

Questions VBDO for AGM 2024

Answers Randstad in blue italics

Living wage

Question 1

Workers receiving a living wage is a fundamental factor in fostering systemic change. Randstad aims to ensure that all people have access to fair and decent jobs that provide living wages (AR, p34). Randstad is actively involved in conversations around living wage and participates in the UN Global Compact Think Lab on Living Wage (AR, p76). Randstad aims to ensure compliance with international standards and national labour laws (AR, p76). The company mentions the absence of a universally agreed definition of the concept of a living wage (AR, p76). Although there is indeed no universal definition of living wage, the UN Global Compact, of which Randstad is a signatory, declares that there is a broad consensus around what constitutes a living wage. The UN Global Compact refers to a living wage as “a wage that enables workers and their families to meet their basic needs.”

- a) Is Randstad planning to define and operationalise the concept of “living wage”?
- b) If so, when can VBDO expect Randstad to publish this definition and operationalisation, as well as potential KPI’s on this matter?
- c) The provision of a living wage is strongly linked to human rights principles, however the Human Rights Policy (2021) of Randstad only mentions a minimum wage. Why is living wage not included as a topic in Randstad’s human rights policy?
- d) Can VBDO expect Randstad to include living wage in its Human Rights Policy?

Randstad advocates for protecting human rights and ensuring all people have access to fair and decent jobs that provide living wages. Through our partnerships with clients and talent, as well as our policy and industry involvement we invest in conversations on important issues including living wage, working time, fair and secure employment, freedom of association and collective bargaining. In this way, we hope to raise awareness and contribute to improved working conditions in the markets we operate in, and more widely.

There was no broad consensus around what constitutes a living wage. This is precisely why the ILO tripartite meeting of experts (TME) on wage policies, including living wages, took place from 19-23 February, 2024 in Geneva. As this is a topic that Randstad is proactively discussing with central employers organized, we provided our input to the International Organization of Employers (IOE) leading up to the ILO meeting, as well as via our global industry association, the World Employment Confederation (WEC), which had an official “observer” status during the ILO meeting.

The outcome of this TME meeting is a set of agreed draft conclusions implying there is now a common understanding on the concept of a “living wage”. The draft conclusions have been agreed by the ILO Governing Body on March 13 and published on March 15, 2024. and will be published in due time. The ILO Office will provide guidance to the ILO constituents for their policies and practices and living wages.

The description states in Article 5 that in line with the ILO Constitution and the Philadelphia Declaration, and consistent with the spirit of the Universal Declaration of Human Rights, the meeting of experts agreed that the ILO should denote that the concept of the living wage is:

- the wage level that is necessary to afford a decent standard of living for workers and their families, taking into account the country circumstances and calculated for the work performed during the normal hours of work;*
- calculated in accordance with the ILO's principles of estimating the living wage;*
- to be achieved through the wage-setting process in line with ILO principles on wage-setting.*

The expert meeting also agreed on principles for wage-setting, principles for the methodologies behind estimating living wages and guidance on how to operationalize living wages. Randstad welcomes the outcome of the meeting, and looks forward to the guidance from the ILO to their constituents for their policies and practices on wages and living wages. We will continue to monitor the developments within the institutional world as well as proactively advocate directly and indirectly via the IOE and WEC/EU for the concept of living wage. Pending the ILO guidance, Randstad will progress with its policies and KPIs accordingly.

Question 2

In 2023, Randstad boasted 207.900 client relationships (AR, p59), suggesting a significant avenue through which it can profoundly enhance its positive impact on living wage standards. Moreover, the Corporate Sustainability Reporting Directive (CSRD) requires companies to address the topic of adequate wage.

Randstad identifies both talents and corporate employees as part of its Own Workforce (ESRS S1) (AR, p43).

- a) How does Randstad define an “adequate wage” and how does this relate to a living wage?
- b) Can Randstad provide an overview of how many of its talents are paid a living wage?
- c) Is Randstad willing to perform an assessment to identify possible gaps between wage levels of its talents and living wage levels per country? VBDO suggests using a benchmark to identify living wage levels per country, for example the benchmarks provided by IDH Sustainable Trade Initiative or the Living Wage tool provided by the UN Global Compact.
- d) Can VBDO expect an overview of the findings of the wage gap analysis in the next annual report?
- e) How does Randstad ensure that its talents are paid a living wage? In cases where talents are not paid a living wage according to country-specific living wage levels, what actions is Randstad taking to rectify this discrepancy?

Pending the outcome of the ILO process as described under question 1, Randstad currently looks at what is available in formal legal frameworks to ensure compliance with international standards and national labor laws. This includes national minimum wages, where they have been established, as well as minimum wages as agreed and included in Collective Labor Agreements.

