company-profile/core-values/.
[131] Senior global sustainability specialist, interview.
[132] Ibid.

4.4 Randstad’s Current ESG Material Priorities, Metrics, and Reporting

This section focused on analysis of Randstad’s current methodologies for identifying, prioritizing, and managing material ESG topics. Aligning with the second dimension of SRQ1, it will detail the company’s process for determining material ESG topics, the specific topics identified through this process, and how these are measured and reported, with particular attention to the operationalization of double materiality under the CSRD and ESRS.

4.4.1 The Process of Determining Material ESG Topics

This subsection details Randstad’s stated methodology for identifying which ESG topics are material to its business and stakeholders. Understanding this process is crucial as it forms the foundation for the company’s ESG strategy, risk management, and subsequent reporting. Randstad’s approach has matured over time, evolving from foundational practices to a more sophisticated, regulated system, notably with the adoption of double materiality assessments (DMA).

Methodology Overview: From Foundational to Double Materiality

Randstad’s journey in materiality assessment can be broadly understood in two stages, culminating in its current ESRS-aligned approach:

1) Foundational Stage (c. 2010-2020): In its earlier sustainability reporting, such as in the 2010 Sustainability Report, Randstad identified material topics based on frameworks like GRI and the UN Global Compact, focusing on its societal role and core values. The 2020 Annual Report, for instance, referred to a materiality assessment conducted in 2018 (which identified 23 topics) and indicated plans for a new assessment, signaling a move towards a more formalized process aligned with increasing GRI emphasis and emerging EU regulatory awareness.[133] While stakeholder input was considered, the process was less explicitly defined than in later years.

2) Transition to and Adoption of Double Materiality (2021-2024): A significant shift occurred from 2021 onwards. The 2021 Annual Report marked a key development with an updated DMA based on GRI and SASB standards, refining the list to 14 material topics and reflecting a “shift in the perception of Randstad’s

[133] Randstad N.V., “Annual Report 2020,” 24.

business impact...moving increasingly toward our value for society".[134] This signaled the formal adoption of a dual perspective. The 2022 ESG Report further detailed this, explaining that the DMA involved identifying a gross list of topics, prioritizing them based on severity of impact and stakeholder feedback, and then validating them with internal management. This process was influenced by the anticipation of CSRD and ESRS.[135]

Double Materiality in Practice

Randstad's current ESG strategy is guided by the concept of double materiality, aligning with CSRD and ESRS requirements. This involves evaluating sustainability topics from two perspectives: impact materiality (inside-out) and financial materiality (outside-in). While the 2021 Annual Report first references an updated materiality process, the company's DMA became significantly more detailed and ESRS-aligned from 2022 onward. Therefore, the analysis here focuses on the 2022–2024 reporting period, where structured methodologies and clearer data are available. To enhance clarity, the two dimensions of double materiality are summarized below:

Table 6. Overview of Randstad's Double Materiality Approach (2022–2024)

Dimension	Definition	Key Sources
Impact Materiality (Inside-Out)	Assesses actual and potential positive and negative impacts of Randstad's operations and value chain on people and the environment.	- 2022–2023 ESG Report: Focus on employees, candidates, clients, society.[136][137] - 2024 Sustainability Statement: Expanded scope including workforce, value chain workers, end-users, and affected communities. Severity assessed by scale, scope, and irremediability.[138]
Financial Materiality (Outside-In)	Assesses how sustainability matters create risks or opportunities that affect Randstad's financial development and performance.	- 2022–2023 ESG Report: Links topics to enterprise value.[139][140] - 2024 Statement: Assesses likelihood and magnitude of financial effects on performance, position, and cost of capital.[141]

[134] Randstad N.V., "Annual Report 2021," 22.
[135] Randstad N.V., "Annual Report 2024," 98.
[136] Randstad N.V., "Annual Report 2022," 132.
[137] Randstad N.V., "Annual Report 2023" (Diemen, Netherlands, 2024), 148, https://www.randstad.com/s3fs-media/rscom/public/2024-02/Randstad_annual_report_2023_0.pdf
[138] Randstad N.V., "Annual Report 2024," 97–100.
[139] Randstad N.V., "Annual Report 2022," 41.
[140] Randstad N.V., "Annual Report 2023," 43–46.
[141] Randstad N.V., "Annual Report 2024," 99.

Source: Author's analysis based on Randstad's Annual Reports

Topics deemed material from either or both perspectives are included in the 2024 Sustainability Statement. This process ultimately resulted in the identification of nine key material topics for 2024.

Stakeholder Engagement in the DMA

Stakeholder involvement was a core element throughout the assessment process. In 2021, stakeholder interests were acknowledged in the updated DMA, though limited details were provided.[142] From 2022 onward, Randstad adopted more structured engagement approaches. The 2022–2023 ESG Report details interactions with employees, talent, clients, investors, suppliers, governments, and civil society through surveys, interviews, and ongoing dialogue.[143][144]

The 2024 Sustainability Statement further formalizes this, outlining internal stakeholder workshops (e.g., across functions and countries) and targeted consultations with external groups, including NGOs and sector associations. These engagements informed Randstad's understanding of impact, risk, and opportunity perceptions across key groups.[145]

Other Inputs Influencing Materiality Determination

Beyond direct stakeholder engagement and the dual materiality lens, Randstad's process for determining material ESG topics is informed by several other critical inputs, ensuring a comprehensive and robust assessment that reflects both external mandates and internal strategic considerations:

1) Regulatory Reviews (CSRD and ESRS Compliance): The evolving regulatory landscape, particularly the CSRD and ESRS, has become a primary shaping force for Randstad's materiality process. The 2024 materiality assessment is explicitly driven by these requirements. While Randstad had already adopted double materiality principles, the CSRD provided a more defined and mandatory framework. As a Senior Global Sustainability Specialist highlighted, this led to a more structured and extensive process:

[142] Randstad N.V., "Annual Report 2021," 22.
[143] Randstad N.V., "Annual Report 2022," 41.
[144] Randstad N.V., "Annual Report 2023," 43–46.
[145] Randstad N.V., "Annual Report 2024," 96.

'We already did a double materiality assessment before the CSRD came, but we now needed to adjust it a bit more in line with the topics that are asked by the CSRD… the CSRD helped us to give more structure to it and provided more guidelines in terms of how to do it even better and more extensive.'[146]

This quote reveals a crucial aspect of regulatory influence: it's not just about compliance but about refining and standardizing the identification and framing of material topics. The CSRD's specific topic lists and guidelines have compelled Randstad to align its existing approach, ensuring that the materiality assessment is both internally relevant and externally compliant, thereby directly influencing the scope and definition of what is deemed material.

2) Risk Assessments: The integration of sustainability-related risks and opportunities into materiality assessment is a core element of ESG strategy and is explicitly highlighted in Randstad's 2024 Sustainability Statement as part of its double materiality process.[147] The statement also confirms that ESG risks are embedded within the enterprise risk management (ERM) framework. This indicates that identified enterprise risks directly inform the pool of topics assessed for materiality. Aligning criteria between general ERM and sustainability-specific risk assessments is widely recognized as a hallmark of mature ESG integration. Reflecting on this best practice, Randstad's ESG Risk Global Lead noted:

'Impacts, risks, and opportunities from the DMA are indeed similar to what you see in a normal enterprise risk management or risk assessment... mature organizations should be moving towards a very aligned criteria for risk assessments.'[148]

This perspective underscores the conceptual linkage: insights from Randstad's ongoing ERM activities, which identify issues that could significantly impact stakeholders or the company itself (financially or operationally), would logically serve as critical inputs into the DMA, helping to define candidates for material topic status. The alignment of assessment criteria ensures coherence and a holistic view of risks and opportunities across the organization.

3) Industry Benchmarking and Context: Understanding peer practices and industry context is essential for shaping a relevant and competitive ESG strategy. Although benchmarking is not prominently featured as a formal step in Randstad's materiality disclosures, it remains a continuous activity informing strategic thinking. The ESG Risk Global Lead described their advisory role involving such external analysis:

146 Senior global sustainability specialist, interview.
147 Randstad N.V., "Annual Report 2024," 92–94.
148 ESG Risk Global Lead, interview.

'I act more as an advisor... through data-driven insights providing management and stakeholders with what I'm seeing. So as an example, recently I conducted a benchmarking exercise to see via the annual reports of competitors and other industry peers what type of targets and what type of KPIs are they setting for their ESG topics.'[149]

Systematically analyzing competitors' ESG targets and KPIs helps Randstad identify evolving expectations, industry norms, and competitive risks or opportunities. These insights logically inform the materiality process by highlighting emerging salient topics.

Alignment with Business Strategy: Material ESG topics are not assessed in isolation but are expected to align with Randstad's core strategy and sustainability pillars. This alignment is explicitly confirmed in the 2024 Sustainability Statement.[150] It ensures that ESG efforts support the company's long-term value creation and societal role, while addressing stakeholder and regulatory priorities.

4.4.2 Randstad's Declared Material ESG Topics and Strategic Priorities

Following the rigorous materiality determination process detailed in section 4.4.1, Randstad has identified a specific set of ESG topics. These topics, derived primarily from its ESRS-aligned DMA conducted in 2023, are presented in Figure 11. This subsection will now delve into the rationale behind the prioritization of these topics, drawing on insights from Randstad's reports and interviews with key personnel.

Figure 11. Randstad's Declared Material ESG Topics (2024)

material topic	value chain	sustainability pillar	chapter and page reference
Diversity	Downstream and own activities	Foster equity at work	Social - talent (see page 103) Social - corporate employees (see page 111)
Occupational health and safety	Downstream and own activities	Promote a fair labor market	Social - talent (see page 107) Social - corporate employees (see page 119)
Working conditions	Downstream and own activities	Promote a fair labor market	Social - talent (see page 104) Social - corporate employees (see page 115)
Training	Downstream and own activities	Foster equity at work	Social - talent (see page 108) Social - corporate employees (see page 120)
Other work-related rights	Downstream	Promote a fair labor market	Social - talent (see page 109)
Business ethics	Upstream and downstream and own activities	Overarching theme	Governance (see page 124)
Policies and industry involvement	Upstream and downstream	Overarching theme	Governance (see page 128)
Data security & privacy	Downstream and own activities	Overarching theme	Governance (see page 126)
Support the green transition	Downstream	Support the green transition	Environment - Support the green transition (see page 133)

Source: Randstad Sustainability Report 2024[151]

[149] ESG Risk Global Lead, interview.
[150] Randstad N.V., "Annual Report 2024," 95.
[151] Randstad N.V., 99.

The selection and prioritization of material topics shown in Figure 11 are grounded in Randstad's DMA, now strongly shaped by CSRD and ESRS requirements. As the ESG Risk Global Lead emphasized:

'That is why the EU green deal as part of the CSRD requires the double materiality assessment to identify your most important topics... to drive ESG performance through more transparency, more accountability and really to prioritize on topics that matter most…'[152]

This underscores that prioritization is not arbitrary but driven by regulatory expectations to focus on areas of greatest relevance and impact. As the ESG Risk Global Lead added, double materiality is *"the tool to be able to prioritize the topics that matter most,"*[153] by assessing both outward impact and financial relevance.

A key foundation of this process is stakeholder engagement. The Senior Sustainability Specialist explained that stakeholders help *"together identify the topics that Randstad has most impact on and that those topics have most impact [on Randstad],"*[154] confirmed through interviews and surveys:

'Last year, we did a validation... we interviewed stakeholders. We sent out surveys just to see where our impact was... if that is still the same for this year.'[155]

Stakeholder perspectives are also considered at the local level to ensure alignment with global priorities. The ESG Risk Global Lead noted that such engagement is crucial for determining which topics are *"most material for achieving our strategic objectives."*[156]

The strong emphasis on social topics—such as "Diversity," "Occupational health and safety," "Working conditions," and "Training"—reflects Randstad's identity as an HR services provider. As the ESG Specialist explained:

'...the social side of Randstad is very important... we are sending almost... 1.6 million talents... So the impact we have on their lives is very big.'[157]

The ESG Risk Global Lead further emphasized:

[152] ESG Risk Global Lead, interview.
[153] Ibid.
[154] Senior global sustainability specialist, interview.
[155] Ibid.
[156] ESG Risk Global Lead, interview.
[157] ESG specialist, interview.

'Many people in our business will say that S is very important for us... labor practices and fair employment... That's our revenue. That's our business model.'[158]

They also acknowledged sector-specific risks such as human rights related labor exploitation, reinforcing the need to ensure safe, clean, livable conditions for temporary workers.

This prioritization of social themes aligns with the thematic analysis in section 4.3.2, where the historical frequency of "Social Responsibility" in Randstad's reporting corresponds to the current dominance of social issues among its declared material topics. The strategic importance of themes like "Sustainability Strategy" and "Governance & Ethics" is similarly reflected in material topics such as "Business ethics," "Policies and industry involvement," and the overarching strategic framework guiding topic management.

These prioritized topics are also coherently mapped to Randstad's three strategic sustainability pillars: "promote a fair labor market," "foster equity at work," and "support the green transition" (Figure 11). For example, "Working conditions," "Occupational health and safety," and "Other work-related rights" support the fair labor market pillar; "Diversity" and "Training" align with equity at work; and the environmental material topic corresponds to the green transition. This demonstrates clear alignment between the materiality assessment and Randstad's strategic focus, ensuring that efforts target areas of highest impact and relevance.

4.4.3 Measurement, Reporting, and KPIs for Material Topics

Building on the identification of Randstad's material ESG topics in Sections 4.4.1 and 4.4.2, this subsection examines how the company measures, reports, and applies KPIs to these areas. The analysis draws from Randstad's 2021–2024 annual reports (ESG and Sustainability sections), reflecting the evolution of its reporting since adopting double materiality in 2021.

Using a coding framework developed in Atlas.ti, ESG content was categorized into six types: KPI Identification, KPI Targets, KPI Types, Material Linkage, Material Topics, and Units & Methodology. This approach integrates quantitative metrics (e.g., CO2e emissions, talent placement) and qualitative insights (e.g., policies, stakeholder engagement) to assess the alignment between Randstad's KPIs, its material topics, and relevant regulatory frameworks. The aim is to evaluate the coherence and robustness of its sustainability performance reporting.[159]

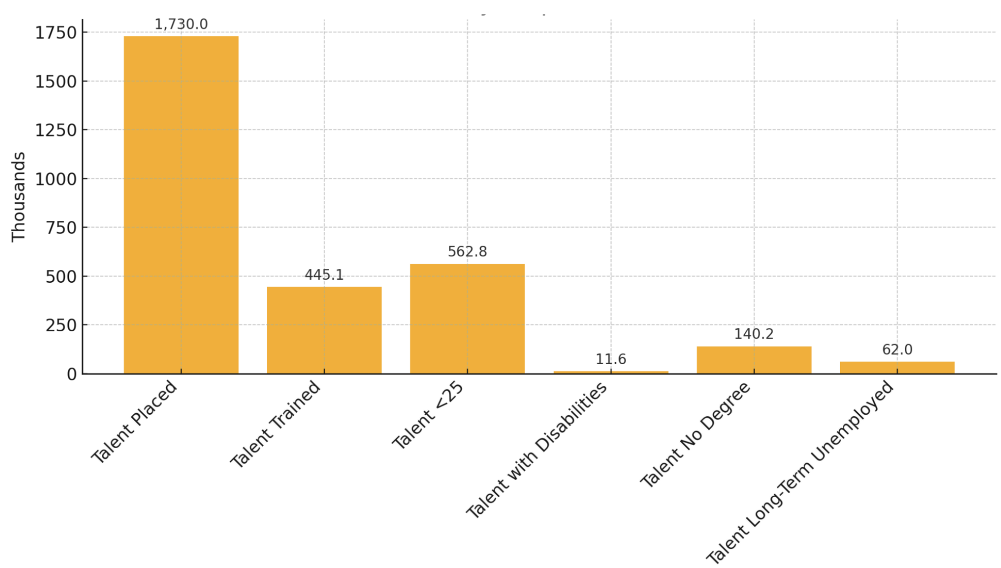
[158] ESG Risk Global Lead, interview.
[159] Aishan Liu, 'Randstad ESG KPI Tracking', Atlas ti Project, 31 May 2025.

Findings on KPI Categorization

Atlas.ti coding reveals a significant evolution in KPI reporting from 2021 to 2024. Earlier disclosures were dominated by general qualitative statements, with few distinct quantitative KPIs. By 2023, a more structured KPI framework began to emerge, but it was in 2024 that the volume, variety, and granularity of KPIs expanded markedly. Quantitative KPIs increased more than twofold, and new subcategories such as Inclusion, Occupational Health, and Data Security were introduced. These developments indicate growing internal capacity and external pressure for precise, ESG-compliant disclosures. While prior years focused on basic social themes, the 2024 report demonstrates a strategic shift toward ESRS-aligned, stakeholder-responsive KPI tracking.

1) KPI Identification: Consistent with its HR sector focus, Randstad prioritizes KPIs related to employment, inclusion, and workforce development. In 2024, KPIs accounted for approximately 40% of all coded quotations.[160] The company reported placing 1,730,000 individuals into work (p. 101), highlighting its core business impact. Inclusion-related metrics include 562,800 young talents under 25, 11,600 people with disabilities, 140,200 individuals with no educational background, and 62,000 long-term unemployed (p. 103). Other key indicators—such as 3,752,800 training hours and a 1.9% sickness absence rate (p. 106)—reflect priorities on development and well-being.

Figure 12. Randstad 2024 Key People KPIs (in Thousands)



[160] Liu, Randstad ESG KPI Tracking.

Source: Author's analysis based on Randstad's Annual Reports

In contrast, environmental KPIs remain limited: Scope 3 emissions were last reported in 2021 at 3,000 metric tons of CO_2, with no 2024 update (p. 133), revealing a gap in environmental transparency.[161]

2) KPI Target: Strategic targets comprise about 10% of KPI codes.[162] These include training 750,000 talent by 2025 (p. 108) and achieving 50% women in senior leadership by 2030 (p. 109). Randstad has shown measurable progress—42.5% of management roles are held by women in 2024, compared to 38% in 2023 (p. 109), and talent satisfaction scores improved to 8.4 across 50% of gross profit markets (p. 107). Nevertheless, some targets were not met: only 445,100 talent were trained in 2024, missing the 500,000 interim goal (p. 108). The Global Delight Program, launched in 2024, has enhanced coverage and aims to expand to 10 new markets in 2025, indicating Randstad's commitment to improving performance data capture and user experience metrics.[163]

3) **KPI Type:** This category accounted for the largest share (~51%) of coded quotations, with a strong preference for quantitative metrics (~70%) such as 232,400 working days lost to injuries and an injury rate of 0.16% (p. 107). These indicators offer clarity and support ESRS compliance. Qualitative KPIs, like living wage policies (p. 105) and human rights safeguards (p. 109), provide important context but often lack detail, reducing their analytical value. While social KPIs are well-developed, environmental disclosures—both qualitative and quantitative—remain fragmented, reflecting a reporting architecture primarily oriented toward social issues. This likely aligns with stakeholder concerns around working conditions, diversity, and safety (p. 100).[164]

In 2024, Randstad's KPI reporting showed greater maturity, emphasizing measurable social outcomes and improved ESRS alignment. The dominance of people-focused KPIs reflects its HR services identity. However, gaps in environmental reporting and inconsistent target achievement point to the need for stronger data systems and more balanced coverage across ESG dimensions—key to meeting regulatory standards and sustaining stakeholder trust.

[161] Randstad N.V., "Annual Report 2024," 101–33.
[162] Liu, Randstad ESG KPI Tracking.
[163] Randstad N.V., 107–9.
[164] Randstad N.V., 100–109.

Findings on Materiality Linkage and Measurement Approaches

Following the analysis of Randstad's KPI structure, it is also crucial to examine how these indicators relate to its materiality assessment and reporting methodology. This analysis explores the connection between material topics and KPIs, and how performance is measured through diverse, topic-specific units—highlighting the evolution and distinctiveness of Randstad's ESG disclosure approach.

Material Topics and KPI Alignment

From 2021 to 2023, Randstad linked material topics to broader frameworks such as SDGs and value chain stages. By 2024, this was replaced by a more streamlined structure directly connecting material topics to KPIs, reflecting a stronger focus on measurability and ESRS compliance.

Despite this structural shift, Randstad's core material topics remained largely consistent and are clearly reflected in its KPI selection. Social topics—such as inclusion, safety, and talent development—are strongly represented and supported by both quantitative and qualitative KPIs. For instance, "Inclusion" is measured through headcounts of placed youth, long-term unemployed, and individuals with disabilities. Similarly, "Health and Well-being" maps to indicators like sickness absence and injury rate.[165]

This direct alignment ensures that stakeholder-prioritized topics are not only disclosed but also tracked in a manner that supports performance evaluation. However, environmental material topics—such as Scope 3 emissions or circularity—remain underrepresented in the KPI structure. Their absence from current reporting metrics highlights a gap in balanced ESG disclosure that Randstad will need to address as regulatory expectations expand.

Methodology and Units of Measurement

Randstad's approach to KPI measurement is notably adaptive and tailored to each topic's characteristics. Rather than applying a uniform metric system, the company uses a variety of units based on what best represents impact. These include:

1) **Headcounts** (e.g., 1,730,000 talent placed)
2) **Time-based metrics** (e.g., 3.75 million training hours)

[165] Randstad N.V., 101.

3) **Rates and percentages** (e.g., 0.16% injury rate)
4) **Satisfaction and perception scores** (e.g., 8.4 out of 10)
5) **Qualitative descriptions and narrative context** (e.g., policy awareness)

This diversity enhances the relevance and clarity of each KPI. For example, workplace safety is reported through both an injury rate and the number of lost working days, while employee development is captured through training hours and the number of individuals trained. Satisfaction metrics combine quantitative scores with information about data collection coverage (e.g., Global Delight Program reach).

However, this tailored methodology also presents challenges. The lack of standardized units across topics can limit comparability and trend analysis. Additionally, qualitative KPIs—while rich in context—often lack the precision needed for benchmarking. Still, this approach aligns with Randstad's human capital–centered business model, where social and operational relevance outweigh rigid uniformity. Table 7 below summarizes how key material topics are measured through distinct KPIs and units.

Table 7. Mapping of Material Topics to KPI Units and Methodologies

Material Topic	KPI Example	Measurement Unit	Type
Inclusion & Fair Labor	Talent <25 placed	Headcount (thousands)	Quantitative
Health & Safety	Injury Rate	% Rate	Quantitative
Development & Reskilling	Training Hours / Talent Trained	Hours, Count	Quantitative
Workplace Satisfaction	Talent Satisfaction Score	Score (1–10 scale)	Perception
Business Ethics	Policy Awareness	Narrative, % coverage	Qualitative

Source: Author's analysis based on Randstad's Annual Reports

Randstad's materiality and measurement framework reveals a company gradually transitioning from concept-driven reporting to outcome-driven disclosure. The evolution from linkage models to direct KPI alignment reflects a growing emphasis on operational performance and regulatory compliance. While strong alignment exists for social topics, future enhancements in environmental KPI coverage and cross-topic comparability will be crucial to achieving a fully balanced and transparent ESG reporting system.

4.5 Alignment with Global Frameworks

Randstad's sustainability strategy does not exist in isolation; rather, it is shaped by the broader global landscape of regulatory and normative ESG frameworks. This section evaluates how the company aligns its disclosures and performance indicators with two key sets of frameworks: the European regulatory architecture—notably the CSRD and its associated ESRS—and the United Nations SDGs. Drawing on Atlas.ti coding and interview data, this section explores both formal reporting practices and internal strategic thinking behind Randstad's alignment.

4.5.1 Alignment with ESRS and CSRD - Regulatory Frameworks

Randstad's alignment with regulatory standards is driven by the EU's CSRD, which mandates enhanced ESG disclosures for large companies. The CSRD forms the legal foundation for the ESRS—the technical reporting framework introduced in 2023 and implemented by companies from 2024 onward. To examine Randstad's implementation, Atlas.ti coding was used to track all "ESRS References" across its 2021–2024 reports, providing a basis to assess the company's formal compliance and disclosure maturity.[166]

Randstad's ESG reporting, as evidenced by its 2021–2024 annual reports and its first ESRS-compliant "Sustainability Statements 2024," shows a clear advancement toward adopting the ESRS. The 2024 statement contains 65 instances coded as "ESRS References," underscoring Randstad's active integration of EU-aligned sustainability principles.

Key findings from the 2024 statements reveal a strong focus on ESRS S1 (Own Workforce), a topic Randstad first referenced in its 2023 double materiality assessment. The disclosures include detailed metrics on diversity (ESRS S1-9)—such as placement by age, disability status, or education background—as well as workforce composition. Commitments under ESRS S1-11 (Social Protection) further demonstrate Randstad's effort to address income security for both talent and corporate employees.[167] ESRS G1 (Business Conduct) (p. 124) and ESRS 2 on general disclosures are also prominently featured, along with taxonomy-aligned financial data (p. 139).

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[166] Aishan Liu, 'Randstad ESRS Disclosure Mapping', Atlas ti Project, 31 May 2025.
[167] Randstad N.V., "Annual Report 2024," 142.

However, the analysis reveals limited reporting under ESRS E1 (Climate Change).[168] While Randstad has made climate commitments through the SBTi and net-zero pathways, the absence of detailed 2024 disclosures on environmental performance stems from E1 not being classified as material in its latest double materiality assessment. As such, climate metrics remain underdeveloped compared to social and governance data. Overall, the ESRS section indicates strong social alignment and regulatory responsiveness, with further progress needed on environmental depth.

4.5.2 Alignment with the SDGs

Randstad also aligns its strategy with the United Nations SDGs, particularly those most relevant to its HR services model: SDGs 4, 5, 8, 10, and 13. These goals reflect key social challenges such as education, equity, work, and climate—areas where Randstad can generate measurable impact through its core business activities.

According to a senior global sustainability specialist, Randstad selected these SDGs several years ago through internal workshops with topic experts:

'They identified five SDGs which were relevant back then which are still relevant nowadays… So we really look at what is our business, how can we create impact, and which SDGs can we impact with our business.'[169]

This practical logic guided the integration of SDGs into Randstad's broader framework, including its three sustainability pillars and double materiality topics. Interview data confirms that SDG relevance is determined by business impact potential, not just reputational alignment:

'The first step was to look at external challenges where we can contribute… and then we also defined the three pillars that kind of collect those topics.'[170]

These strategic links are reflected in the KPIs disclosed across reports. Table 8 below summarizes how the selected SDGs correspond to Randstad's key performance indicators and how consistently they are reported.

[168] Randstad N.V., 132.
[169] Senior global sustainability specialist, interview.
[170] Net Zero project lead, interview.

Table 8. Randstad's Alignment with SDGs and Related KPI Reporting

SDG	Related KPIs	Status
SDG 4: Quality Education	Training hours, number of talent trained, reskilling and upskilling program targets	Strong quantitative disclosure
SDG 5: Gender Equality	Gender diversity in global talent placement, women in management, target of 50% women in senior leadership by 2030	Strategic target with regular updates
SDG 8: Decent Work and Economic Growth	Number of talent placed, youth employment (<25 years), employee satisfaction scores, absenteeism and turnover targets	High reporting frequency and stakeholder emphasis
SDG 10: Reduced Inequality	Placement of talent with disabilities, long-term unemployed, individuals with no formal education	Focused social inclusion metrics
SDG 13: Climate Action	Scope 3 emissions (2021 baseline), SBTi net-zero commitment, environmental disclosures via ESRS	Limited and outdated metrics

Source: Author's analysis based on Randstad's Annual Reports

The mapping shows strong alignment for social SDGs such as SDG 4 (Quality Education), SDG 5 (Gender Equality), and SDG 8 (Decent Work), where disclosure is frequent and data is quantitative. For example, Randstad reported 3.75 million training hours[171] in 2024 and the placement of 562,800 young people under 25.[172] SDG 10 (Reduced Inequality) is addressed through metrics on individuals with disabilities, long-term unemployed, and those lacking formal education. By contrast, SDG 13 (Climate Action) remains underdeveloped in KPI terms—mirroring the limited ESRS E1 disclosures.

Interview data also emphasize the interconnectedness between voluntary SDG commitments and mandatory regulatory frameworks such as the CSRD. As one ESG specialist explained:

[171] Randstad N.V., "Annual Report 2024," 109.
[172] Randstad N.V., 104.

'The CSRD is mandatory, the SDGs are voluntary. But both of them have the same goal: to enhance sustainable practices by companies… You can see how it intertwines—with SDG we make impact, where on CSRD we make impact. So even though they are different frameworks, you can find interconnectedness between them.'[173]

This perspective reinforces Randstad's strategic decision to retain SDG reporting even under the new ESRS regime, offering stakeholders both regulatory compliance and normative framing. It also clarifies why the company continues to group SDG indicators under its internal sustainability pillars—ensuring coherence across both compliance and impact narratives.

4.6 Chapter Summary: Sector-Specific ESG Strategy Formation at Randstad

This chapter has addressed the SRQ1: H*ow does the human resources industry establish the foundational elements and strategic priorities for developing sector-specific ESG strategies?* Drawing on Randstad as a representative case, the analysis has demonstrated that ESG strategy formation in the HR service sector is shaped by the interaction of global regulatory developments, stakeholder expectations, and industry-specific responsibilities.

The findings reveal that Randstad's ESG strategy is not a generic corporate sustainability plan but one tailored to its operational context as an HR services provider. Social issues dominate the ESG focus, with KPIs related to inclusive hiring, talent development, well-being, and workplace equity. The evolution of materiality—from a relatively fragmented approach in 2021–2023 to an integrated, ESRS-aligned framework in 2024—reflects increasing professionalization and strategic intent. KPIs are not only used for compliance but serve as tools for managing stakeholder relationships, aligning with global standards, and reinforcing strategic goals.

These developments can be understood more deeply through the theoretical framework outlined in Chapter 3. Stakeholder Theory explains why Randstad focuses so extensively on social KPIs and transparent reporting: the company operates within a complex network of stakeholders, including placed talent, investors, clients, and regulators, each with distinct ESG expectations. For example, the emphasis on training hours, youth employment, and DEI initiatives directly responds to social concerns prioritized by clients and institutional

[173] ESG specialist, interview.

investors. The company's strategic focus on disclosing these efforts can be interpreted as a form of stakeholder management—maintaining legitimacy and relevance across global markets.

Legitimacy Theory helps explain why these disclosures and performance indicators are embedded so centrally in the business model. In a sector where trust, ethical credibility, and social alignment are vital, Randstad uses ESG reporting to publicly demonstrate that it shares the values of its external environment. The professionalization of ESG practices, including the adoption of ESRS frameworks and public targets, serves to maintain both pragmatic and moral legitimacy with diverse audiences.

While Institutional Theory plays a more background role in this chapter, its influence is evident in the way regulatory frameworks like the ESRS and CSRD are gradually shaping Randstad's ESG architecture. The company's increasing alignment with these norms suggests a process of institutional isomorphism, where global reporting standards begin to structure organizational behavior—even before full compliance is mandatory.

Taken together, these findings provide a comprehensive answer to SRQ1. They show how ESG strategy in the HR industry emerges not only from internal values and business goals, but also from an effort to maintain stakeholder trust, meet legitimacy expectations, and gradually conform to institutional pressures. This analysis also addresses the broader research question by demonstrating how Randstad's ESG strategy reflects both global expectations and sector-specific priorities. The next chapter will build on this foundation by examining how such globally framed strategies are localized in diverse market contexts.

CHAPTER 5 CASE STUDY: RANDSTAD'S ESG LOCAL ADAPTION

5.1 Introduction

This chapter addresses the SRQ2: *How do multinational HR firms effectively adapt their sector-specific ESG strategies to diverse local market contexts?* Building on the strategy-focused analysis in Chapter 4, this chapter shifts to the operational level, examining how Randstad localizes its ESG commitments across countries with varying regulatory, cultural, and stakeholder environments.

The localization of ESG strategies is especially critical in the HR services sector, where legitimacy depends on alignment with national labor expectations and the capacity to demonstrate local impact. Randstad's global ESG strategy, while rooted in consistent principles and frameworks (e.g., ESRS, SDGs), requires adaptation to local market realities. This chapter explores how that adaptation is achieved, focusing on the mechanisms, reporting practices, and communication approaches that mediate between global consistency and local responsiveness.

The analysis draws on two core sources: (1) Local Sustainability Initiative (LSI) Reports published by Randstad between 2015 and 2024 (with gaps in 2017, 2019, and 2022), and (2) semi-structured interviews with Randstad's sustainability experts. Together, these sources provide insight into both formal reporting and the informal, often under-reported challenges of local ESG adaptation. Using ATLAS.ti coding, the chapter identifies patterns of adaptation, reporting integration, and perceived tensions between global strategy and local relevance.

The chapter also engages the theoretical lens established in Chapter 3. Institutional Theory is particularly relevant here in explaining how national regulations and cultural expectations shape adaptation processes. Stakeholder Theory helps interpret how local ESG initiatives respond to shifting and context-specific demands, while Legitimacy Theory provides insight into Randstad's efforts to maintain credibility across global and local domains.

In addressing SRQ2, this chapter contributes to the overall research objective by showing that ESG strategy is not static or uniformly applied, but dynamically negotiated at the intersection of global frameworks and local conditions.

5.2 Adaptation Mechanisms and Governance

This section examines the specific mechanisms and governance arrangements Randstad uses to localize its sustainability approach. The analysis draws primarily from Randstad's LSI Reports 2015–2024, excluding the years 2017, 2019, and 2022 when no such reports were published. These reports document a range of grassroots initiatives developed and implemented by Randstad's country offices, revealing the company's decentralized yet strategically aligned approach to ESG localization.

Randstad's localization model enables national offices to tailor ESG efforts to their specific regulatory, cultural, and stakeholder environments while remaining anchored to global priorities and themes such as inclusion, employability, and diversity. This decentralized design is supported by internal governance mechanisms that facilitate alignment across borders—including shared sustainability themes promoted in global reporting (e.g., inclusion, employability), shared reporting protocols, and knowledge exchange platforms.

To explore how this operates in practice, seven countries were selected for closer analysis based on regional diversity and strategic relevance to Randstad's global footprint. These include mature European markets (e.g., the Netherlands, France), fast-developing economies (e.g., Argentina), and non-European cases (e.g., Australia). The goal is not to exhaustively cover all initiatives but to illustrate a variety of localization pathways and governance responses. The table below summarizes the primary focus and structural logic behind each country's approach.

These case studies illustrate Randstad's flexible approach to ESG localization. In countries like the Netherlands and Spain, Randstad works closely with public sector institutions and civil society, leveraging strong national welfare infrastructures. In contrast, in contexts such as Argentina and Australia, where public support may be more fragmented or targeted, Randstad actively builds multi-stakeholder alliances or aligns with national policy frameworks to achieve localized impact.

Table 9. Randstad Local ESG Adaptation Case Studies

Country	Initiative Title	Strategic Focus	Governance Mechanism
Netherlands	Career Accelerator & Baanbrekend	Employability, Public-Private Labor Market Activation	Local collaboration with municipalities and UWV (Dutch Social Security Agency)
Spain	Randstad Foundation Social Programs	Social Inclusion, Disability & Domestic Violence Recovery	Foundation-led programs partnered with NGOs and local governments
France	Institute for Equal Opportunities	Diversity, Anti-Discrimination Training	In-house expert institute working with NGOs and academics
Italy	Senior Workforce Reintegration	Support for Job Transition of 50+ Workers	HR-led reintegration services coordinated with employers
Germany	Randstad Academy for Training	Upskilling, Digital Competency Development	Centralized learning structure with modular certification
Argentina	PILA Inclusion Program	Inclusion in Vulnerable Urban Neighborhoods	Multi-actor initiative involving corporates and education providers
Australia	GenerationOne Indigenous Initiative	Indigenous Employment & Cultural Integration	Policy-driven national covenant with local execution

Source: Author's analysis based on Randstad's LSI Reports[174]

A common governance pattern is evident across these diverse settings: while initiative design is country-specific, it is guided by global strategic themes and often coordinated through dedicated national units, such as local Randstad Foundations or diversity institutes. These structures facilitate both innovation and internal alignment, ensuring that local efforts feed into broader global ESG commitments.

In sum, Randstad's localization strategy is shaped by a hybrid governance model that balances autonomy and coherence. Local teams are empowered to develop initiatives tailored to their operational realities, while corporate frameworks ensure thematic consistency and knowledge sharing. This balance enables the company to navigate institutional diversity while maintaining a unified ESG identity across markets.

[174] Randstad N.V., "Local Sustainability Initiatives 2024" (Diemen, Netherlands, 2025), https://www.randstad.com/s3fs-media/rscom/public/2024-05/Randstad_Local_Sustainability_Initiatives_2024.pdf?VersionId=PY117CLeV6Oh7gUD_mszDxQCXCNYp4ga.

5.3 Local ESG Measurement, Reporting, and Communication

5.3.1 Local ESG Measurement and Integration into Reporting

To understand how Randstad measures the performance of its localized ESG initiatives and integrates these outcomes into global sustainability reporting structures, this subsection analyzes data from four selected LSI Reports: 2015, 2018, 2021, and 2024. These reports represent key milestones in Randstad's ESG reporting journey—2015 marks the initiative's early experimentation, 2018 reflects operational maturity, 2021 captures adaptation under COVID-19 conditions, and 2024 presents the first ESRS-aligned reporting structure. The documents were coded using Atlas.ti, focusing on thematic categories such as local KPIs, measurement systems, integration pathways, and data standardization.[175]

Evolving Use of Local KPIs and Measurement Practices

The 2015 report revealed a strong reliance on qualitative evidence and anecdotal case studies. While some country offices, such as the Netherlands and Italy, provided basic figures (e.g., training participants or individuals placed), most initiatives lacked standardized outcome metrics. Thematic analysis showed early-stage practices dominated by what could be termed "activity-count-as-impact" indicators—such as number of workshops conducted or outreach sessions held—used as proxies for actual social or labor-market impact.[176] According to Atlas.ti data, local measurement appeared 133 times in 2015, with a modest 34 references to formal tools.[177]

By 2018, several local offices were more consistently applying structured KPIs. Countries like France, Spain, and Japan began presenting outcome-based indicators with social value framing, aligning their reports more explicitly with national priorities or global commitments.[178] The frequency of "Local Measurement" codes nearly doubled to 257, and references to "Measurement Tools" increased significantly to 81. Despite these advances, standardization remained limited: metrics varied widely by country, and no consolidated framework for comparing or aggregating outcomes was yet in place.[179]

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[175] Aishan Liu, 'Randstad LSI Reporting Analysis', Atlas ti Project, 31 May 2025.
[176] Randstad N.V., "Local Sustainability Initiatives 2015" (Diemen, Netherlands, 2016), https://cdn2.hubspot.net/hubfs/481927/Campaigns/Randstad_sustainability_local_initiatives%20(3).pdf.
[177] Liu, Randstad LSI Reporting Analysis.
[178] Randstad N.V., "Local Sustainability Initiatives 2018" (Diemen, Netherlands, 2019), https://cdn2.hubspot.net/hubfs/481927/Local%20sustainability%20initiatives%202018%20Pr11.pdf.
[179] Liu, Randstad LSI Reporting Analysis.

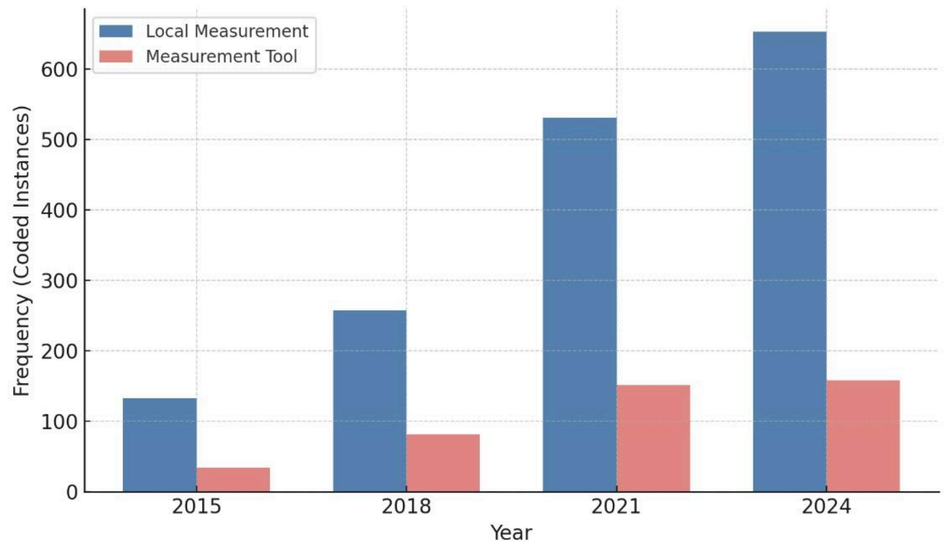
The 2021 report marked a turning point in harmonizing practices. Many countries adopted shared categories—such as “people placed,” “training hours,” or “inclusive hiring”—that reflected increased internal coherence.[180] The total volume of local KPI references surged to 531, and measurement tools were referenced 151 times.[181] However, co-occurrence data showed that while local offices were investing in metrics and systems, these were often not accompanied by clear data flow structures or integration mechanisms, with “Data Flow” appearing only twice in the entire report. The gap between robust local measurement and weak central integration became more apparent.

In 2024, the first ESRS-aligned report demonstrated a major leap in systematization. The coding of “Local Measurement” reached 653, and “Measurement Tools” rose to 158—confirming widespread use of structured tracking mechanisms, from impact dashboards to talent inclusion indices. Crucially, this was also the first report to show consistent references to alignment with group-wide ESG themes and dashboards. Countries explicitly linked local KPIs with corporate metrics—e.g., Sweden’s long-term unemployment placements contributing to global equity goals, or Canada’s inclusive hiring metrics tracked through standardized templates.[182] Still, the frequency of “Standardization” (just 5 instances) and “Data Flow” (only 4) remained surprisingly low, reflecting ongoing barriers to full integration across decentralized systems.[183]

This broader shift is visually captured in Figure 13, which shows a clear rise in both local measurement efforts and tool usage over time. The accelerating frequency of these codes—from 2015 to 2024—reflects growing formalization of Randstad’s local ESG tracking practices.

[180] Randstad N.V., “Local Sustainability Initiatives 2021” (Diemen, Netherlands, 2022), https://www.randstad.com/s3fs-media/rscom/public/2022-05/randstad%20local%20sustainability%20initiatives%202021.pdf.
[181] Liu, Randstad LSI Reporting Analysis.
[182] Randstad N.V., “Local Sustainability Initiatives 2024.”
[183] Liu, Randstad LSI Reporting Analysis.

Figure 13. Growth in Local ESG Measurement and Tools (2015–2024)



Source: Author's analysis based on Randstad's LSI Reports (ATLAS.ti)[184]

The trajectory summarized in Table 10 further contextualizes this shift. It highlights how Randstad's reporting style evolved from informal narratives to structured, standardized disclosures—alongside rising integration levels and persistent operational tensions.