In addition, we are making progress through our active involvement in conversations around this and participation in the UN Global Compact Think Lab on Living Wage.

A living wage is something that is determined on a national level and is dependent on many factors, therefore and as mentioned, we are awaiting the outcome of the ILO process before considering carefully with the relevant stakeholders on what the best way to move forward is.

Finally, within the triangular relationship model of temporary agency work services, we depend on the wage structure - via collective bargaining or the applicable national regulatory framework - that our customers apply. It is for this reason that constructive social dialogue is essential in order to include all relevant stakeholders to discuss the matter of wage setting.

Meaningful jobs

Question 3

During last year's Annual General Meeting, CEO Sander van 't Noordende acknowledged the importance of meaningful work for talent from a career perspective and highlighted the opportunities the energy transition offers. Furthermore, mr. van 't Noordende stated that Randstad would report more on this subject in 2024. The annual report affirms that the company is helping talents to transition to new roles through skilling and redeployment (AR, p81). Given Randstad's emphasis on meaningful employment and the potential job opportunities identified in the renewable energy sector (AR, p81), VBDO would like to challenge Randstad on the topic of meaningful jobs.

- a) Is Randstad willing to prioritise essential and high-impact sectors, such as the renewable energy sector, healthcare and education, in its job placement operations given the growing demand of jobs in such sectors?
- b) Will Randstad report on targets or KPIs for its job placement operations in essential and high-impact sectors?
- c) Does Randstad have a policy regarding the exclusion of certain industries or sectors due to their negative environmental and societal impact? If so, what criteria does Randstad use to determine which industries or sectors to exclude, and how does Randstad ensure compliance with this policy?

We're currently exploring what would be the right approach to assist and skill people into green jobs. Once that's more clear, we have the ambition to report on that as well. Next to the green jobs, there are many other 'meaningful jobs' where we already assist and skill a lot of talent, like in healthcare or education. Reporting on these specific jobs/sectors would be valuable as part of our ambition to report more on our impact. While we do not exclude specific industries or sectors (these also offer jobs, career progression and income to our talent), we do want to shift our focus to those industries and sectors that you mention as essential and high-impact sectors, such as the renewable energy sector, healthcare and education.

Lobbying

Question 4

Randstad describes its engagement with governments and policymakers (AR, p34). Additionally, a comprehensive overview of its memberships and partnerships is provided in the appendix (AR, p312). VBDO commends Randstad for its transparency regarding its lobbying activities but wants to challenge Randstad to take a further step. Randstad asserts that it actively advocates for policies that support the green transition (AR, p34). Enhanced reporting and transparency regarding Randstad's endeavours in advocacy for green transition policies can play a pivotal role in raising awareness and setting a commendable example for industry peers.

- a) Can the company elaborate on its activities regarding advocacy for policies that support the green transition?
- b) Does Randstad set targets for advocacy activities regarding green transition policies? If so, is Randstad willing to report on these outcomes?
- c) Is Randstad aware of the activities of its aligned industry associations regarding green transition policies? For example, the lobby activities of the WEC, BusinessEurope, and the IOE (AR, p312).
- d) Recently, BusinessEurope has actively and consistently advocated for the EU regulations to decarbonise industry to be weakened. Is Randstad aware of this misalignment between Randstad's support for green transition policies and its aligned industry association BusinessEurope? What actions will Randstad take to address this misalignment?

Randstad actively advocates for policies and practices that support the green transition, including actions to minimize our climate impact from and via our industry. It is relevant to note that our direct lobbying activities, including for the green transition, at the level of the European Commissioners, Members of their Cabinet or Director-Generals since 01/12/2014 can be found via our current ID number in the Transparency Register: "63569542153-18". Moreover, Randstad submitted written input to the International Organization of Employers (IOE), who took part in the discussions leading up to the agreed [ILO resolution and conclusions on a Just Transition \(June 2023\)](#). Randstad is also a member of the IOE Employers' Alliance for Green Skills. Other contributions Randstad provided via its memberships on the green transition includes input for: the IOE Policy Priorities for a Just Transition, and the participation of WEC during the annual conference of the European Network of Public Employment Services. And one of the upcoming policy papers in 2024 will cover the topic of the circular economy and green jobs.

As an Advisory & Support Group member of BusinessEurope we proactively provide our input to BusinessEurope for them to take into account when drafting their positions on climate targets. This is a topic that is discussed within BusinessEurope, both with the national employer federations and other Advisory & Support Group Members. BusinessEurope agrees on the climate targets proposed by the European Commission, but several members have vehement worries about how companies and societies will get there by 2030. As such, this is an opportunity for Randstad to position itself within BusinessEurope to continue the climate transition discussion in a future-forward looking way.