Table 10. Summary of Reporting Evolution in Randstad's Local ESG Measurement (2015–2024)

Year	Measurement Style	Integration Level	Common Challenges
2015	Qualitative, anecdotal	Low	Lack of KPIs, fragmented data
2018	Semi-structured KPIs	Moderate	Non-standard metrics
2021	Structured by outcome themes	High	System-level fragmentation
2024	Standardized and ESRS-aligned	Very High	Regional capacity variation

Source: Author's analysis based on Randstad's LSI Reports

[184] Liu, *"Randstad LSI Reporting Analysis."*

Ongoing Challenges in Data Integration

Despite increasing maturity in measurement practices, the challenge of transforming local data into globally comparable, actionable intelligence persists. Atlas.ti coding confirmed that while Local Measurement and Measurement Tool co-occurred extensively (424 times), their co-occurrence with Standardization or Data Flow was minimal.[185] This signals a persistent structural divide: local units are producing more—and better—data, but system-wide harmonization and interoperability remain underdeveloped. Fragmented data infrastructure and regional differences in reporting capacity are likely contributors.

Meanwhile, codes related to Local Transparency and Stakeholder Reportings have grown modestly over time, reflecting increased but uneven communication of results. Interviews and narrative sections in the 2024 report indicate growing stakeholder pressure—both internal and external—for consistent, public-facing ESG disclosures at the country level. This is particularly relevant in high-impact markets where local programs intersect with national policy goals.

This four-year analysis shows a clear and steady evolution in Randstad's local ESG measurement—from narrative-driven, ad hoc formats to structured, indicator-based systems increasingly embedded within global frameworks. However, the Atlas.ti data also reveals systemic limitations in data flow and standardization, even in the ESRS era. Randstad's decentralization has enabled strong contextual adaptation, but it also complicates the development of a unified measurement infrastructure capable of supporting consistent global ESG accountability. Bridging this gap remains a critical challenge for the years ahead.

5.3.2 Communication Strategies for Local ESG Impact

Effective communication is central to how Randstad sustains and legitimizes its ESG efforts across decentralized markets. This subsection explores the channels, narratives, and audience strategies Randstad employs to communicate localized ESG initiatives both internally—to employees and operational teams—and externally—to clients, communities, and global stakeholders. The analysis draws on qualitative interview data and the LSI Reports (2015–2024) to illustrate the company's evolving approach to stakeholder communication.

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[185] Liu, Randstad LSI Reporting Analysis.

Internal Engagement and the Role of Ambassadors

One of the most distinctive features of Randstad's internal communication strategy is the Sustainability Empowerment Program, which has grown into a structured platform for bottom-up engagement. As described by a Senior Global Sustainability Specialist, the program was developed in response to growing employee interest in contributing to ESG goals:

'We created a voluntary program where people who want to contribute can sign up. First, they learn about sustainability, then about their role, and finally they can become ambassadors and help others engage.'[186]

These ambassadors serve as internal change agents, organizing workshops, leading local campaigns, and engaging colleagues in day-to-day ESG behaviors. Their role is not only to cascade strategic messages but to foster relevance and ownership among frontline employees who may feel distant from headquarters-led initiatives. Activities such as global climate marathons, tree-planting campaigns, and digital clean-up days—frequently coordinated by local ambassadors—serve as both engagement tools and symbolic communication of the company's values.

Communication is further facilitated through Connect, Randstad's internal digital platform. As noted by the Net Zero Project Leader:

'We have our NetZero channel on Connect. There are regular posts, videos, and interviews with senior leadership during sustainability week, helping employees stay informed and inspired.'[187]

The strategic use of tiered messaging—ranging from executive-level videos to peer-led grassroots activities—helps bridge the gap between global ESG ambitions and local operational realities.

Tailoring External Communication for Local Stakeholders

Randstad combines formal reporting with localized storytelling to communicate ESG efforts. The LSI Reports highlight country-specific initiatives, from youth employment in Spain to refugee integration in the Netherlands. Early reports (2015–2016) were largely descriptive, whereas recent ones (2021–2024) show greater sophistication in message framing and audience targeting.

[186] Senior global sustainability specialist, interview.
[187] Net Zero project lead, interview.

By 2024, many countries tailored ESG narratives to resonate with local regulators, clients, and communities. In Sweden, inclusive hiring metrics aligned with national labor policies[188]; in Canada, diversity programs were positioned as market differentiators.[189] This adaptation reflects both Legitimacy Theory, as firms seek social acceptance, and Stakeholder Theory, as communication is shaped by audience salience.

Reports and interviews also confirm that audience segmentation is now an explicit strategy. Global reports target institutional investors and regulators, while local platforms—websites, newsletters, social media—address community partners and potential employees. Still, integration varies. As the ESG Risk Global Lead noted:

'In my audit, I asked local markets: What are your local ESG KPIs? Who owns them? How are you tracking and reporting on them? What I found is that while some markets have mature communication systems, others are still ad hoc.'[190]

Balancing Global Consistency and Local Relevance

A persistent challenge in ESG communication—echoed across interviews—is navigating the tension between brand consistency and contextual adaptation. Global frameworks, such as the ESRS or Randstad's materiality themes, serve as reference points, but country teams are given autonomy to shape their narratives. The 2024 report exemplifies this hybrid model: initiatives are now more frequently mapped against group-wide themes, but the language, KPIs, and stakeholder focus remain locally tailored.

In summary, Randstad's communication strategy has evolved into a multi-layered system that supports both internal engagement and external transparency. Internally, the company fosters involvement through digital platforms like Connect and initiatives such as the ambassador network, enabling employees to not only access sustainability content but also actively contribute to and lead ESG-related activities. Externally, Randstad has increasingly refined its ESG narratives to reflect national contexts and stakeholder priorities while preserving coherence with its global sustainability agenda. Despite these advancements, notable variation persists in the maturity and ownership of ESG reporting across different markets. This disparity suggests that additional investment in communication governance—particularly in standardizing messaging

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[188] Randstad N.V., "Local Sustainability Initiatives 2024," 21–22.
[189] Randstad N.V., 40–41.
[190] ESG Risk Global Lead, interview.

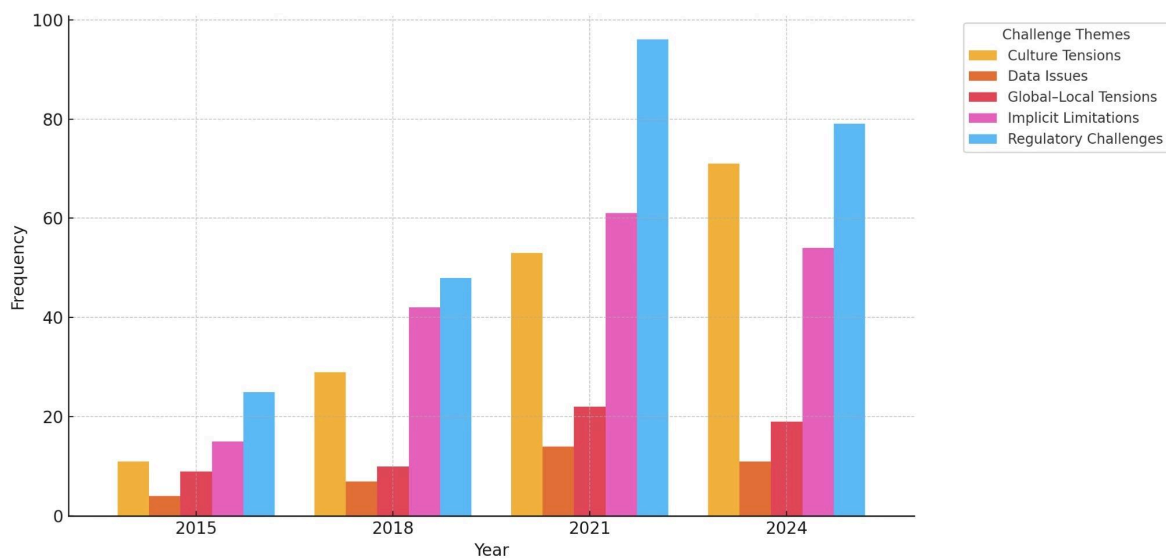
and enhancing local reporting capabilities—will be crucial to strengthening the consistency and credibility of Randstad's global ESG communications.

5.4 Navigating Challenges and Leveraging Opportunities

5.4.1 Key Challenges in Local ESG Adaptation

Localizing ESG strategies across diverse markets poses persistent and complex challenges for Randstad. Drawing from interview insights and thematic coding across the 2015, 2018, 2021, and 2024 LSI reports, five core challenges emerge: regulatory fragmentation, cultural variation, data infrastructure gaps, structural limitations, and global–local tensions. These issues frequently contrast with the polished and harmonized image projected in corporate ESG disclosures, revealing a more negotiated, fragmented reality beneath the surface.[191]

Figure 14. Frequency of ESG Localization Challenges Across Reports



Source: Author's analysis based on Randstad's LSI Reports (ATLAS.ti)[192]

The chart above highlights the increasing frequency of challenge-related themes across reports. Notably, Culture Tensions and Regulatory Challenges see the sharpest rise between 2015 and 2024, while Data Issues remain consistently low—indicating a persistent, unresolved technical burden rather than a narratively emphasized theme.

[191] Aishan Liu, 'Analysis of Local ESG Adaptation Challenges', Atlas ti Project, 1 June 2025.
[192] Ibid.

Navigating Divergent Regulatory Frameworks

Variability in national ESG regulation remains a central obstacle, especially in the context of aligning corporate commitments with local legislative mandates. While Randstad engages with supranational frameworks such as the EU Green Deal and CSRD, country-specific compliance landscapes complicate uniformity.

'It's always a difficult scenario… you could also see in different countries—for example, in France—they have national legislation that mandates companies to report certain ESG topics that the CSRD does not require. So it's always an interplay between those two.'[193]
— ESG Specialist

Atlas.ti coding confirms this regulatory tension, with "Regulatory Challenges" appearing 25 times in 2015 and nearly doubling to 48 by 2018, then peaking at 96 in 2021. This growth reflects increasing complexity and scrutiny, especially as ESG moves from voluntary to regulated space.[194]

Cultural Expectations and Local Norms

Cultural specificity further complicates ESG adaptation. The feasibility of global initiatives such as the transition to electric vehicles varies drastically depending on infrastructure and social norms.

'In the Netherlands it's quite normal to have electric vehicles… but when you go to some other countries, like Italy or France, the infrastructure just isn't there.'[195]
— Net Zero Project Leader

Culture-related themes grew significantly, from 11 codes in 2015 to 71 in 2024, suggesting growing sensitivity to local values, maturity levels, and implementation feasibility.[196]

Data Collection and System Fragmentation

Even as reporting systems have matured, local offices still struggle to generate reliable, comparable data. Technical barriers, legal constraints, and inconsistent capabilities hinder streamlined ESG performance tracking.

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[193] ESG specialist, interview.
[194] Liu, Analysis of Local ESG Adaptation Challenges.
[195] Net Zero project lead, interview.
[196] Liu, Analysis of Local ESG Adaptation Challenges.

'We've had to encourage some countries to be more accurate because in the past… we were not really steering on the data.'[197]
— Net Zero Project Leader

'In Canada, for example, they estimate diversity data based on national statistics because local regulations prohibit actual collection.'[198]
— ESG Risk Global Lead

Despite high strategic relevance, "Data Issues" remain underemphasized in reports—coded only 4 times in 2015 and peaking at 14 in 2021—signaling that data challenges are systemic but often remain behind the scenes of formal reporting narratives.[199]

Tensions Between Global Consistency and Local Relevance

Randstad's decentralized model creates inherent friction between strategic cohesion and contextual flexibility. The push for standardized global initiatives often collides with local capacity, infrastructure, and relevance.

'The global might have a very ambitious goal… but then the local reality is they don't have the resources or even the ambition to meet it.'
— ESG Risk Global Lead[200]

This category—Global–Local Tensions—appears steadily across all four years, peaking in 2021. The relatively even distribution suggests it is a structural challenge, not merely circumstantial.[201]

Implicit Limitations: From Output to Impact Reporting

A deeper limitation in ESG localization lies in the shift from output-based indicators to impact-oriented frameworks. While promising, this transition introduces conceptual and methodological challenges—particularly in defining, measuring, and credibly attributing "impact".

[197] Net Zero project lead, interview.
[198] ESG Risk Global Lead, interview.
[199] Liu, Analysis of Local ESG Adaptation Challenges.
[200] ESG Risk Global Lead, interview.
[201] Liu, Analysis of Local ESG Adaptation Challenges.

'We report on the number of people with disabilities placed… but what is the added value of that? How do you monetize the societal gain? That's the next step, but it's hard to do without making assumptions,'[202]
— Senior Global Sustainability Specialist

This quote illustrates Randstad's still-developing capacity to quantify qualitative change. The lack of shared methodologies, risk of over-claiming, and misalignment between long-term outcomes and short-term reporting cycles present strategic—not just operational—barriers. These challenges constitute implicit limitations in fully realizing ESG potential.

Atlas.ti coding supports this interpretation: the theme "Implicit Limitations" appeared 96 times across four reports, rising from 12 in 2015 to 36 in 2024. This increasing frequency reflects that as Randstad's ESG ambitions grow more sophisticated, internal challenges in evidencing meaningful impact also intensify.[203]

Together, these findings suggest ESG localization is not simply a technical or administrative task, but a strategic negotiation shaped by legal, cultural, and infrastructural asymmetries. Quantitative data highlights the rising salience of these challenges, while qualitative insights reveal the evolving—and still contested—nature of global ESG implementation.

5.4.2 Localized Opportunities and Strategic Differentiation

Despite earlier challenges, ESG localization at Randstad also creates significant opportunities—such as differentiated stakeholder engagement, program innovation, and legitimacy-building tailored to local contexts. Based on interviews and local initiatives from 2015 to 2024, this section examines how country offices leverage contextual diversity as ESG advantage. Key enablers include community partnerships, alignment with national policy, bottom-up mobilization, and emerging impact measurement frameworks.

Leveraging Community Partnerships for Societal Value

In many markets, Randstad's local teams actively collaborate with NGOs, public agencies, and training institutions to address specific labor market barriers. These partnerships move beyond compliance toward inclusive labor activation and skills-based employability.

[202] Senior global sustainability specialist, interview.
[203] Liu, Analysis of Local ESG Adaptation Challenges.

In Argentina, for example, long-running collaborations with NGOs like Fundación Randstad enable focused programs for people with disabilities and individuals with limited labor market access.[204] Such programs often exceed corporate-level objectives in scope and sensitivity. As Senior Global Sustainability Specialist reflected:

'It starts with compliance… but you can move from there to partnerships with NGOs and clients—to integrate it in your business and really create systemic change. That's where local opportunity lives.'[205]

These partnerships generate trust, relevance, and visibility in communities, strengthening Randstad's local legitimacy and often unlocking co-financing or policy support.

Aligning with National Employment and Social Agendas

In high-regulation environments like France, Germany, and the Netherlands, Randstad has aligned ESG narratives with broader national goals, including employment activation, youth integration, and workforce inclusion. This strategy allows local offices to position themselves as proactive agents of social change, not just market actors.

For instance, the Netherlands has implemented initiatives such as Career Accelerator and Baanbrekend, which support employability through public-private partnerships.[206] In Germany, programs like the Randstad Academy for Training and refugee integration schemes demonstrate a focus on skills development and social inclusion.[207] These initiatives address not only commercial objectives but also national SDG commitments related to decent work and reduced inequalities.

'We support the EU's Green Deal and national mandates—not just because we have to, but because we see alignment as a chance to deepen our relevance and credibility locally.'[208]

These locally aligned programs elevate Randstad's influence in policy discussions while providing tangible social outcomes that reinforce the company's stakeholder commitments.

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[204] Randstad N.V., "Local Sustainability Initiatives 2024," 111–13.
[205] Senior global sustainability specialist, interview.
[206] Randstad N.V., "Local Sustainability Initiatives 2024," 84.
[207] Randstad N.V., 18.
[208] ESG specialist, interview.

Bottom-Up Engagement Through Ambassador Networks

Localization is not limited to institutional partnerships—it also involves empowering employees as ESG champions. Randstad's ambassador networks have led grassroots sustainability campaigns, promoted volunteering, and facilitated local reporting. In Belgium, Randstad's the Equity, Diversity, Inclusion & Belonging (EDI&B) reflection group, launched in 2021 and comprising 48 members by 2023, has driven employee-led initiatives such as EDI&B weeks with workshops, contests, and awareness campaigns.[209] Additional tools—like sensitization training, mystery client exercises, and Equal Treatment Coaches—support ethical behavior and inclusion, showing how internal engagement contributes to Randstad's ESG strategy and stakeholder trust.

'Each country can be different… so we appointed national leads who can translate our goals into action. That gives us traction—and often better solutions—because it's built from within.'[210]

These internal mobilizations help balance global vision with local voice, making ESG goals feel owned rather than imposed.

Piloting Impact Measurement as Strategic Learning

The 2021 Sustainability at Work report introduced Randstad's early-stage pilots in impact measurement.[211] These initiatives, supported by the Impact Institute, sought to move beyond output tracking (e.g., number of people placed) to estimating the social return of inclusive hiring. One case involved quantifying how placing long-term unemployed candidates reduces government subsidy needs, boosts family income, and improves human capital.

While these pilots remain exploratory, they highlight Randstad's openness to methodological innovation at the local level. They also reflect a learning posture—testing what works in specific geographies before scaling globally.

'We're just at the beginning… but it's promising. The question now is how to do this without making assumptions—how to translate human change into data.'[212]

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[209] Randstad N.V., "Local Sustainability Initiatives 2024," 39–40.
[210] Net Zero project lead, interview.
[211] Randstad N.V., "Sustainability at Work 2021" (Diemen, Netherlands, 2022), https://www.randstad.com/s3fs-media/rscom/public/2021-09/sustainability-at-work-2021.pdf.
[212] Senior global sustainability specialist, interview.

This reflects a broader lesson: local experimentation, when supported by trust and capacity, becomes a strategic asset for ESG evolution.

Localization undeniably introduces complexity into Randstad's ESG architecture. But as this section demonstrates, it also opens space for creativity, stakeholder relevance, and operational differentiation. Whether through bottom-up engagement, national policy alignment, or community co-creation, local teams are not only adapting—they are advancing ESG goals in contextually intelligent ways. This embeddedness, while difficult to standardize, is increasingly where meaningful impact—and reputational value—is being generated.

5.5 Chapter Summary

This chapter has examined how Randstad localizes its global ESG strategies across diverse national contexts, thereby addressing SRQ2: *How do global ESG strategies become localized across different national contexts within Randstad?* The analysis demonstrates that localization is neither linear nor uniform, but an adaptive process shaped by regulatory, cultural, infrastructural, and organizational conditions. From the evolving rhetoric in global reports (5.1) to the typologies of localization practices (5.2), the gradual maturation of local measurement (5.3), and the dialectic of challenge and opportunity (5.4), one key insight emerges: ESG localization is not merely a compliance mechanism, but a site of continuous negotiation and strategic experimentation. While decentralization allows responsiveness to national conditions, it also generates systemic frictions in data governance, strategic coherence, and impact attribution—issues that Randstad is actively learning to navigate through evolving tools like maturity models, CO_2 dashboards, and stakeholder alignment mechanisms.

These findings reinforce the conceptual framework presented in Chapter 3.1. Drawing on Institutional Theory, Chapter 5 shows how Randstad subsidiaries adapt to national rules and expectations, often reinterpreting global ESG standards to suit local norms and constraints. Stakeholder Theory helps explain the prioritization of socially salient topics—like inclusion or upskilling—based on differing stakeholder demands across markets. Meanwhile, Legitimacy Theory illuminates how local teams mobilize ESG narratives and partnerships to enhance credibility, not only with regulators but also clients and communities. These patterns validate the recursive flow outlined in the conceptual model, where global strategy undergoes local translation, hybrid implementation, and reflexive learning—creating feedback loops that shape future practices. Chapter 5 thus provides grounded evidence of how Randstad negotiates multi-level pressures through strategic, context-sensitive ESG localization.

Looking ahead, Chapter 6 will begin by summarizing the findings from Chapters 4 and 5 to directly address the main research question. It will then reflect on the broader implications of Randstad's ESG localization experience, evaluating the strengths and limitations of the framework and proposing recommendations for advancing ESG strategy in complex, multi-level contexts.

CHAPTER 6: CONCLUSIONS AND RECOMMENDATIONS

6.1 Summary of Research Findings

This study investigated how the human resources industry, exemplified by Randstad, develops and adapts ESG strategies to sector-specific characteristics and diverse local market contexts. The findings provide a detailed exploration of this process through two empirical chapters: Chapter 4 on strategy formation and Chapter 5 on local adaptation.

Primary Research Question: *How does the human resources industry, exemplified by Randstad, develop ESG strategies tailored to its unique sector characteristics and subsequently adapt these strategies across diverse local market contexts?*

Randstad's ESG strategy reflects a structured progression—from basic compliance and internal initiatives to deeper strategic integration and market-level impact through innovation. Grounded in sector-specific priorities linked to SDGs 4, 5, 8, 10, and 13, this approach is informed by organizational purpose and evolving stakeholder demands. Localization is achieved through decentralized governance and translation of global goals into national initiatives, aligning corporate themes with local regulatory and cultural contexts.

SRQ 1: *How does the human resources industry establish the foundational elements and strategic priorities for developing sector-specific ESG strategies?*

Randstad develops its sector-specific ESG strategy through a combination of internal values (e.g., corporate value, talent attraction) and external pressures (e.g., CSRD, investor demands), forming a foundational strategy grounded in double materiality and aligned with sector-relevant priorities like inclusion, employability, and human capital development.

Key findings addressing this question (Chapter 4) include:

1) **Internal Drivers:** ESG strategies deeply rooted in internal values, particularly people-centricity and societal purpose, further shaped by coporate value, talent attraction, operational risk management, and market demands.
2) **External Pressures:** Regulatory mandates, investor demands, and stakeholder expectations significantly influence strategic ESG priorities.

3) **Materiality and Reporting Evolution:** Transition from foundational CSR to rigorous double materiality assessments guided by ESRS, emphasizing topics relevant to human capital management.
4) **Measurement and KPI Reporting:** Diverse quantitative and qualitative KPIs effectively capture social impact, though environmental reporting requires further development.

SRQ 2: *How do multinational HR firms effectively adapt their sector-specific ESG strategies to diverse local market contexts?*

Localization is achieved through a hybrid governance model balancing global coherence with local autonomy. National teams translate global ESG themes into context-specific initiatives through NGO partnerships, public schemes, or national policy frameworks while increasingly integrating local KPIs and tools. ESG strategy is a recursive and adaptive process: local innovations inform global strategy, and regulatory shifts reshape both planning and practice.

Key findings addressing this question (Chapter 5) include:

1) **Localization Mechanisms:** Decentralized governance allows national offices to adapt ESG initiatives to local conditions while maintaining alignment with global themes.
2) **Measurement, Reporting, and Communication:** Local ESG practices have matured into structured KPIs and ESRS-aligned disclosures, with ongoing challenges in data integration and standardization.
3) **Navigating Challenges and Leveraging Opportunities:** ESG adaptation involves managing regulatory fragmentation, cultural variations, and data infrastructure limitations, while strategically leveraging local partnerships, policy alignment, employee engagement, and experimental measurement frameworks.

In conclusion, Randstad's ESG strategy is strategically flexible, balancing global coherence with local responsiveness and evolving through continuous adaptation to regulatory, cultural, and operational demands.

6.2 Contributions and Implications

6.2.1 Academic Contributions

This study contributes to academic understanding in four areas: sector-specific ESG strategy, localization dynamics, research methodology, and theoretical operationalization.

1) ESG Insights in the HR Services Sector

The study enriches ESG literature by focusing on the HR industry—an underexplored yet socially impactful sector. Randstad's case offers empirical insight into sector-specific ESG practices centered on workforce inclusion, employability, and safety. These findings expand ESG discourse beyond environmentally intensive sectors and lay groundwork for future research in human capital-driven industries.

2) ESG Localization Dynamics

This thesis provides an in-depth empirical account of how ESG strategies are localized in MNCs. Through Randstad's example, it shows that localization is dynamic and iterative, involving NGO partnerships, national policy alignment, and audience-specific communication. These findings illuminate the trade-offs between global coherence and local relevance, advancing academic debates on strategic ESG adaptation.

3) Methodological Contributions

Methodologically, the study demonstrates the value of a mixed-methods approach, integrating qualitative data (expert interviews, ESG reports) with quantitative content analysis using ATLAS.ti. This combination supports nuanced, replicable ESG research and illustrates rigorous coding practices applicable across sectors.

4) Operationalizing ESG Theory Through a Conceptual Framework

An original framework (Chapter 3.1) synthesizes Institutional, Stakeholder, and Legitimacy theories to analyze ESG strategy formation and localization.

a) **Chapter 4** applies this framework to explain Randstad's alignment with global standards (ESRS, SDGs) and stakeholder expectations.
b) **Chapter 5** shows how national institutions shape ESG practices, and how legitimacy is maintained through localized programs and tailored communication.

This framework both structures the empirical analysis and offers a transferable tool for studying ESG governance in complex institutional environments, bridging abstract theory and applied strategy.

6.2.2 Practical Implications

The findings of this study offer actionable insights for Randstad and a wider set of stakeholders—HR-sector firms, MNCs, ESG professionals, and policymakers. These implications are grounded in detailed, practice-informed analysis and further enriched by the author's internship, which provided firsthand exposure to ESG implementation.

1) For ESG Practitioners and Sustainability Teams

Randstad's case shows ESG strategy is not linear or top-down but shaped by multi-level institutional dynamics. Strategic flexibility is crucial in decentralized settings. Tools like ambassador networks, localized KPIs, and hybrid governance models support bottom-up innovation while maintaining global alignment. Practitioners should also invest in internal engagement mechanisms—such as employee empowerment programs—to drive grassroots ESG momentum. These tools are adaptable across sectors.

2) For HR Services Firms

Randstad's experience highlights the strategic importance of social ESG dimensions—labor inclusion, fair conditions, and skill development. Its pillars—fair labor markets, equity at work, and the green transition—reflect sector-specific responsibilities. While Randstad reports strong social KPIs (e.g., youth employment, training hours, marginalized group placement), environmental metrics are underdeveloped. For instance, Scope 3 emissions data hasn't been updated since 2021, despite net-zero commitments. This gap reflects an industry-wide lag in environmental data systems.

Moreover, reporting still emphasizes outputs (e.g., placements, training) over longer-term outcomes like employment stability or wage progression. Advancing toward integrated, longitudinal metrics will be vital to demonstrating true social value. Randstad also exemplifies how double materiality and stakeholder-informed KPIs can serve as governance tools—guiding innovation, boosting service credibility, and reinforcing legitimacy in highly scrutinized labor markets.

3) For MNCs Managing Localization

Randstad's hybrid governance model offers a blueprint for balancing global strategy with local adaptation. Effective localization requires not just autonomy but integration tools—such as shared dashboards and thematic anchors—and reflexive learning mechanisms that allow local innovations (e.g., Spain's disability programs, Dutch labor activation schemes) to inform global strategy.[213] MNCs must also manage persistent frictions between global consistency and local responsiveness, especially in fragmented regulatory or data environments.

[213] Randstad N.V., "Local Sustainability Initiatives 2024," 21–22.

4) For Policymakers and Regulators

The study highlights the difficulty global firms face navigating overlapping ESG regulations. While frameworks like the SRD and ESRS enhance comparability, they often leave little room for localized nuance. Policymakers should encourage "structured flexibility": standardized core disclosures plus space for sector- or country-specific indicators. Supporting ESG localization through public-private partnerships, co-financing, and reporting capacity-building will also be key.

5) Cross-Sectoral Lessons

Though sector-specific, these findings have wider relevance. Effective ESG strategy must be context-aware, data-informed, and grounded in social impact. Sectors like logistics, tech, and hospitality—undergoing digital or green transitions—can draw on these principles by embedding ESG into their value proposition, not just compliance processes. Building local legitimacy, engaging diverse stakeholders, and experimenting with impact measurement are essential for navigating institutional complexity across markets.

In sum, this thesis offers both strategic and operational lessons. ESG is not merely a disclosure exercise but a governance practice embedded in corporate strategy. These insights apply not only to Randstad or the HR sector, but also to broader debates around sustainable development, accountability, and corporate adaptation under evolving ESG standards.

6.3 Limitations of the Research

Despite the study's contributions, several limitations should be acknowledged to contextualize its scope and interpretive boundaries.

1) Single Case Study Design

This study focuses exclusively on Randstad, a global, ESG-mature MNC in the HR services sector. As such, the institutional capacity, resource availability, and governance structures analyzed may not reflect the realities of smaller firms, companies in other industries, or those operating in less regulated environments. The case may therefore represent a high-performing outlier rather than an industry baseline, limiting generalizability. However, this design choice is consistent with the research aim: to understand the strategic logic and internal mechanisms by which ESG strategies are developed and localized within a sector-specific context. The single-case approach enables a depth of insight that is difficult to achieve through broader comparative designs and contributes to theory-building through analytical generalization.

2) Internal Perspective Focus

The empirical material draws primarily from internal company sources, including sustainability reports, internal documentation, and expert interviews with Randstad personnel. This orientation provides direct access to strategic intent, governance processes, and the translation of ESG goals across organizational levels. At the same time, it inherently limits the inclusion of external perspectives—such as those of clients, workers, or civil society stakeholders. This may lead to an overemphasis on intended outcomes or official narratives rather than independently verified results. Nonetheless, this internal lens was chosen purposefully to align with the thesis objective: to examine how ESG strategies are conceived, structured, and implemented from within the organization, rather than to externally evaluate ESG performance.

3) Dynamic ESG Landscape

The ESG field is rapidly evolving, shaped by shifting regulations, stakeholder expectations, and political developments. As such, the findings of this study are temporally situated. For example, several interviewees referenced the EU's Omnibus Directive—introduced during the research period—which aimed to streamline CSRD requirements and reduce the reporting burden. A Senior Global Sustainability Specialist noted: *'The Omnibus is trying to connect CSRD and making the scope smaller... but for us, nothing changed because we're still within the scope. Maybe the timeline changes, but we're still in.'*[214] While large firms like Randstad remain largely unaffected, the regulatory pressure on smaller firms may be reduced.

A Business Development Manager for ESG added: *'Because of Omnibus… companies who need to [comply] with the regulation—it is less. And the value chain… they are trying to loosen that as well. That's a bit of a pity because I think it will slow down the whole process of more companies being more sustainable.'*[215] These reflections highlight how ESG rules—even within the EU—are in flux. Some interviewees also referenced policy rollbacks in the U.S., such as moves to cancel DEI programs, as further evidence of global volatility. While these shifts had limited immediate impact on EU-based firms like Randstad, they underscore the political sensitivity and unpredictability of the ESG landscape.

[214] Senior global sustainability specialist, interview.
[215] Business Development Manager ESG, interview by the author, April 4, 2025, transcript.

This fluid context makes it difficult for any case study to capture a fully stable ESG framework. The research presents a snapshot, and future developments may reshape both strategy and practice in ways not yet visible.

4) Limited Evaluation of ESG Outcomes

Although the study examines ESG strategy formulation and localization, it does not systematically assess the real-world impact or effectiveness of Randstad's ESG initiatives. The focus is primarily on governance structures, measurement frameworks, and strategic intent rather than longitudinal outcome evaluation (e.g., how programs affect job retention, equity outcomes, or environmental impact). This is partly due to data constraints, but it also reflects a broader challenge in ESG research: the difficulty of moving from output reporting to meaningful, verifiable impact assessment.

6.4 Suggestions for Future Research

This study opens several avenues for further academic inquiry into ESG strategy development and localization. The research offers valuable insight into Randstad's internal ESG logic and governance mechanisms. It aims to contribute to a broader understanding of how ESG strategies are developed and localized within the human resources services sector. Building on this foundation, future studies can broaden, deepen, and diversify this foundation in the following ways:

1) Comparative Case Studies Across Sectors and Firm Sizes

To assess the transferability of findings beyond Randstad, future research should pursue comparative case studies involving firms from different sectors (e.g., manufacturing, tech, logistics) and organizational scales, particularly SMEs. Given Randstad's maturity and resources, it remains unclear whether smaller or less ESG-advanced firms could replicate similar localization structures, measurement systems, or hybrid governance models. Comparative analysis would help distinguish sector-specific ESG practices from broader institutional or organizational logics.

2) Multi-Stakeholder Perspectives

This study focused primarily on internal strategic actors. Future research should incorporate voices from placed workers, local clients, NGO partners, and affected communities to evaluate how ESG strategies are perceived, experienced, or contested beyond the corporate boundary. This is especially urgent in light of growing public skepticism about ESG reporting. Critics increasingly argue that ESG disclosures often function as corporate storytelling, masking poor labor practices or minimal environmental impact—sometimes amounting to "social washing" or "greenwashing."[216] Examining stakeholder perspectives can help address this credibility gap by comparing intended strategy with lived outcomes, particularly around inclusion, equity, and employment quality. Methodologically, participatory approaches, ethnographic casework, or stakeholder-centered impact evaluations could offer valuable tools to surface these alternative narratives often excluded from formal reports.[217]

3) Navigating and Responding to Regulatory Volatility

Given the evolving nature of ESG governance, further research should examine how firms build adaptability and resilience into their ESG architecture. With regulatory shifts like the EU Omnibus and political headwinds such as DEI backlash in the U.S., firms increasingly operate in uncertain normative environments. Future studies could explore strategic foresight, scenario planning, or dynamic capability-building as emerging components of ESG governance.

4) Measuring Long-Term Social and Environmental Impact

Much ESG research, including this study, remains anchored in the reporting and strategy domains. There is a pressing need for empirical work that evaluates actual ESG outcomes—especially social impact—in longitudinal terms. Future studies could explore new approaches to assessing job quality, employability trajectories, or community impact linked to ESG initiatives. This would help shift research from input/output reporting to accountability for change.

6.5 Concluding Remarks

This study has shown that ESG, particularly in people-centered industries like HR services, is far more than a reporting exercise—it is a field of ongoing negotiation, learning, and tension. While companies may present ESG as a stable structure of disclosures, this research has revealed it to be a deeply contested and adaptive process, shaped as much by internal values and social commitments as by external regulations or investor demands.

[216] RepRisk, *On the Rise: Navigating the Wave of Greenwashing and Social Washing*, https://www.reprisk.com/research-insights/reports/on-the-rise-navigating-the-wave-of-greenwashing-and-social-washing/20adb3d8 (accessed June 7, 2025).
[217] EY, *85% of Investors Say Greenwashing Is a Growing Problem: EY Survey*, https://www.esgtoday.com/85-of-investors-say-greenwashing-is-a-growing-problem-ey-survey/ (accessed June 7, 2025).

What becomes clear is that ESG strategy must not be approached as a one-size-fits-all solution, nor as a static set of metrics. Instead, it must remain responsive—to local contexts, stakeholder voices, and the lived realities of the people it claims to impact. For firms like Randstad, whose core product is human labor, ESG is inseparable from ethical responsibility. Inclusion, fairness, and development are not just targets; they are the terrain on which the company builds legitimacy and relevance.

This thesis also surfaces a broader discomfort: the gap between ESG aspiration and operational complexity. Disclosures can be polished; realities are messier. Recognizing this gap is not failure—it is a starting point for more honest, grounded, and credible ESG work.

Looking ahead, it is important that researchers, practitioners, and regulators avoid narrowing ESG to a matter of compliance or branding alone. Instead, ESG can be understood as a tool for learning, accountability, and creating broader social value. If ESG is to mean anything beyond performance tables, it must be continuously redefined by those it affects and includes. The question is not only whether firms report ESG—but whether they are willing to be changed by it.

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APPENDICES 1: Interview Overview

1.1 List of Interviewees

In total, five expert interviews were conducted to understand Randstad's ESG governance, reporting, and localization processes. Table 2 (Section 3.4) presents an overview of these interviewees, including their job roles, focus areas, and connection to ESG frameworks. Figure 10 (Chapter 4) further visualizes how these individuals align with Randstad's internal ESG governance streams—spanning Sustainability Projects, Report Writing, and Risk Control—under the coordination of the Sustainability Committee.

Notably, one participant, the Business Development Manager for ESG from Yacht (a Randstad subsidiary), occupies a distinct position compared to other interviewees. As a consulting professional supporting external ESG strategy development across multiple sectors, her perspective offered a valuable external lens. While still situated within the broader Randstad ecosystem, her input served as a boundary-spanning viewpoint—helpful for interpreting how market trends, client expectations, and cross-sectoral insights inform Randstad's ESG thinking. Her contributions were thus used primarily to triangulate internal findings rather than represent internal strategy execution.

This layered approach to participant selection allowed the study to integrate both strategic intent (through internal leadership) and critical market insight (through external-facing roles), strengthening the analysis of Randstad's ESG decision-making and reporting logic.

Table 2. Overview of Interview Participants (Section 3.4)

Interviewee Job Title	Primary Focus Area	Key Responsibilities	Connection to Key ESG Frameworks
ESG Specialist	ESG Reporting & CSRD Compliance	Responsibility for ESG-related reporting; Ensuring compliance with CSRD regulations; Implementing controls for non-financial reporting; Supporting Randstad's alignment with UN SDGs.	CSRD, ESRS, UN SDGs, IFRS Sustainability Disclosure Standards, GRI
Net Zero project Leader	Net Zero Project (Scope 1-3) & Climate Action	Leading the Net Zero project for scope 1-3 emissions; Implementing sustainable mobility, energy efficiency, renewable electricity, and sustainable travel initiatives; Managing supplier engagement policy for emissions reduction;	UN SDG 13 (Climate Action), Science-Based Targets initiative (SBTi)

		Overseeing global Net Zero Ambassador Network.	
Global lead - ESG Risk	ESG Strategy, Risk & Opportunity Management	Leading ESG reviews to strengthen and align Randstad's ESG strategy; Guiding management on ESG risks and opportunities; Member of Business Risk & Audit Function (BR&AF) providing insights on risk management, internal control, and governance.	CSRD, ESRS, UN SDGs, IFRS Sustainability Disclosure Standards, GRI
Senior global sustainability specialist	Global Sustainability Strategy & Reporting	Developing and implementing global sustainability agenda; Managing integrated non-financial reporting systems; Overseeing annual application to Dow Jones Sustainability Index (DJSI); Leading global sustainability community & Decision making	UN SDGs (4, 5, 8, 10,13), DJSI, IIRC Integrated Reporting Framework, CSRD, ESRS
Business Development Manager ESG, Yacht (Randstad Professional)	ESG Business Development & Market Connection	Connecting market trends in Finance, HR, M&C, and Legal to ESG opportunities; Providing impact analyses and strategic advice to Yacht's management; Building networks and expertise in ESG; Focusing on innovation, technology, HR, sales, and sustainability ESG.	Market trends in ESG, Sustainability principles across various business functions

Figure 10. Randstad's ESG Governance and Operational Flow for Materiality

Source: Developed by the author of the thesis

1.2 Interview Question Outline and Summary

The following summaries provide the interview questions and key insights from each participant, reflecting their area of expertise within Randstad's ESG framework.

1.2.1 ESG Specialist – Interview Questions and Summary

Interviewee: ESG Specialist, Global Financial Reporting Team
Date: April 4, 2025
Duration: 45 minutes
Mode: Semi-structured interview

Interview questions:

I. Introductory Questions (General Context)

1. Could you please describe your role at Randstad, particularly your responsibilities related to ESG and sustainability? (e.g., What does an ESG specialist at Randstad do?)
2. What's the difference between Randstad's 2024 Sustainability Statement and the previous year ESG report (2022-2023)? Why did the change happen?
3. How has Randstad's approach to ESG evolved in recent years? (Path of development)

II. Industry-Specific ESG Adaptability (SRQ 1)

4. Randstad's sustainability strategy is built on three pillars: promoting a fair labor market, fostering workplace equity, and supporting the green transition. Why has Randstad prioritized these three pillars in your opinion?
5. How did Randstad choose the specific SDGs to align with the three pillars? Why? (Considering to operational realities and stakeholder expectations)
6. What are the key characteristics of the Human Resources industry that influence how Randstad approaches and implements ESG strategies?
7. How do these industry-specific characteristics create unique challenges or opportunities for Randstad in its ESG efforts?

III. Localization of ESG and Dutch regulations (SRQ 2)

Right now the Netherlands implement the Corporate Sustainability Reporting Directive (CSRD) and European Sustainability Reporting Standard (ESRS) issued by the European Financial Reporting Advisory Group (EFRAG).GRI (Global Reporting Initiative) Standards

8. Beyond simply implementing the CSRD and ESRS, has the Dutch government made any specific adjustments to these regulations to better reflect the unique context of the Netherlands?
9. How does Randstad balance EU wide policies with the local regulatory environment?
10. In your perspective, are there any features of Netherlands ESG policies or implementation (progressive sustainability policies) ? or just following the EU?
11. Will you consider the Netherlands as a leader in ESG implementation. I find out that the corporate culture here tends to prioritize sustainability.

IV. CSRD and ESRS Implementation

12. Back to Randstad SR, I notice that the Dutch implementation of CSRD is still pending, but Randstad have chosen to voluntarily prepare reports in accordance with the CSRD standards. Why? (use of the transitional provisions for the first year in accordance with ESRS 1 for newly presented metrics)
13. What were the main considerations for Randstad when applying the CSRD and ESRS in the Netherlands?
14. How did Randstad assess and apply the principle of double materiality in its 2024 report to determine the most relevant ESG topics?
15. How has the "Omnibus" directive influenced Randstad's approach to ESG reporting and the implementation of the CSRD in the Netherlands? (Replaces Question 4)
16. Do you think it's necessary to adjust global ESG standards to fit within the local realities and operational contexts of different industries and regions? (link with Omnibus)
17. Do the regulations we have make it easy to cross-sector comparisons?

V. Challenges and Future Opportunities

What specific challenges or opportunities did Randstad encounter in collecting and reporting data (or more generally when you making SR)related to the social aspects of talent and corporate employees, as required by the ESRS?

18. Challenges in ESG implementation particularly faced by Randstad.(challenges already known, I learned from: green washing, we discussed before data challenge, inconsistent reporting, resistance: cultural and organizational barriers….)
19. Also the challenges in balancing global standards with the specific context of the Dutch market?
20. What's method we use to solve the challenges: (ESRS → greenwashing)
21. How does Randstad ensure the accuracy and reliability of its sustainability data, and what internal controls are in place?
22. What emerging trends or future developments in ESG do you think will have the most significant impact on Randstad and the HR industry in the Netherlands?

VI. Corporate Leadership and Best Practices

23. How does Randstad view its role in promoting ESG best practices within the HR industry, both in the Netherlands and more broadly?
24. Could you provide examples of innovative ESG practices implemented by Randstad that could serve as benchmarks for other companies in the sector?
25. Are there any other important aspects of Randstad's ESG practices in the Netherlands that we haven't discussed that you'd like to share?