With regards to target setting for advocacy activities: advocacy is done mostly during the pre-legislative phase, in other words when a legislative initiative is launched, so before it turns into legislation and/or regulation. This means that during the pre-legislative phase, targets change on an ongoing basis as legislative proposals also change as a result of public consultations, direct and indirect advocacy and stakeholder engagement management activities.

Labour migration

Question 5

VBDO compliments Randstad for its impactful initiatives aimed at providing job support to both refugees and migrants (AR, p80). Jeroen Tiel, CEO of Randstad Group Netherlands, highlighted in the Financieel Dagblad that the Dutch job market remains under significant strain. With 400,000 open vacancies, including 80,000 in technical fields, the shortages underscore the inability to fill positions solely with the existing "unused labour potential". Tiel emphasises that labour migration is vital for sustaining businesses in the Netherlands and advocates for a comprehensive, long-term vision for labour migration. While policymakers wield considerable influence in shaping this long-term vision, it is essential to recognise the role and responsibility of stakeholders like Randstad in contributing to this vision.

- a) What is the long-term vision of Randstad on the Dutch job market shortages and labour migration?
- b) What societal role does Randstad see for itself in the public debate about challenges concerning labour migration?
- c) What actions is Randstad taking to tackle challenges associated with labour migration such as housing and integration?
- d) Is Randstad engaging with the government about labour migration and the need for labour migrants to fill the open vacancies?

Randstad acknowledges that labor migration issues can raise complex and sensitive political, human rights, economic and social concerns, as well as an array of legal and regulatory challenges. Taking into account the labor shortages combined with skills mismatch that continue to impact labor markets across the world, the need for well-regulated migration is increasing. As such, Randstad has been on this specific topic since 2017 with the launch of the research report 'People to jobs, jobs to people' conducted in collaboration with the German IZA Institute.

Furthermore, we work on a number of initiatives aiming at improving regulatory frameworks to improve access to safe, orderly, and well-regulated labor mobility and migration. Efficient migration systems need to be able to respond to labor market needs. And efficient migration systems produce fair and ethical recruitment. Businesses, including Randstad, are frequent and important users of national migration systems. This is why we share our practical experience and expertise with governments, immigration authorities, and international organizations to ensure good governance and well-regulated migration systems.

We do this on an ongoing basis, by being a proactive member of the International Organization of Employers (IOE) Working Group on Mobility & Migration. As a member of

this IOE Working Group, we participated in the Global Forum for Migration and Development, organized in Geneva in January 2024. Although there was no official outcome, national government representatives from amongst others France, Australia, US and UK indicated that Randstad brings value to the discussion by sharing business driven initiatives focusing on migrants in the respective countries. For a complete overview of these and more initiatives, please have a look at our [local sustainability initiatives](#).

Diversity

Question 6

Randstad proudly stands as a staunch supporter of the LGBTQI+ community, steadfast in its commitment to meeting the needs of LGBTQI+ individuals worldwide. In 2023, Randstad marked Pride Month with a series of global events (AR, p79). VBDO commends Randstad for its dedication to advancing LGBTQI+ rights and inclusion. Embracing gender diversity not only cultivates a more inclusive workplace but also ensures that all employees feel valued, respected. To further bolster the sense of inclusivity among its workforce and talent pool, Randstad could extend its support to individuals who identify beyond the binary genders of male and female. In the annual report, Randstad currently categorises individuals solely as male or female. Broadening this classification would affirm Randstad's commitment to embracing diversity and fostering an environment where everyone feels acknowledged and respected.

- a) What is the policy of Randstad regarding people who identify as neither male nor female?
- b) Why does Randstad in its reporting only categorise between males and females (AR, P162)?
- c) Does Randstad offer the possibility to employees and talents to indicate that they identify as neither male nor female? If not, is Randstad willing to offer employees and talents this opportunity?

We're absolutely dedicated to championing gender inclusivity as a fundamental aspect of our ambitious goal to become the most equitable and specialized talent company. To fulfill this commitment, we proactively collect demographic data on employees on a voluntary self-ID basis wherever local regulations allow. Our inclusivity efforts extend to providing an "Other" option for individuals whose identities transcend traditional gender norms, along with a "Prefer not to disclose" option to honor everyone's privacy. For talent, in some countries we already have the option to report 'other gender' and we're exploring the possibility to add this in all our markets, so we can report on this in the future.