Summary:

The ESG Specialist plays a central role in drafting Randstad's Sustainability Statement, particularly in aligning it with the CSRD (Corporate Sustainability Reporting Directive) and ESRS frameworks. Although CSRD had not yet been transposed into Dutch law at the time of reporting, Randstad proactively adopted its requirements to maintain credibility and stay aligned with EU-wide standards.

Key insights from the interview highlight that Randstad's ESG reporting is guided primarily by its double materiality assessment, which defines its three ESG strategic pillars—fair labor markets, workplace equity, and the green transition. The interviewee emphasized how these pillars are data-driven and updated through annual stakeholder validation and internal alignment.

The conversation also addressed industry-specific ESG characteristics. The interviewee underlined Randstad's large social footprint—placing over 1.6 million talents globally—and how that justifies its focus on the "Social" pillar, including occupational health and safety, especially in operational roles. In contrast to asset-heavy industries like manufacturing, environmental materiality was seen as limited for Randstad but still relevant through indirect impact, such as enabling green jobs.

Further discussion explored reporting challenges, such as coordinating data collection across subsidiaries and managing stakeholder alignment, particularly given varying national regulations and data protection laws. Despite these complexities, the interviewee stressed Randstad's leadership in the sector, noting its position as one of the first HR firms to report fully CSRD-compliant.

Lastly, the interview shed light on the evolving nature of ESG itself: described not as a fixed framework but as a dynamic process influenced by changing regulations (e.g., the Omnibus directive) and broader societal expectations. The interviewee expressed confidence that ESG will remain a long-term strategic priority, especially for younger generations.

1.2.2 Net Zero Project Leader – Interview Questions and Summary

Interviewee: Net Zero Project Leader

Date: April 7, 2025

Duration: 40 minutes

Mode: Semi-structured interview

Interview questions:

I. Introductory Questions (General Context)

1. Could you please describe your role as director/leader of the netzero project at Randstad? What are your key responsibilities?
2. Could you describe the journey of Randstad's netzero project?

- When is the project started?
- How have the strategy and priorities shifted over the years? (2024 annual report mentioned about net zero in 2050)
- What were the major challenges and successes along the way?

3. Randstad's sustainability strategy includes a pillar called 'Supporting the Green Transition,' which encompasses the net zero target. In your opinion, how important is achieving net zero to Randstad's overall ESG (or sustainability) performance, and why?

II. Industry-Specific characteristics - netzero (SRQ 1)

4. In Randstad's netzero strategy, is there a greater emphasis on reducing Scope 1, 2, or 3 emissions, and why has Randstad prioritized these specific emission scopes? (How does the nature of the HR industry affect this decision?)
5. Which initiatives are most critical to Randstad's netzero plan, and what are the underlying reasons for this prioritization, considering the unique characteristics of the human resources industry?

As we already know: Sustainable mobility, renewable energy efficiency in buildings, sustainable business travel and supplier engagement collectively form the foundation of Randstad's holistic approach to GHG emissions reduction

6. What are the unique challenges the HR industry faces in achieving netzero compared to other sectors (e.g., business travel emissions, office energy consumption)?
7. In your experience with the net zero project at Randstad, what has been the most challenging aspect to overcome? (e.g., data collection, accuracy, consistency) What are the biggest organizational or operational barriers you've encountered in implementing netzero initiatives across Randstad's global operations, and how have you overcome them?

III. Netzero within Randstad

8. Are you involved in gathering or providing the information that goes into Randstad's annual report - sustainability statement section?
9. How does Randstad ensure consistency and accuracy in netzero data and reporting across its global operations, and what strategies have been most effective in preventing "greenwashing"?
10. How does Randstad determine which key performance indicators (KPIs) to use for measuring the progress and effectiveness of its Net Zero initiatives? Does it align with frameworks like the SBTi, ESRS, or CSRD? (Annual report p. 135)
11. How is Randstad leveraging technology and innovation to achieve its netzero targets? Are there any specific technologies or solutions that have been particularly effective?
12. How has Randstad fostered a culture of sustainability and engagement among employees to support its netzero goals, especially through the Global netzero Ambassador Network?
13. What are the main challenges in motivating employees to contribute to netzero goals?
14. How does Randstad's supplier engagement policy contribute to its netzero goals, particularly in reducing Scope 3 emissions? What are the challenges and successes in engaging suppliers?

IV. Localization of ESG and Dutch regulations (SRQ 2)

15. How do Dutch sustainability regulations and policies influence Randstad's netzero strategy and implementation in the Netherlands?
16. What specific opportunities or challenges does the Dutch context present for Randstad in achieving its netzero ambitions?
17. Does Randstad collaborate with other companies, organizations, or the Dutch government on netzero initiatives? If so, could you provide examples?

18. How does Randstad balance the need for a globally consistent netzero strategy with the adaptation required to address specific local contexts and regulations in different countries?
19. What are the key localization decisions you've had to make regarding netzero implementation, and what factors influence those decisions?

V. Future Outlook

20. What are Randstad's future goals and aspirations in its netzero journey?
21. What are the emerging trends or future developments in netzero that you think will have the most significant impact on Randstad and the human resources industry (omnibus)?

VI. Closing

22. Is there anything else you would like to add?

Summary:
This interview focused on the structure, implementation, and strategic challenges of Randstad's Net Zero initiative. The interviewee described the project as a cross-functional program launched in 2021, targeting science-based emissions reductions—50% for Scope 1 and 2, and 30% for Scope 3 by 2030—with a full net zero goal by 2050.

Key insights revealed that the majority of Randstad's emissions lie in Scope 3, particularly from business travel, commuting, and third-party suppliers. The company has taken action through electric vehicle policy shifts, energy-efficient office selection, and procurement of green electricity. Scope 2 emissions are now close to zero due to use of certified green energy sources.

The interviewee explained that the initiative is structured around four emission "pillars" (vehicles, buildings, commuting, and supplier emissions), each with a designated lead. Country-level leads are also assigned to adapt global targets to local conditions. Data reliability emerged as an early challenge, especially in countries with weaker reporting infrastructure, but was mitigated by introducing quarterly non-financial reporting and internal CO_2 dashboards.

The conversation also highlighted regional implementation differences. Countries with established infrastructure for electric mobility can move faster, while others face practical limitations. Despite being a

service-sector firm with relatively low direct emissions, Randstad faces the challenge of managing indirect impacts through its supply chain and business travel.

To support internal engagement, the initiative is complemented by an ambassador network and campaigns encouraging employee participation in sustainability. While these grassroots efforts may not significantly reduce emissions, they play a key role in building organizational awareness and culture.

Finally, the interviewee emphasized that Randstad's net zero ambition is not driven by regulation alone but by internal corporate responsibility. Legal compliance is integrated where necessary, but the company aims to exceed minimum standards through proactive planning and long-term environmental commitment.

1.2.3 Global Lead ESG Risk – Interview Questions and Summary

Interviewee: Global ESG Risk Lead

Date: April 8, 2025

Duration: 40 minutes

Mode: Semi-structured interview

Interview questions:

I. Introductory Questions (General Context)

1. Could you please describe your role as Global Lead - ESG Risk at Randstad, particularly your responsibilities related to ESG strategy, risk, and opportunity management?
2. I notice the shift from ESG report (2022-2023) to Sustainability Report (2024). How has Randstad's understanding and prioritization of ESG risk evolved since you joined the company?
3. How does the Business Risk & Audit Function (BR&AF) at Randstad contribute to the development and oversight of ESG risk management?
4. Is ESG risk management part of our risk and control framework? (according p.86 Climate change and AI are two emerging risks.)

II. ESG Adaptability, Risk & Opportunity Management (SRQ 1)

5. In the context of the HR industry, what are the unique ESG risks and opportunities that Randstad faces compared to other sectors? (I notice that you worked four years for IKEA)
6. Your role involves leading ESG reviews to strengthen and align Randstad's ESG strategy. What are the key elements you focus on during these reviews?
7. The annual report highlights several key risks, including compliance risks and data protection regulations (main risks categorized into four areas: Strategic, Operational, Financial & Reporting, and Compliance, p. 80). How do these intersect with ESG risk management at Randstad?
8. In your experience, what are the biggest challenges in effectively managing ESG risks in a multinational company like Randstad?

9. Considering the known challenges of ESG implementation – such as greenwashing, data limitations, inconsistent reporting, and cultural/organizational resistance – what are the key adaptations required to effectively apply global ESG frameworks to Randstad's SR?
10. What specific risk mitigation strategies has Randstad implemented to address key ESG risks, and how does your team measure the effectiveness of these strategies?

III. CSRD, ESRS, IFRS Sustainability Disclosure Standards (SRQ 2)

Right now the Netherlands implement the Corporate Sustainability Reporting Directive (CSRD) and European Sustainability Reporting Standard (ESRS) issued by the European Financial Reporting Advisory Group (EFRAG).GRI (Global Reporting Initiative) Standards.

11. How does Randstad balance EU wide policies with the local regulatory environment?
12. Beyond simply implementing the CSRD and ESRS, has the Dutch government made any specific adjustments to these regulations to better reflect the unique context of the Netherlands? (if you know by any chance)
13. In your perspective, are there any features of Netherlands ESG policies or implementation (progressive sustainability policies) ? or just following the EU?
14. How are the IFRS Sustainability Disclosure Standards and GRI standards incorporated into Randstad's ESG risk assessment and reporting?

IV. Double materiality: the scale, scope, irremediability and likelihood

15. Double Materiality as a Driver of Risk and Opportunity Identification
    a. Randstad's report states that the double materiality assessment identifies 'impacts, risks, and opportunities' (IROs). To what extent does the process itself of analyzing both inside-out and outside-in materiality lead to the discovery of risks and opportunities that might not be apparent through traditional risk management methods? Can you provide specific examples of novel risks or opportunities that have emerged from Randstad's double materiality assessments?
16. Integrating the Dual Nature of Materiality into Risk Assessment

a. The assessment of financial materiality (how ESG issues affect Randstad) and impact materiality (how Randstad affects ESG issues) can sometimes yield conflicting priorities. For instance, reducing carbon emissions (impact materiality) might involve short-term costs (financial materiality). How does Randstad's risk management process navigate these potential conflicts, and what methodologies or decision-making frameworks are used to balance these competing priorities?
b. Many ESG risks have long-term horizons, while traditional risk management often focuses on shorter-term financial impacts. How does Randstad's risk management team incorporate the time dimension of double materiality into its risk assessments, and are there specific tools or techniques used to model the long-term financial implications of ESG-related risks and opportunities?

V. Internal Audit and ESG Risk

17. How do you ensure the accuracy and reliability of ESG data, and what role does internal audit play in this process?
18. What specific audit procedures are used to evaluate ESG-related controls and reporting processes?
19. How do different teams support and work with each other? (Report writing team, sustainability committee, netzero)
20. How do you ensure that internal audit stays up-to-date with the evolving landscape of ESG regulations and best practices? (Omnibus)

VI. Closing- Future of ESG and Randstad's Role

21. What emerging trends in ESG risk management do you see as being most significant for Randstad and the HR industry?
22. How is Randstad preparing for future developments in ESG reporting and regulation?
23. Is there anything else you would like to add?

Summary:

This interview explored how Randstad integrates ESG risk into its broader enterprise risk management framework. The interviewee, who leads ESG risk oversight within the company’s global business risk and audit function, emphasized the use of a "three lines of defense" model—where operational ESG leads own processes (first line), risk professionals monitor effectiveness and advise (second line), and internal audit performs oversight (third line).

A central theme was the growing formalization of ESG risk, particularly in response to evolving regulations such as the CSRD, ESRS, and the Dutch Corporate Governance Code. The interviewee supports ESG governance through risk assessments, stakeholder consultations, and market audits, including recent assessments in five countries. These audits focused on whether local teams are setting and steering toward ESG KPIs that align with the company's global material topics.

Unique to Randstad as a human resources company, the interviewee highlighted the elevated importance of the "Social" pillar, especially regarding health and safety, fair labor conditions, and human rights. Specific risks include labor exploitation and unsafe client environments for temporary workers. These are mitigated through internal controls such as site checks and worker condition monitoring.

The discussion also covered operational challenges in ESG risk management. Cultural and regulatory differences across countries make it difficult to apply uniform KPIs or collect comparable data—especially for sensitive topics like disability or diversity statistics. Data privacy laws in some countries prohibit such collection, leading to reliance on estimations and inconsistent datasets.

Another key insight was the importance of the double materiality assessment, which forms the foundation for Randstad's ESG strategy. The interviewee explained how this tool helps prioritize both impact materiality (how the company affects the world) and financial materiality (how external factors affect the company), and how it guides the selection of nine core ESG topics across the organization.

Finally, the interview addressed the implications of the Omnibus directive, which has simplified some reporting requirements under the ESRS. While this may ease the administrative burden, the interviewee noted that it doesn't reduce the strategic importance of ESG. Randstad continues to go beyond compliance in many areas, although alignment between global ambition and local capacity remains an ongoing challenge.

1.2.4 Senior Global Sustainability Specialist – Interview Questions and Summary

Interviewee: Senior Global Sustainability Specialist

Date: April 8, 2025

Duration: 35 minutes

Mode: Semi-structured interview

Interview questions:

I. Introductory Questions (General Context)

1. Could you please describe your role as Senior Global Sustainability Specialist at Randstad and your involvement with the sustainability committee? (How long have you been in this role?)
2. What are Randstad's key priorities and goals for its ESG journey in the coming years? Randstad's sustainability strategy is structured around three pillars: promoting a fair labor market, fostering workplace equity, and supporting the green transition.
   - ➢ How have these pillars developed over time, particularly in alignment with Randstad's overall strategic goals? (since when we build three pillar)
   - ➢ Could you elaborate on the process Randstad used to select the specific Sustainable Development Goals (SDGs) that align with each of these three pillars? What criteria or considerations were involved in deciding which SDGs to focus on?
   - ➢ In the development of these pillars, has Randstad considered the concept of double materiality, assessing both how external factors impact the company and how Randstad itself impacts those factors?
   - ➢ How are these pillars reflected in your daily work and responsibilities?

II. Industry-Specific and Dutch Context (SRQ 1)

3. In what ways do the ESG priorities and challenges for Randstad differ from those of companies in other industries? (Think about Three pillars, how do we make decisions)
4. To what extent does Randstad's ESG strategy and implementation reflect influences from Dutch culture, values, or regulations?

5. Does Randstad use the Netherlands as a kind of "case study" or pilot for certain ESG initiatives before rolling them out globally?
6. Could you provide examples of specific localization methods or adaptations Randstad employs to tailor its global ESG strategy to different countries or regions, including the Netherlands? (challenges)

II. Randstad's ESG Implementation (SRQ 2)

7. What are the main challenges in implementing a global ESG strategy, and how does Randstad balance the need for consistency with the need to adapt to local contexts and regulations? (link with the question before)
8. How does Randstad engage with its stakeholders (clients, talent, investors, etc.) on ESG issues, and how does this engagement influence the company's ESG strategy? (Think about net zero case)
9. Does Randstad collaborate with other organizations or initiatives in the Netherlands to promote ESG best practices in the HR sector?
10. How has Randstad fostered a culture of sustainability and engagement among employees to support its broader sustainability goals, including but not limited to net-zero? Could you provide examples of key initiatives or programs, such as the Global Sustainability Ambassador Network, that have been particularly effective?
11. What are the main challenges in motivating employees to actively contribute to Randstad's overall sustainability objectives?
12. Randstad has chosen to voluntarily prepare its sustainability statements in accordance with the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS). To what extent does Randstad view these efforts as a way to demonstrate its company culture and values to employees and other stakeholders?
13. How does Randstad ensure the accuracy and reliability of its ESG data, and what internal controls are in place to prevent issues like "greenwashing"?

V. Future Outlook

14. What emerging trends in ESG do you believe will have the most significant impact on Randstad and the HR industry? (Omnibus question)

Summary:

This interview focused on Randstad’s overarching ESG strategy, especially the design and evolution of its three sustainability pillars: promoting a fair labor market, fostering workplace equity, and supporting the green transition. The interviewee explained how these pillars were developed through internal reassessment and external consultation, aligning with global challenges and stakeholder expectations. Although rooted in long-standing values, such as fairness and societal contribution, the strategy has been updated to meet CSRD requirements and improve linkage to specific SDGs.

The conversation highlighted Randstad’s sector-specific ESG characteristics. As a human resources company, ESG is heavily centered on labor practices, inclusivity, upskilling/reskilling, and safe working conditions. The interviewee noted how societal trends like AI, aging populations, and talent shortages shape the company’s sustainability agenda. Rather than managing large physical assets, Randstad’s impact lies in shaping equitable labor markets and helping clients achieve diversity and environmental goals through talent placement.

Internally, Randstad encourages bottom-up engagement through voluntary initiatives like the Sustainability Empowerment Program, which guides employees through different levels of awareness and action. Employees can also become sustainability ambassadors, organizing local or global campaigns such as climate marathons, digital cleanups, or refugee mentorship programs. These efforts complement top-down governance mechanisms and are seen as essential to building a culture of sustainability across the organization.

The interviewee also reflected on implementation challenges. These include aligning global ambition with local realities, addressing data inconsistencies (especially due to privacy laws), and engaging diverse markets with differing levels of ESG maturity. Tools like a sustainability maturity model are used to tailor support for each country office.

One ongoing challenge involves transitioning from output-based reporting (e.g., how many people were placed in jobs) to impact-based reporting (e.g., what social value was created by those placements). This shift demands more complex methodologies and collaboration with external partners.

Finally, the interviewee emphasized that while European regulation (e.g., CSRD) has provided structure, Randstad’s sustainability commitment predates these mandates. Rooted in its founding philosophy—that a company only earns its place in society by contributing to it—the strategy remains guided by long-term social value, despite the short-term pressures of being a publicly traded company.

1.2.5 Business Development Manager (Yacht) – Interview Questions and Summary

Interviewee: Business Development Manager, Yacht

Date: April 4, 2025

Duration: 30 minutes

Mode: Semi-structured interview

Interview questions:

I. Introductory Questions (General Context)

1. Could you please describe your role as Business Development Manager ESG at Yacht? How does it align with Randstad's broader ESG strategy?
2. You focus on Finance, HR, M&C, and Legal. How do you see ESG factors developing within these specific sectors? (any difference - link with my research topic industry-specific characteristics of ESG)
3. How has the focus on ESG at Yacht changed in recent years?

II. Networking and Expertise

4. You build networks and expertise in the field of ESG. Which key stakeholders and communities do you collaborate with?
5. How do you share your ESG expertise internally within Yacht and Randstad, and externally with clients and partners?
6. The annual report emphasizes the importance of 'talent' (three pillars). How does Yacht contribute to the social pillar of ESG, particularly in the area of talent development and placement?

III. ESG and Client Perspective (Challenges)

7. From your experience, what are the primary challenges Yacht clients face in understanding and implementing ESG principles within their organizations?
8. How do you perceive the level of awareness and preparedness among clients regarding ESG reporting requirements, specifically CSRD and ESRS?

9. Are there common misconceptions among clients about the costs and benefits of complying with CSRD and ESRS? How does Yacht address these?
10. Are there specific ESG topics or pillars (Environmental, Social, Governance) where you see clients struggling the most?
11. How does Yacht support clients in overcoming these challenges and building their ESG capabilities? If there are any examples of successful strategies Yacht has used to help clients integrate ESG into their business models?

IV. Industry-Specific ESG Adaptability & Localization of ESG and Dutch Regulations (SRQ 1+ SRQ 2)

12. To what extent do ESG considerations for Yacht (as part of HR services) differ from those in other sectors?
13. How does Yacht address Dutch regulations (such as CSRD and ESRS) when advising clients on ESG?
14. What challenges do you see in implementing ESG principles in the daily operations of Yacht and its clients?
15. How do different teams within Yacht (and Randstad) collaborate to integrate ESG considerations into their respective functions and services? Could you provide examples?

V. Closing - Future Perspective

16. Which emerging ESG trends are most relevant to Yacht and the sectors in which you operate?
17. How do you see Yacht's role in promoting ESG awareness and practices among professionals?
18. Is there anything else you would like to add?

Summary:

This interview offered an external-facing perspective from within the Randstad ecosystem, focusing on how ESG is integrated into client services and consulting through Yacht, a Randstad subsidiary. The interviewee, whose work covers multiple strategic themes including ESG, emphasized that sustainability is increasingly a topic of client interest—but remains unevenly adopted across industries.

The interviewee noted that ESG consulting efforts are shaped by sector-specific priorities. In the HR and human capital domain, the Social (S) dimension tends to dominate—highlighting issues such as organizational culture, inclusion, labor conditions, and sustainable procurement. Clients in more asset-heavy sectors (e.g., manufacturing) place greater emphasis on the Environmental (E) dimension.

An important method used at Yacht involved plotting client companies on a CSRD timeline, helping consultants identify which clients are required to report and at what stage. This timeline informs both proactive client outreach and advisory service development. Initially, demand centered around regulatory compliance and ESG reporting, but has begun shifting toward broader questions of strategy, organizational values, and stakeholder alignment.

Challenges identified include data collection difficulties, limited ESG expertise among clients, and in some cases, a lack of motivation due to perceived complexity or low regulatory urgency. The interviewee stressed that although regulations like the CSRD (and its amendments through the Omnibus directive) create external pressure, market forces and labor expectations are equally influential—many younger workers prefer to join companies with strong ESG commitments.

The conversation also covered examples of cross-sector consulting, such as support for ESG reporting at a major airline, and sustainable procurement advisory for a public sector client. The interviewee emphasized the cultural dimension of ESG, explaining that many organizations underestimate the work needed to change employee mindset, especially when implementing sustainability measures (e.g., using refurbished office furniture).

Collaboration with external partners like Grant Thornton's Impact House and learning platforms was cited as a promising direction, particularly for combining advisory services with implementation. However, the interviewee acknowledged that the field is still evolving, and that Yacht remains in a learning and development phase, gradually expanding its ESG consulting practice through partnerships and client experimentation.

This perspective offered a useful boundary-spanning view between Randstad's internal sustainability commitments and how these are interpreted, translated, or challenged in market-facing business development efforts.

APPENDICES 2: Atlas.ti Coding Project

2.1 Qualitative Analysis of Interviews

Project Name: Aishan Liu, Qualitative Analysis of Interviews, 5 May 2025

The analysis was conducted on five interview transcripts to systematically identify, categorize, and interpret the core themes and patterns present in the participants' responses. The aim of this process was to move beyond surface-level descriptions and develop a rich, structured understanding of the interview data, ensuring that the findings presented in the main body of this report are grounded in and representative of the participants' expressed views and experiences.

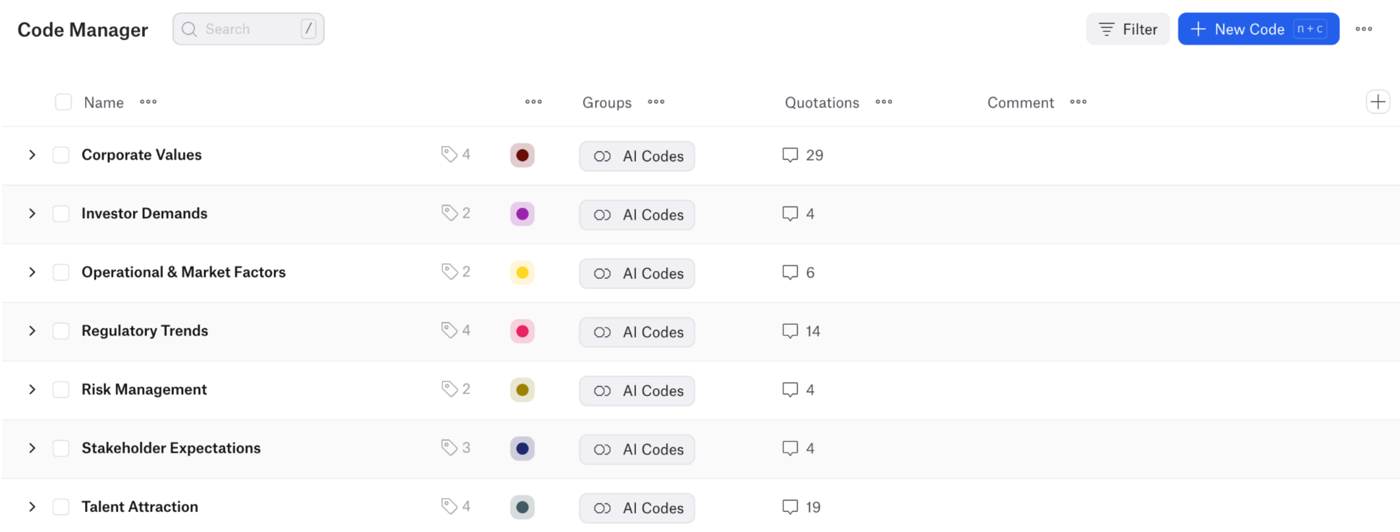
Analysis Process and Code Development

The qualitative analysis followed an inductive, thematic approach. The process was iterative and involved several stages:

1) **Data Familiarization:** All interview transcripts were read multiple times to gain a comprehensive understanding of the content.
2) **Initial Coding (Open Coding):** The transcripts were imported into ATLAS.ti. An initial phase of open coding was performed, where significant statements and phrases were tagged with descriptive codes. This generated a long list of preliminary codes directly tied to the data.
3) **Code Consolidation and Merging:** Following the initial coding, a consolidation phase was undertaken. This involved reviewing the preliminary codes for overlap, redundancy, and relationships. Similar codes were merged into more robust, representative categories. For instance, in the picture above, the codes "Randstad Values" and "Ethical Principles/Integrity" were consolidated under the higher-level code Ethical Principles/Integrity, and the codes "Historical/Founding Principles" and "Industry Characteristics" were merged into Historical/Founding Principles. This "merging" process was crucial for building a coherent and manageable coding framework.
4) **Theme Development (Axial Coding):** The refined codes were then grouped under broader, overarching themes. These themes represent the central concepts emerging from the analysis and form the basis of the findings discussed in this report.

This structured process ensured that the analysis was systematic, transparent, and robust, leading to the development of the final codebook presented below.

Figure 2.1 Appendix. Final Codebook Structure in the Code Manager Interface



Source: Author's analysis based on interview data (ATLAS.ti)

2.2 Randstad's Key Strategic ESG Themes

Project Name: Aishan Liu, Randstad's Key Strategic ESG Themes, Atlas ti Project, 6 May 2025

This project tracks how key strategic ESG themes have evolved in prominence across Randstad's Annual Reports for 2010, 2020, 2021, 2022, and 2024. Building on that thematic evolution, the final nine strategic themes were refined through iterative open, axial, and selective coding.

Analysis Process and Code Development

The qualitative analysis in this ATLAS.ti project followed an inductive, thematic approach. The process was iterative and included several structured stages:

1) **Data Familiarization:** Randstad's global annual reports for the years 2010, 2020, 2021, 2022, and 2024 were carefully read and annotated. This familiarization phase aimed to identify how ESG topics were framed, prioritized, and communicated over time within the company's official reporting.

2) **Initial Coding (Open Coding)**: Each report was imported into ATLAS.ti, and open coding was applied to identify significant ESG-related concepts, terms, and statements. Descriptive codes were assigned to passages that referred to practices, strategies, metrics, or policies relevant to ESG. This process resulted in a wide range of granular codes, many of which were specific to particular years or types of ESG reporting.
3) **Code Consolidation and Merging:** Following open coding, a review was conducted to reduce redundancy and enhance analytical clarity. Overlapping or thematically adjacent codes were merged into higher-level categories. For example, the codes "Climate Strategy" and "Climate Integration" were unified under the theme Climate Strategy, while measurement-focused codes such as "KPIs," "Targets" and "Benchmarking" were grouped under Performance Metrics. This merging phase was essential for organizing the coding framework around conceptually coherent units.
4) **Theme Development (Axial Coding):** The refined set of codes was then clustered into nine overarching ESG themes. These themes emerged through axial coding and reflect the main strategic pillars that structure Randstad's evolving ESG discourse.

The table below summarizes each theme, the original codes that were merged (where applicable), and a concise description of its focus.

Table 2.2.1 Appendix. – Final ESG Themes and Origins

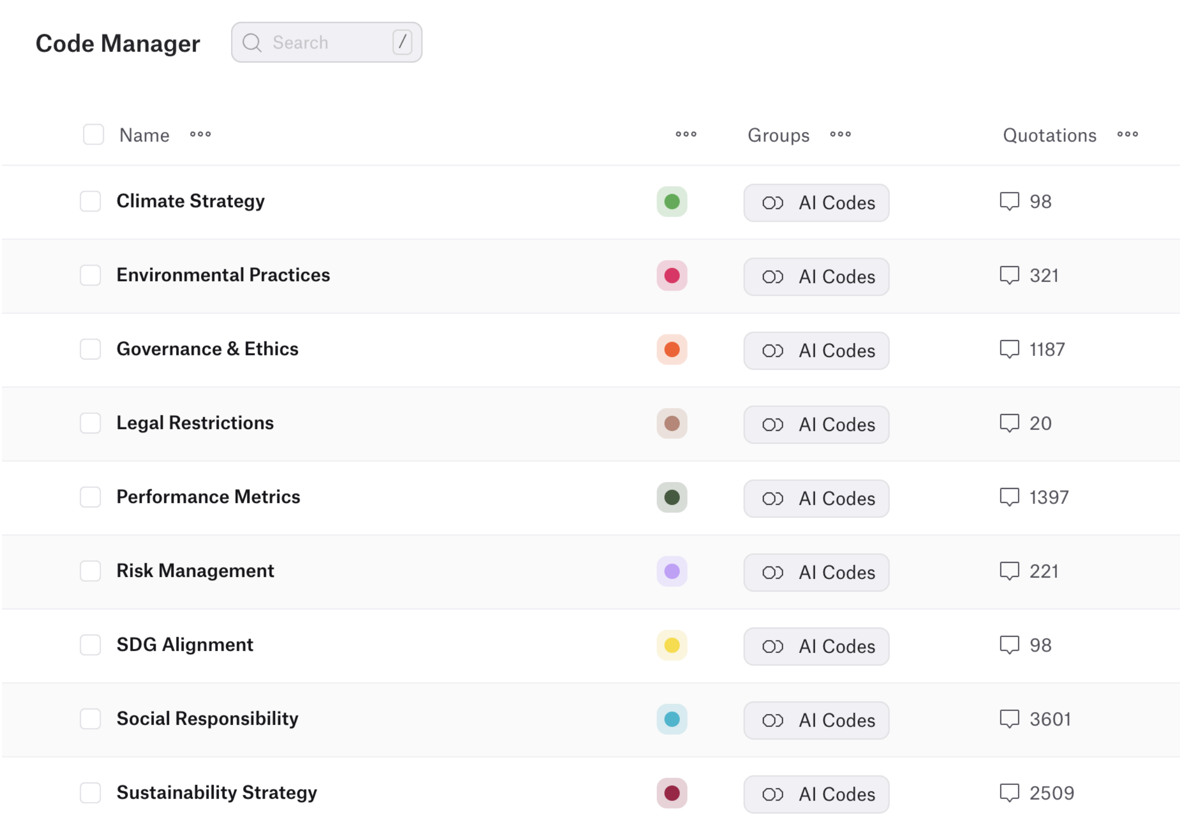
Final ESG Theme	Origin (Merged From)	Description
Climate Strategy	Climate Integration; Climate Strategy	Randstad's overarching approach to carbon reduction, net-zero commitments, and climate-related transition planning.
Environmental Practices	Net Zero; Environmental Strategy; Environment Practices	Operational measures such as waste management, resource efficiency, and biodiversity initiatives.
Governance & Ethics	governance; Governance & Ethics	Board oversight, anti-corruption policies, and ethical decision-making frameworks.
Legal Restrictions	Agency Work Directive; Equal Treatment; related subcodes	Compliance with labor laws, reporting regulations, and industry-specific legal constraints.
Performance Metrics	Absenteeism; Action Plans; Benchmarking; other measurement codes	KPIs, targets, and monitoring systems used to track ESG performance.

Risk Management	(Standalone – no merges)	Identification, assessment, and mitigation of ESG-related risks, including climate, reputational, and regulatory.
SDG Alignment	(Standalone – no merges)	Alignment with the United Nations Sustainable Development Goals, emphasizing social and environmental impact targets.
Social Responsibility	(Standalone – no merges)	Community engagement, diversity & inclusion measures, and human-rights due diligence.
Sustainability Strategy	(Standalone – no merges)	Randstad's long-term vision and roadmap for integrating sustainability into core business strategy.

Source: Author's analysis based on Randstad's annual reports (ATLAS.ti)

This structured process ensured that the analysis was systematic, transparent, and robust, leading to the development of the final codebook presented below.

Figure 2.2.2 Appendix. Final Codebook Structure in the Code Manager Interface



Source: Author's analysis based on Randstad's annual reports (ATLAS.ti)

The following figure provides a summary of the documents that were analyzed in this project, as displayed in the ATLAS.ti Document Manager.

Figure 2.2.3 Appendix. Overview of the Document Manager Interface

Document Manager

Name	Groups	Codes	Quotations
2010	2010	8	416
2020	2020	9	794
2021	2021	9	876
2022	2022	9	1119
2024	2024	9	1349

Source: Author's analysis based on Randstad's annual reports (ATLAS.ti)

This coding structure not only enabled comparative analysis over time but also supported the visual mapping of ESG strategy development. The associated quotations, frequency trends, and co-occurrence patterns served as key inputs to the thematic insights presented in Section 4.3.2.

2.3 Randstad ESG KPI Tracking

Project Name: Aishan Liu, Randstad ESG KPI Tracking, Atlas ti Project, 31 May 2025.

This project tracks and analyzes Randstad's ESG KPIs, as presented in Section 4.4.3. The primary purpose of this project was to systematically deconstruct how Randstad measures, reports, and applies KPIs to its identified material topics. The data for this analysis was sourced from Randstad's global annual reports and dedicated ESG/sustainability sections for the years 2021, 2022, 2023, and 2024. This timeframe was selected to align with the company's adoption of a double materiality perspective in 2021.

Analysis Process and Coding Framework

The analysis followed a structured, multi-stage process designed to categorize and evaluate Randstad's KPI disclosures:

1) **Data Corpus Compilation:** All relevant annual and sustainability reports from 2021 to 2024 were compiled and imported into an Atlas.ti project to create a comprehensive data corpus.
2) **Framework Development and Coding:** A bespoke coding framework was developed based on the analytical needs of Section 4.4.3. This framework consists of six distinct categories designed to dissect the components of KPI reporting. An inductive coding process was applied, where passages from the reports were systematically assigned to one of these six codes.
3) **Thematic Analysis and Synthesis:** Once coding was complete, the data within each category was analyzed to identify patterns, trends, and gaps in Randstad's reporting over the four-year period. This allowed for the synthesis of quantitative findings (e.g., frequency of KPI types) and qualitative insights (e.g., the evolution of reporting maturity), which directly inform the narrative of Section 4.4.3.

Table 2.3.1 Appendix. Coding Framework

The following table outlines the six core categories used in the Atlas.ti coding framework. Each definition clarifies the scope of the category, ensuring consistent application during the analysis.

Code Category	Definition
KPI Identification	Passages that explicitly state or define a Key Performance Indicator used by Randstad (e.g., number of people placed in work, sickness absence rate).
KPI Targets	Statements that specify a future goal, target, or ambition related to a particular KPI (e.g., achieve 50% women in senior leadership by 2030).

KPI Types	Classification of a KPI as either quantitative (a numerical value) or qualitative (a descriptive policy, program, or statement).
Material Linkage	Text that explicitly connects a reported KPI to one of Randstad's officially declared material topics (e.g., linking training hours to 'Employability').
Material Topics	Direct references to the names of the material topics themselves (e.g., 'Diversity and Inclusion', 'Climate Action').
Units & Methodology	Descriptions of the specific units of measurement (e.g., metric tons of CO_2e, percentages, hours) or the methodology used to calculate a KPI.

Source: Author's analysis based on Randstad's annual reports (ATLAS.ti)

Table 2.3.2. Appendix. Illustrative Quotations by Code Category

This table provides representative quotations from Randstad's annual reports, selected to exemplify how data was categorized using the coding framework.

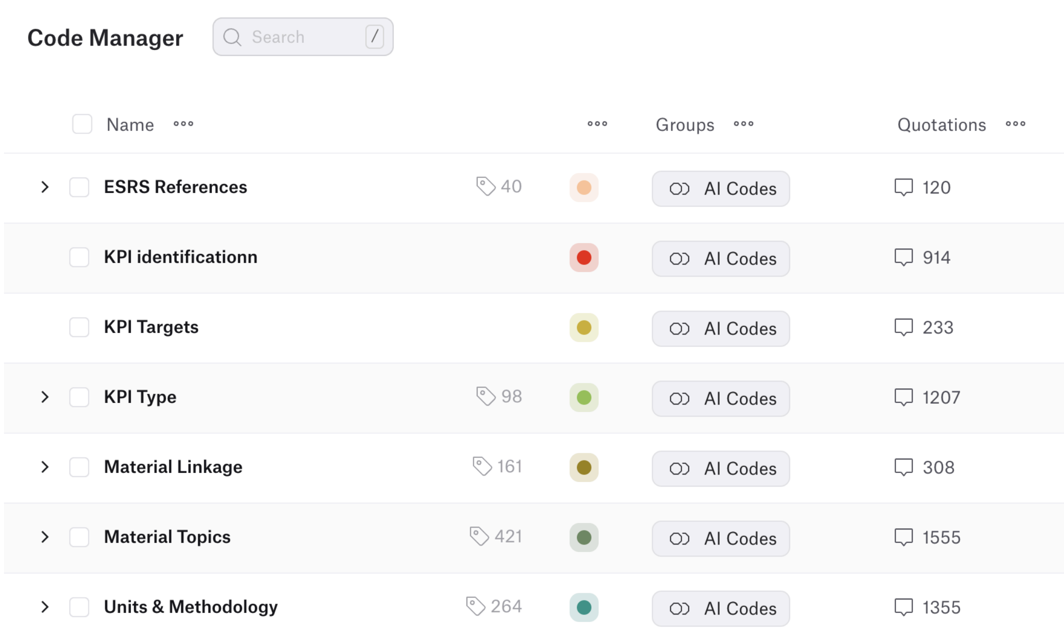
Code Category	Illustrative Quotation
KPI Identification	*"In 2024, KPIs... The company reported placing 1,730,000 individuals into work (p. 101)... Other key indicators—such as 3,752,800 training hours…"*
KPI Targets	*"These include training 750,000 talents by 2025 (p. 108) and achieving 50% women in senior leadership by 2030 (p. 109)."*

KPI Types	*“Quantitative metrics (~70%) such as 232,400 working days lost to injuries... Qualitative KPIs, like living wage policies (p. 105)...”*
Material Linkage	*“To advance our material topic of 'Fair working conditions', we monitor the global sickness absence rate, which was 1.9% in 2024.”*
Units & Methodology	*“Scope 3 emissions were...reported in...metric tons of CO_2... The injury rate is calculated per 200,000 hours worked.”*

Source: Author’s analysis based on Randstad’s annual reports (ATLAS.ti)

This structured process ensured that the analysis was systematic, transparent, and robust, leading to the development of the final codebook presented below.

Figure 2.3.3 Appendix. Final Codebook Structure in the Code Manager Interface



Source: Author’s analysis based on Randstad’s annual reports (ATLAS.ti)

The following figure provides a summary of the documents that were analyzed in this project, as displayed in the ATLAS.ti Document Manager.

Figure 2.3.4 Appendix. Overview of the Document Manager Interface

Document Manager

Name	Groups	Codes	Quotations
2024	Manage Groups +	699	438
2023	Manage Groups +	308	189
2022	Manage Groups +	197	112
2021	Manage Groups +	374	231

Source: Author's analysis based on Randstad's annual reports (ATLAS.ti)

The contribution of this analytical project to Section 4.4.3 is foundational. It provides the methodological backbone for the findings, ensuring that the evaluation of Randstad's reporting coherence, its alignment with the ESRS, and its overall performance assessment are grounded in a replicable and evidence-based process.

2.4 Randstad LSI Reporting Analysis

Project Name: Aishan Liu, Randstad LSI Reporting Analysis, Atlas ti Project, 31 May 2025.

This project used to analyze the evolution of Randstad's LSI reporting, as presented in Section 5.3.1. The core objective of this project was to understand how Randstad measures the performance of its localized ESG initiatives and integrates these outcomes into its global sustainability reporting structures over time.

The data for this analysis was sourced from four selected LSI Reports, corresponding to the years 2015, 2018, 2021, and 2024. These specific years were chosen to represent key milestones in the evolution of Randstad's ESG reporting, from early experimentation to the first ESRS-aligned disclosures. The qualitative data analysis software Atlas.ti was used to systematically code and analyze the content of these reports.

Analysis Process and Coding Framework

The analysis followed a longitudinal, thematic approach to track changes in reporting practices across the four selected years.

1) **Data Selection and Corpus:** The LSI reports from 2015, 2018, 2021, and 2024 were selected and imported into Atlas.ti. This created a data corpus that captures distinct stages of Randstad's reporting maturity.
2) **Coding Framework Development:** A thematic coding framework was developed to focus on the key aspects of local ESG measurement and integration. This framework included categories designed to capture evidence of measurement practices, the tools used, and the mechanisms (or lack thereof) for data integration and standardization.
3) **Longitudinal Thematic Analysis:** Each report was coded against the framework. The frequency and co-occurrence of codes were then analyzed across the four years to identify and quantify the evolutionary trends discussed in Section 5.3.1. This included tracking the growth in measurement activities and assessing the persistent challenges in data flow and standardization.

Table 2.4.1 Appendix. Final Coding Framework

The following table outlines the primary thematic codes used in the Atlas.ti analysis. Each definition clarifies the scope of the code as applied to the LSI reports.

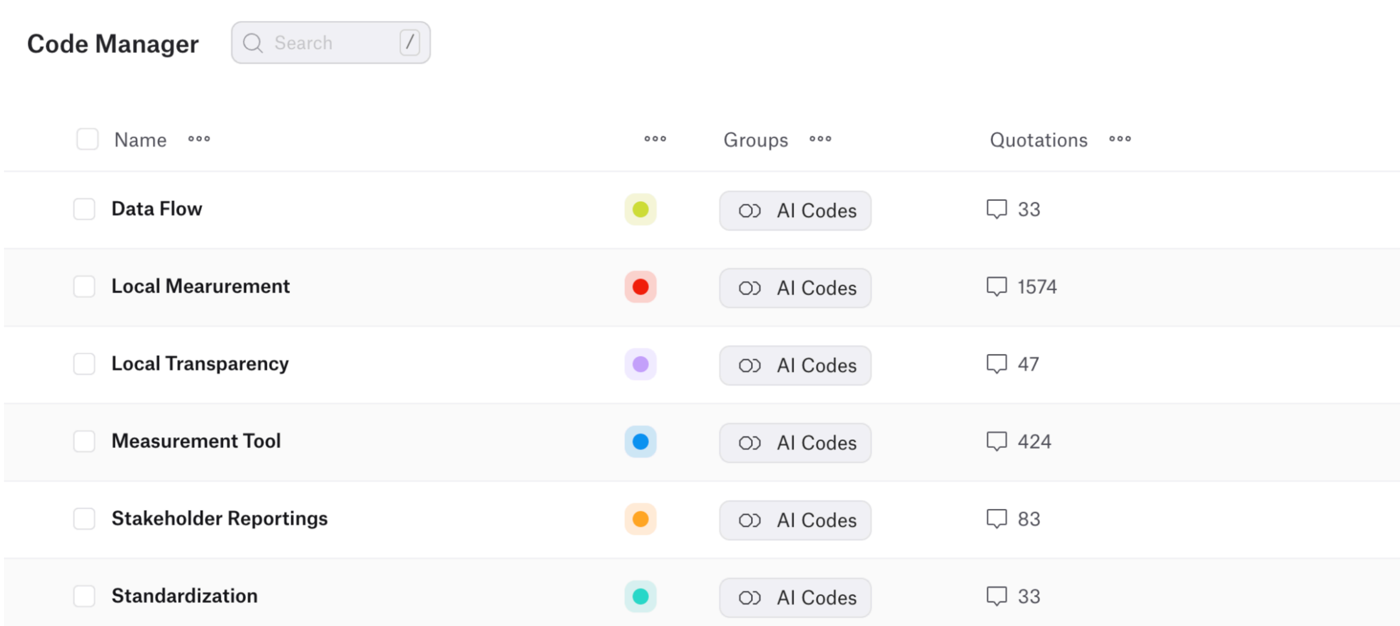
Code Category	Definition
Local Measurement	Any passage describing the practice of measuring or tracking the performance or outcomes of a local ESG initiative.
Measurement Tools	Specific references to formal tools, systems, or platforms used for data collection and analysis (e.g., impact dashboards, indices, templates).
Data Flow	Statements describing the pathways, structures, or mechanisms for transferring local data to regional or global levels.

Standardization	References to the use of uniform metrics, shared frameworks, or harmonized reporting templates across different countries or initiatives.
Local Transparency	Content related to the public or internal disclosure and communication of local ESG performance results.
Stakeholder Reporting	Passages that describe reporting practices specifically tailored to or driven by the expectations of local stakeholders (e.g., national governments, community partners).

Source: Author's analysis based on Randstad's LSI reports (ATLAS.ti)

This structured process ensured that the analysis was systematic, transparent, and robust, leading to the development of the final codebook presented below.

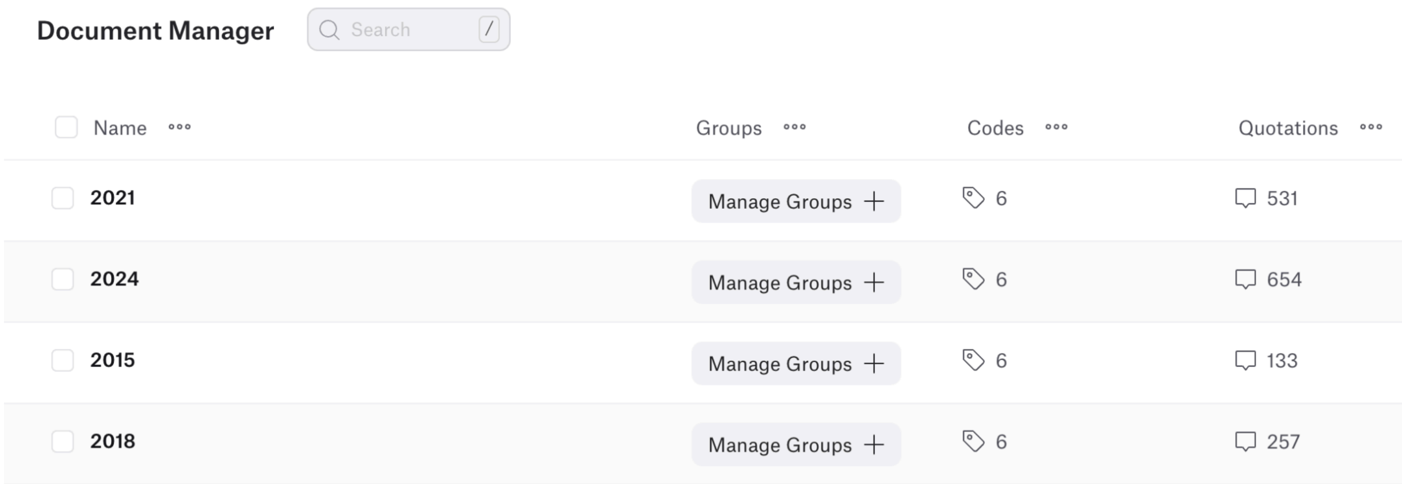
Figure 2.4.2 Appendix. Final Codebook Structure in the Code Manager Interface



Source: Author's analysis based on Randstad's LSI reports (ATLAS.ti)

The following figure provides a summary of the documents that were analyzed in this project, as displayed in the ATLAS.ti Document Manager.

Figure 2.4.3 Appendix. Overview of the Document Manager Interface



Source: Author's analysis based on Randstad's LSI reports (ATLAS.ti)

This project provides the foundational evidence for Section 5.3.1 by deconstructing the evolution of local measurement practices. It ensures that the conclusions regarding data integration challenges, the shift from qualitative to quantitative metrics, and the persistent gap between local data generation and central harmonization are supported by a rigorous and transparent analytical process.

2.5 Analysis of Local ESG Adaptation Challenges

Project Name: Aishan Liu, Analysis of Local ESG Adaptation Challenges, Atlas ti Project, 1 June 2025.

This project is used to identify and analyze the key challenges Randstad faces in localizing its global ESG strategy, as discussed in detail in Section 5.4.1. The primary goal of this analytical project was to move beyond official corporate disclosures to uncover the more fragmented, negotiated reality of implementing ESG initiatives across diverse markets.

The analysis draws from a thematic review of Randstad's LSI reports from 2015, 2018, 2021, and 2024. The use of Atlas.ti was central to systematically coding this combined data set to identify, categorize, and track the frequency of recurring challenges over time.

Analysis Process and Coding Framework

The analysis employed a thematic approach to analyze the LSI reports over time:

1) **Data Corpus Compilation:** All relevant LSI reports were compiled and imported into a single Atlas.ti project. This created a comprehensive data corpus for longitudinal analysis.
2) **Thematic Framework Development:** An inductive coding process was used to develop a framework centered on the challenges of ESG localization. During the review of the reports, key themes of tension, friction, or difficulty were identified and grouped, leading to the establishment of the five core challenge categories.
3) **Thematic and Quantitative Analysis:** The entire data corpus was coded against this five-category framework. The frequency of each code was then tracked across the four reporting years to quantify the changing salience of each challenge. This quantitative data was contextualized with illustrative quotes from the reports to build the comprehensive narrative presented in Section 5.4.1.

Table 2.5.1 Appendix. Final Coding Framework

The following table defines the five core challenge themes that emerged from the thematic analysis. These categories represent the primary obstacles to the seamless localization of Randstad's ESG strategy.

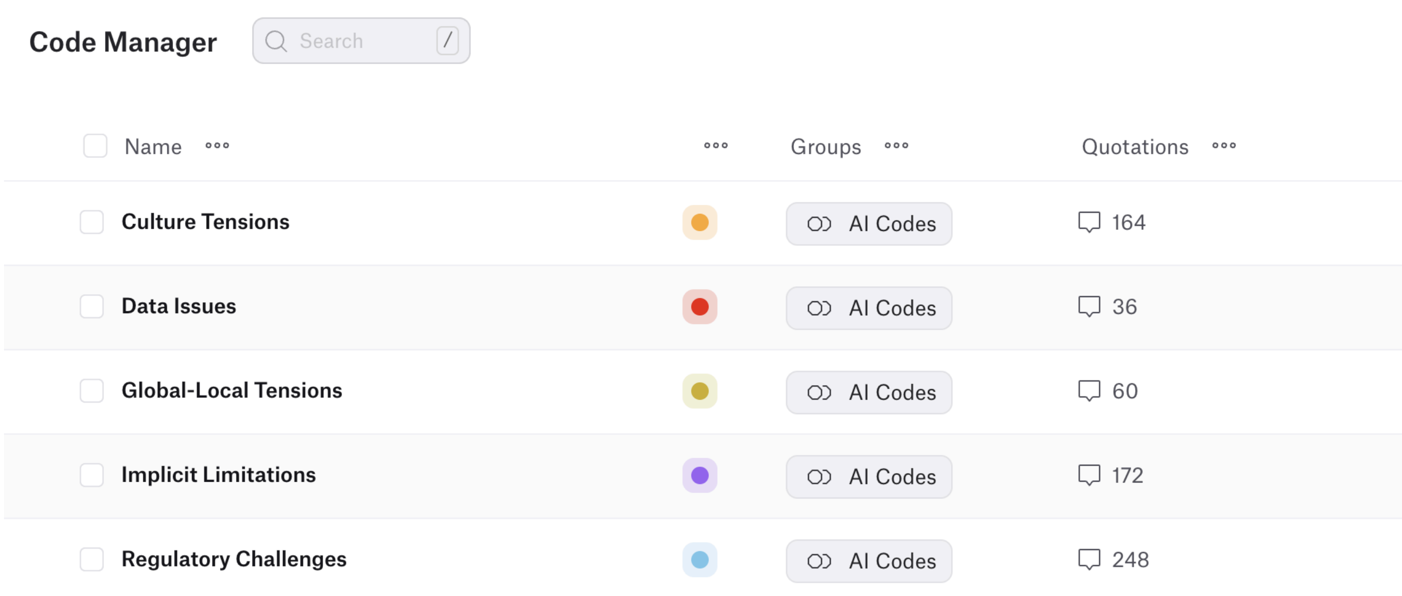
Code Category	**Definition**
Regulatory Challenges	Passages describing difficulties arising from fragmented or divergent national and local ESG regulations compared to global frameworks (e.g., CSRD).
Culture Tensions	Statements highlighting friction between global initiatives and local cultural norms, social expectations, or varying levels of ESG maturity.
Data Issues	References to technical, legal, or capability-related barriers in collecting reliable, accurate, and comparable ESG data at the local level.

Global-Local Tensions	Content describing the structural friction between the push for globally consistent strategies and the need for local relevance, resources, and autonomy.
Implicit Limitations	Deeper, often unstated, conceptual or methodological challenges, particularly concerning the transition from measuring outputs to credibly reporting on societal impact.

Source: Author's analysis based on Randstad's LSI reports (ATLAS.ti)

This structured process ensured that the analysis was systematic, transparent, and robust, leading to the development of the final codebook presented below.

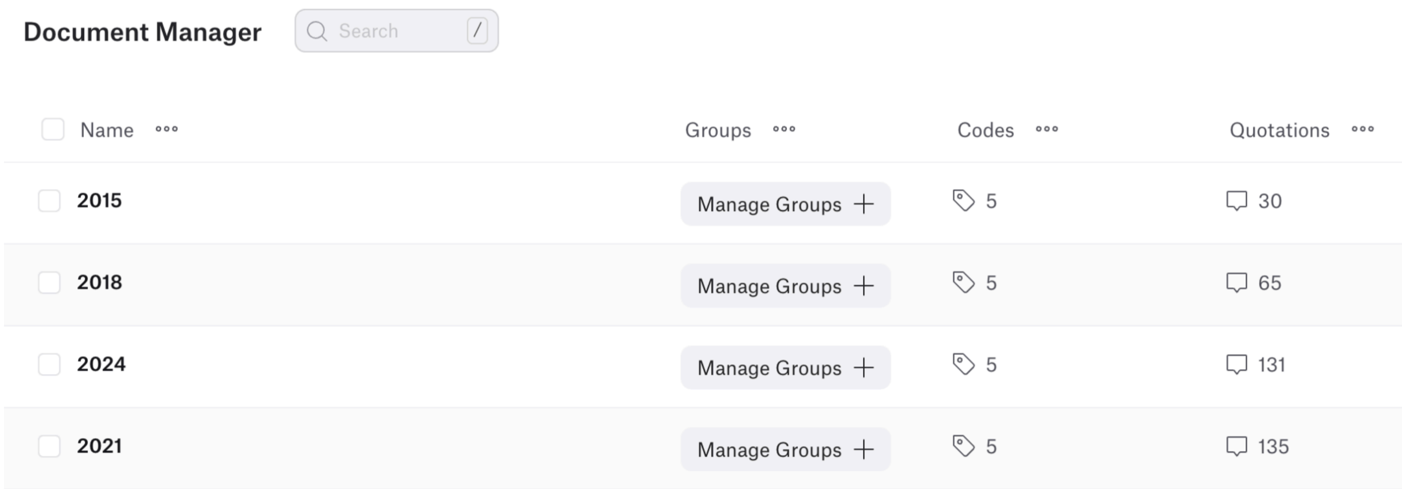
Figure 2.5.2 Appendix. Final Codebook Structure in the Code Manager Interface



Source: Author's analysis based on Randstad's LSI reports (ATLAS.ti)

The following figure provides a summary of the documents that were analyzed in this project, as displayed in the ATLAS.ti Document Manager.

Figure 2.5.3 Appendix. Overview of the Document Manager Interface


Document Manager

Name	Groups	Codes	Quotations
2015	Manage Groups +	5	30
2018	Manage Groups +	5	65
2024	Manage Groups +	5	131
2021	Manage Groups +	5	135

Source: Author's analysis based on Randstad's LSI reports (ATLAS.ti)

This project provides the methodological foundation for Section 5.4.1 by ensuring that the five core challenges identified—and the supporting quantitative and qualitative evidence—are derived from a structured and transparent analytical process.

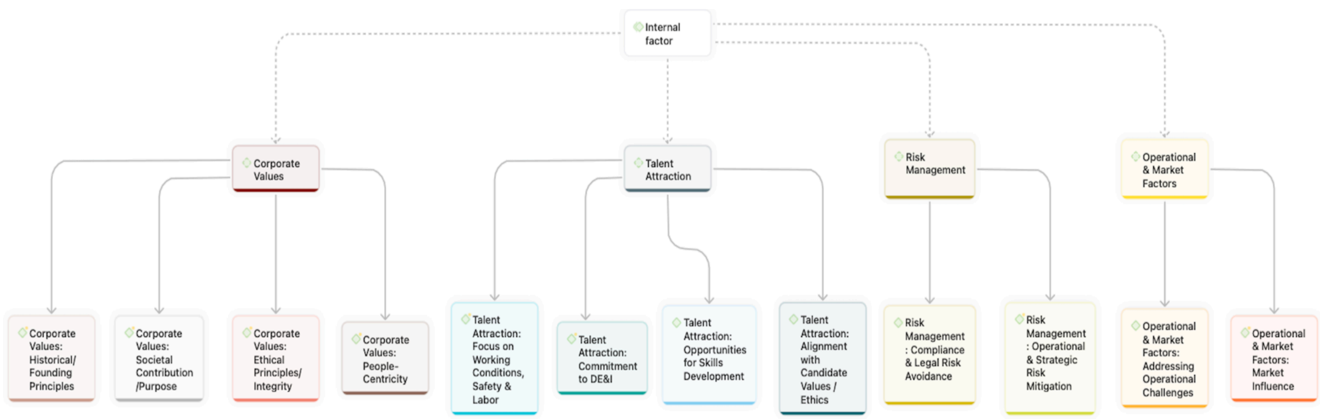
APPENDICES 3: Supplementary Figures and Tables

This appendix contains supplementary figures and tables, organized by the chapter and section in which they are originally discussed in the main body of the thesis.

Chapter 4:Randstad’s Specific ESG Strategies

Section 4.2 Drivers and Motivations

Figure 4. Randstad’s ESG Strategy Internal Drivers



Source: Author’s analysis based on interview data (ATLAS.ti)

Description of the figure:

1) Corporate Values

This emerged as the most prominent internal driver (Main code Density: 29 quotations). The analysis of sub-codes reveals this is primarily driven by Randstad’s strong emphasis on People-Centricity (Density: 12) and its sense of Societal Contribution / Purpose (Density: 12). Interviewees frequently linked ESG actions, particularly social initiatives concerning fair labor and equity, to the company’s core identity and mission. Less frequently mentioned, but related, were Ethical Principles / Integrity (Density: 3) and Historical / Founding Principles (Density: 2). The co-occurrence analysis (see Table 3) shows Corporate Values often intersect with Talent Attraction (n=6) and Regulatory Trends (n=3), suggesting these values are not only intrinsic but also form a basis for responding to workforce needs and compliance pressures.

Table 3. Co-occurrence Matrix of ESG Strategy Driver Themes (Interview Data)

	•Corporate Values Gr=27	•Investor Demands Gr=3	•Operational & Market Factors Gr=6	•Regulatory Trends Gr=14	•Risk Management Gr=4	•Stakeholder Expectations Gr=4	•Talent Attraction Gr=16
•Corporate Values Gr=27	0	0	2	3	0	1	6
•Investor Demands Gr=3	0	0	0	1	0	0	0
•Operational & Market Factors Gr=6	2	0	0	0	0	0	1
•Regulatory Trends Gr=14	3	1	0	0	0	1	0
•Risk Management Gr=4	0	0	0	0	0	0	1
•Stakeholder Expectations Gr=4	1	0	0	1	0	0	0
•Talent Attraction Gr=16	6	0	1	0	1	0	0

Source: Author's analysis based on interview data (ATLAS.ti)

2) Talent Attraction

The strategic imperative to attract and retain talent was the second most significant internal driver (Main code Density: 19 quotations). The sub-code analysis highlights that this is strongly linked to Randstad's Commitment to DE&I (Density: 12). Additionally, interviewees connected talent attraction to ensuring a positive Focus on Working Conditions, Safety & Labor Rights (Density: 5). Aligning with Candidate Values / Ethics (Density: 1) and providing Opportunities for Skills Development (Density: 1) were also mentioned as contributing factors. The strong co-occurrence with Corporate Values (n=6) reinforces the idea that Randstad leverages its value proposition, including its ESG stance, to appeal to current and potential employees.

3) Risk Management

Managing risk was identified as a key internal driver, though less frequently mentioned overall (Main code Density: 4 quotations). The primary focus within this theme was on Operational & Strategic Risk Mitigation (Density: 3), framing ESG as essential for identifying and mitigating risks (compliance, operational, reputational) that could hinder the achievement of business objectives. Compliance & Legal Risk Avoidance (Density: 1) was also noted.

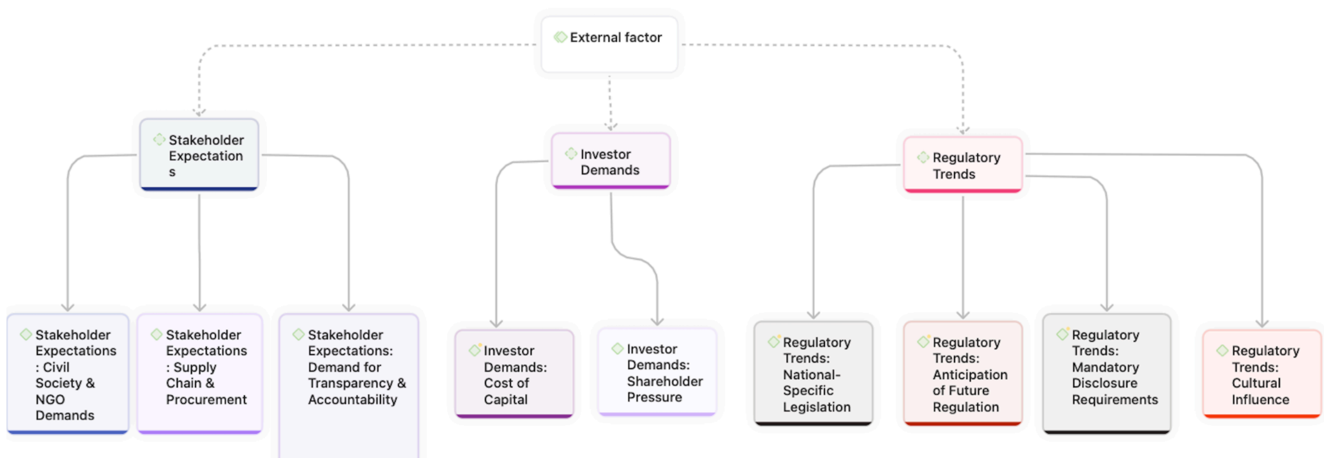
4) Operational & Market Factors

Motivations stemming from operational realities and market dynamics were also present (Main code Density: 6 quotations). Key aspects included Addressing Operational Challenges (Density: 4) encountered in the HR services sector and responding to Market Influence (Density: 2). The co-occurrence data shows links to Corporate Values (n=2) and Talent Attraction (n=1), suggesting operational ESG considerations are intertwined with values and market competitiveness.

External Pressures

There are three external pressures stemming from the expectations and requirements of actors and systems outside Randstad (Figure 5).

Figure 5. Randstad's ESG Strategy External Drivers



Source: Author's analysis based on interview data (ATLAS.ti)

1) Regulatory Trends

This was the most significant external pressure identified (Main code Density: 14 quotations). The need to meet Mandatory Disclosure Requirements (Density: 9), particularly driven by the EU's CSRD or ESRS, dominated this theme. However, Anticipation of Future Regulation (Density: 2) and the influence of National-Specific Legislation (Density: 2) were also relevant drivers for proactive adjustments. As seen in Table 3, this theme connects with Corporate Values (n=3), Investor Demands (n=1), and Stakeholder

Expectations (n=1), indicating regulation is perceived within a broader context of values and external demands.

2) Investor Demands

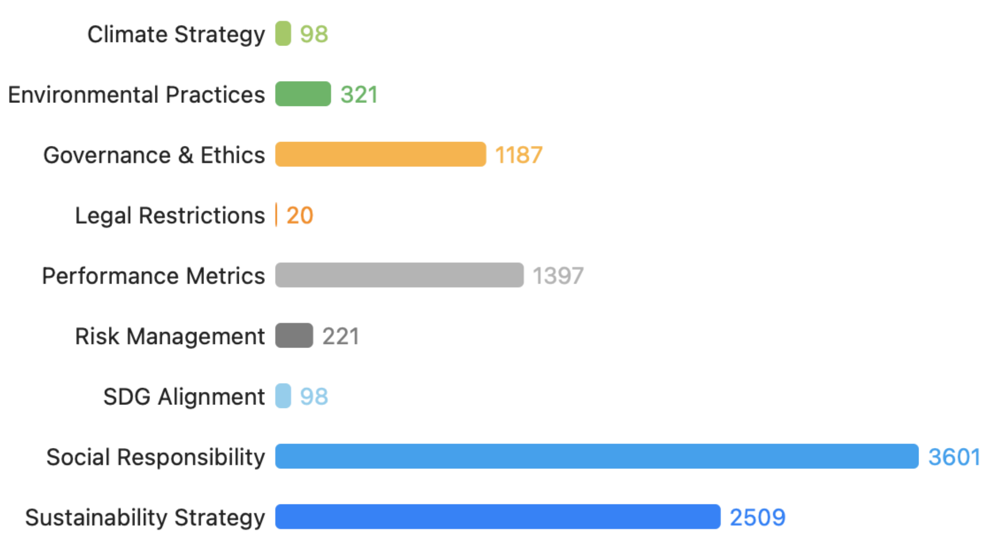
Pressure from investors was noted (Main code Density: 4 quotations), primarily relating to the perceived impact on the Cost of Capital (Density: 3) and direct Shareholder Pressure (Density: 1).

3) Stakeholder Expectations

Broader expectations from other external stakeholders were also influential (Main code Density: 4 quotations). Key aspects included managing Supply Chain & Procurement ethics (Density: 2), meeting demands for Transparency & Accountability (Density: 1), and responding to Civil Society & NGO Demands (Density: 1).

Section 4.3.2 Thematic Evolution of Reported ESG Topics

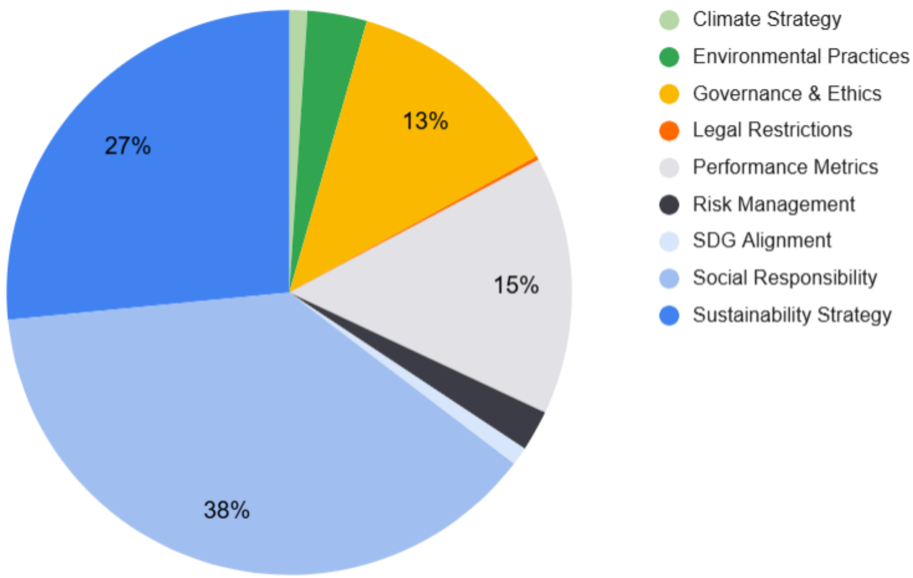
Figure 7. Coding Frequency of Key Strategic ESG Themes in Randstad's Reporting (2010, 2020, 2021, 2022, 2024)



Source: Author's analysis based on Randstad's Annual Reports (ATLAS.ti)

To understand the relative prominence of these themes within the overall ESG discourse of the analyzed reports, Figure 8 presents the percentage share of discussion for each theme. These percentages are derived from the aforementioned frequencies (totaling 9452 segments), assuming these nine themes comprehensively represent the coded ESG topics for this analysis.

Figure 8. Relative Prominence of Key Strategic ESG Themes in Randstad's Reporting (2010, 2020, 2021, 2022, 2024)



Source: Author's analysis based on Randstad's Annual Reports (ATLAS.ti)

An examination of both the coding frequencies (Figure 7) and their relative prominence (Figure 8) reveals a consistent and clear thematic structure in Randstad's ESG reporting. Social Responsibility emerges as unequivocally dominant, with the highest number of coded segments (3601) and accounting for the largest share of the discussion (38%). This pronounced emphasis on the "S" in ESG directly reflects Randstad's core identity and operations as an HR services provider, where its fundamental business is intertwined with societal contributions, fair employment, and talent development. Following this, key strategic themes such as Sustainability Strategy (2509 segments, 27%), Performance Metrics (1397 segments, 15%), and Governance & Ethics (1187 segments, 13%) also feature significantly. These three themes, combined with Social Responsibility, constitute over 90% of the total ESG discussion, underscoring a robust and concentrated focus on the strategic integration, measurement, and ethical oversight of its sustainability commitments. Consequently, other themes like Environmental Practices (321 segments, 3%), Risk Management (221 segments, 2%), Climate Strategy (98 segments, 1%), SDG Alignment (98 segments, 1%), and Legal Restrictions (20 segments, 0.2%) occupy a comparatively smaller portion of both the absolute and relative discussion. While indicating a comprehensive ESG scope, their lesser textual emphasis suggests a more targeted or less expansive focus within the analyzed reports compared to the primary social and strategic dimensions.

To understand this dynamic evolution, the presence and emphasis of these nine themes across pivotal years will now be analyzed. This temporal analysis identifies key trends and links them to Randstad's broader ESG reporting strategy and external drivers, as detailed in section 4.3.1. Table appendix 3.1. provides the yearly coding frequencies underpinning this analysis.

Table appendix 3.1. Evolution of Strategic ESG Theme Coding Frequency in Pivotal Randstad Reports (2010-2024)

ESG Topics	2010	2020	2021	2022	2024
Climate Strategy	2	8	21	29	38
Environmental Practices	12	36	58	99	116
Governance & Ethics	115	223	242	302	305
Legal Restrictions	1	2	4	2	11
Performance Metrics	120	238	291	382	366
Risk Management	26	20	19	20	136
SDG Alignment	0	29	26	31	12
Social Responsibility	261	689	762	991	898
Sustainability Strategy	99	479	525	622	784
Total	636	1724	1948	2478	2666

Source: Author's analysis based on Randstad's Annual Reports (ATLAS.ti)

Overall Evolution in the Volume of ESG Thematic Discussion

Aggregated from Table appendix 3.1., the total number of coded segments across these nine ESG themes shows a more than fourfold increase in discussion volume, from 636 segments in 2010 to 2666 segments in 2024. This growth trajectory includes a significant jump between 2010 and 2020 (from 636 to 1724 segments), continued steady growth through 2021 (1948 segments) and 2022 (2478 segments), and further increase in 2024. This overall expansion mirrors the reporting evolution detailed in section 4.3.1.

Trends for Key Strategic ESG Themes

The evolution of individual themes further illuminates Randstad's shifting focus. While all themes offer insights, the analysis below concentrates on the four most prominent themes ("Social Responsibility," "Sustainability Strategy," "Performance Metrics," and "Governance & Ethics"), which collectively represent the bulk of the coded ESG discussion. Trends for these selected themes are visualized in Figure 9. Other themes will be briefly addressed.

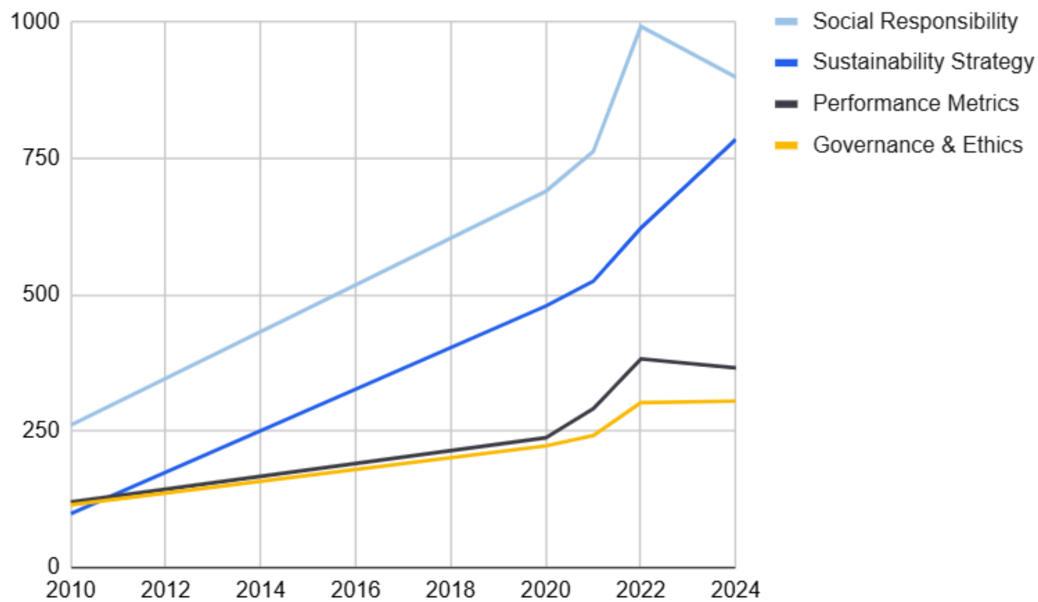


Figure 9. Trends in Discussion Frequency for Selected Strategic ESG Themes in Pivotal Randstad Reports (2010-2024)

Source: Author's analysis based on Randstad's Annual Reports (ATLAS.ti)

1) **Social Responsibility & Sustainability Strategy:** "Social Responsibility" discussion increased dramatically from 261 segments in 2010 to peak at 991 in 2022, before slightly moderating to 898 segments in 2024. This escalating focus, particularly the surge by 2020 (689 segments), aligns with Randstad's core HR services role and its deepening articulation of societal value, as noted in its reporting journey. "Sustainability Strategy" shows striking growth, from 99 segments in 2010 to 784

in 2024, becoming one of the most discussed themes. This trajectory strongly reflects the journey from foundational principles[218] towards a deeply embedded, ESRS-aligned strategy. The significant volume increase for both themes in 2022 is clearly linked to the expanded narrative space in the standalone ESG report,[219] which allowed for detailed articulation of strategic pillars. The high frequency for "Sustainability Strategy" in 2024 (784 segments) reflects the comprehensive ESRS requirements for strategy disclosure (ESRS 2 SBM) and Randstad's articulation of its three strategic sustainability pillars.[220]

2) **Performance Metrics:** The discussion of "Performance Metrics" grew substantially from 120 segments in 2010 to 366 in 2024, with an early significant increase by 2020 (238 segments) and peaking in 2022 (382 segments). This trend underscores the increasing demand for data-driven accountability. As detailed in 4.3.1, Randstad formalized its materiality assessments and adopted a comprehensive ESG framework by 2022, emphasizing quantitative data.[221] The sustained high level of discussion in 2024 aligns with the rigorous requirements of CSRD and ESRS for measurable targets and outcomes.

3) **Governance & Ethics:** This theme began with 115 segments in 2010 and shows a general upward trend, reaching 305 segments in 2024, its highest point. This consistent and growing focus reflects enhanced scrutiny on corporate accountability and the integration of ESG into governance. The 2010 report already had a "Corporate Governance" section.[222] As Randstad adopted a more comprehensive ESG framework (2022) and moved towards ESRS compliance (2024)—which includes specific governance disclosures like ESRS 2 GOV and ESRS G1 Business Conduct[223]—a more detailed articulation of governance mechanisms, ethical policies, and board oversight of sustainability would be expected.

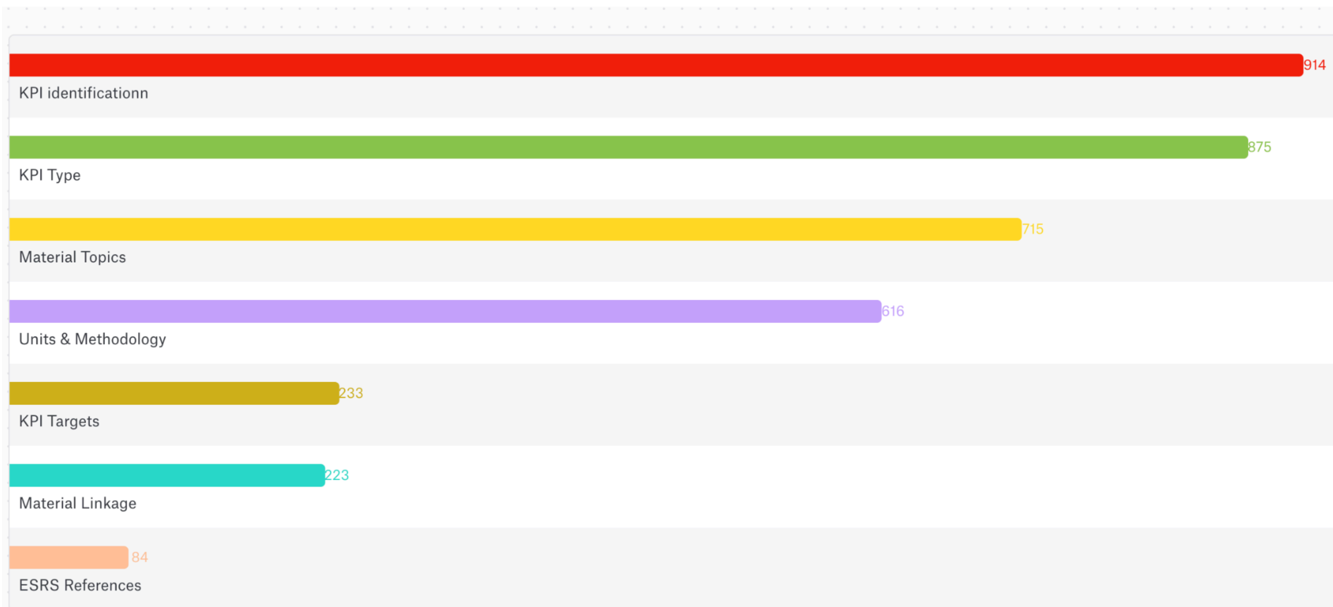
4) **Other Themes:** The remaining five themes, while less voluminous, show indicative trends. "Environmental Practices" (12 to 116 segments) and "Climate Strategy" (2 to 38 segments) both demonstrate clear growth, especially from 2020-2021 onwards, reflecting increasing global and regulatory focus on environmental matters (ESRS E1-E5).[224] The distinct jump for "Risk

[218] Randstad N.V., "Annual Report 2010."
[219] Randstad N.V., "Annual Report 2022."
[220] Randstad N.V., "Annual Report 2024," 141.
[221] Randstad N.V., "Annual Report 2022," 41.
[222] Randstad N.V., "Annual Report 2010," 57.
[223] Randstad N.V., "Annual Report 2024," 141.
[224] Randstad N.V., 132.

Management" in 2024 (from 20 segments in 2022 to 136 segments) is particularly noteworthy and directly correlates with ESRS requirements for detailed disclosure of risk management processes related to sustainability matters (ESRS 2 IRO-1).[225] "SDG Alignment" mentions rose from 2020 to 2022 but dropped in 2024, mirroring the 2021 report's SDG emphasis and a potential shift to ESRS reporting instead of SDG mapping. "Legal Restrictions" remained minimal throughout, suggesting compliance is an embedded baseline.

Section 4.4.3 Measurement, Reporting, and KPIs for Material Topics

Figure appendix 3.2.: Frequency Distribution of ESG KPI Reporting Codes



The data clearly shows that KPI Identification (914 instances), KPI Type (875 instances), and direct mentions of Material Topics (715 instances) are the three most prominent themes. This indicates that the reports heavily focus on defining what is being measured, the nature of the metric (e.g., quantitative), and the strategic topic it relates to.

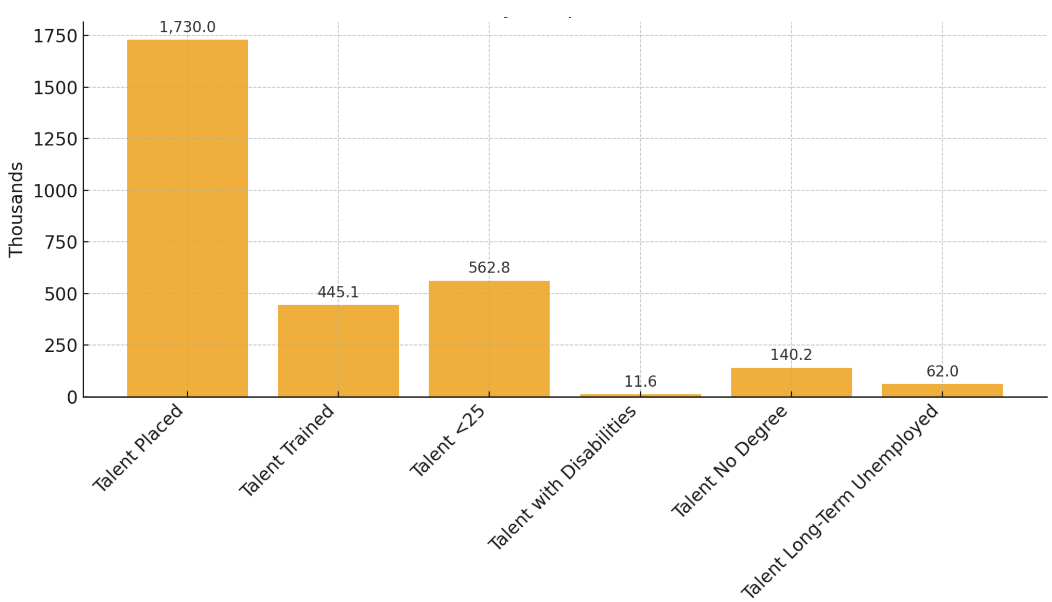
Following these, Units & Methodology (616 instances) is also a significant category. In contrast, themes such as KPI Targets (233), Material Linkage (223), and direct ESRS References (84) appear less frequently,

[225] Randstad N.V., 141.

suggesting that while KPIs are identified, the explicit setting of targets, linking them to material issues, and citing specific regulations are less common elements in the overall narrative.

1) KPI Identification: As a leader in the people-centric HR services sector, Randstad's KPI framework naturally focuses on social impact, emphasizing employment, inclusion, and workforce development. In 2024, KPIs accounted for approximately 40% of all coded quotations. The company reported placing 1,730,000 individuals into work (p. 101), highlighting its core business impact. Inclusion-related metrics include 562,800 young talents under 25, 11,600 people with disabilities, 140,200 individuals with no educational background, and 62,000 long-term unemployed (p. 103). Other key indicators—such as 3,752,800 training hours and a 1.9% sickness absence rate (p. 106)—reflect priorities on development and well-being. In contrast, environmental KPIs remain limited: Scope 3 emissions were last reported in 2021 at 3,000 metric tons of CO_2, with no 2024 update (p. 133), revealing a gap in environmental transparency.[226]

Figure 12. Randstad 2024 Key People KPIs (in Thousands)



Source: Author's analysis based on Randstad's Annual Reports

2) KPI Target: Strategic targets comprise about 10% of KPI codes. These include training 750,000 talent by 2025 (p. 108) and achieving 50% women in senior leadership by 2030 (p. 109). Randstad has shown measurable progress—42.5% of management roles are held by women in 2024, compared to 38% in 2023 (p. 109), and talent satisfaction scores improved to 8.4 across 50% of gross profit markets (p. 107). Nevertheless,

[226] Randstad N.V., "Annual Report 2024," 101–33.

some targets were not met: only 445,100 talent were trained in 2024, missing the 500,000 interim goal (p. 108). The Global Delight Program, launched in 2024, has enhanced coverage and aims to expand to 10 new markets in 2025, indicating Randstad's commitment to improving performance data capture and user experience metrics.[227]

3) **KPI Type:** This category accounted for the largest share (~51%) of coded quotations, with a strong preference for quantitative metrics (~70%) such as 232,400 working days lost to injuries and an injury rate of 0.16% (p. 107). These indicators offer clarity and support ESRS compliance. Qualitative KPIs, like living wage policies (p. 105) and human rights safeguards (p. 109), provide important context but often lack detail, reducing their analytical value. While social KPIs are well-developed, environmental disclosures—both qualitative and quantitative—remain fragmented, reflecting a reporting architecture primarily oriented toward social issues. This likely aligns with stakeholder concerns around working conditions, diversity, and safety (p. 100).[228]

In 2024, Randstad's KPI reporting showed greater maturity, emphasizing measurable social outcomes and improved ESRS alignment. The dominance of people-focused KPIs reflects its HR services identity. However, gaps in environmental reporting and inconsistent target achievement point to the need for stronger data systems and more balanced coverage across ESG dimensions—key to meeting regulatory standards and sustaining stakeholder trust.

[227] Randstad N.V., 107–9.
[228] Randstad N.V., 100–109.