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# Why Sustainability and ESG Matter to the Staffing Industry


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## Overview

- **The ABCs of Sustainability & ESG**
- **ESG Drivers + *Why Staffing?***
- **ASGN's ESG Journey & Lessons Learned**
- **Define & Develop your ESG Strategy**

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# POP QUIZ

- What is ESG?
- What is Sustainability?

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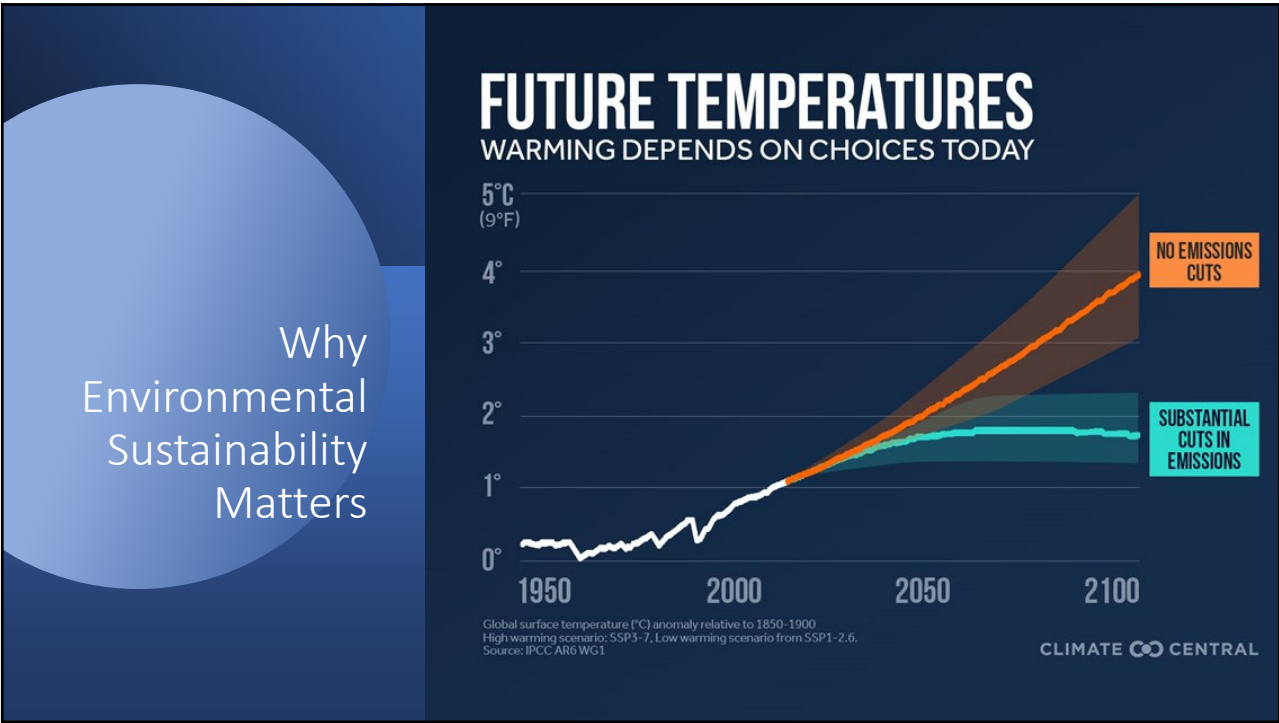
## The Elephant in the Room: The ESG Backlash

- ESG has become highly politicized and even framed by some as part of a “woke agenda.”
- The debate around ESG is frequently unhinged from a simple fact: ESG-related risks are now among the greatest and most urgent threats businesses face.
- [ESG Measures] significantly affect our ability to attract investors, raise capital, hire new talent, retain our most valued employees and nurture public trust in our brands.
  - “Why ESG Isn’t Just Going to Go Away,” Forbes



“It’s never been more essential for CEOs to have a consistent voice, a clear purpose, a coherent strategy, and a long-term view. Your company’s purpose is its north star in this tumultuous environment. [Your] stakeholders need to know where we stand on the societal issues intrinsic to our companies’ long-term success.”

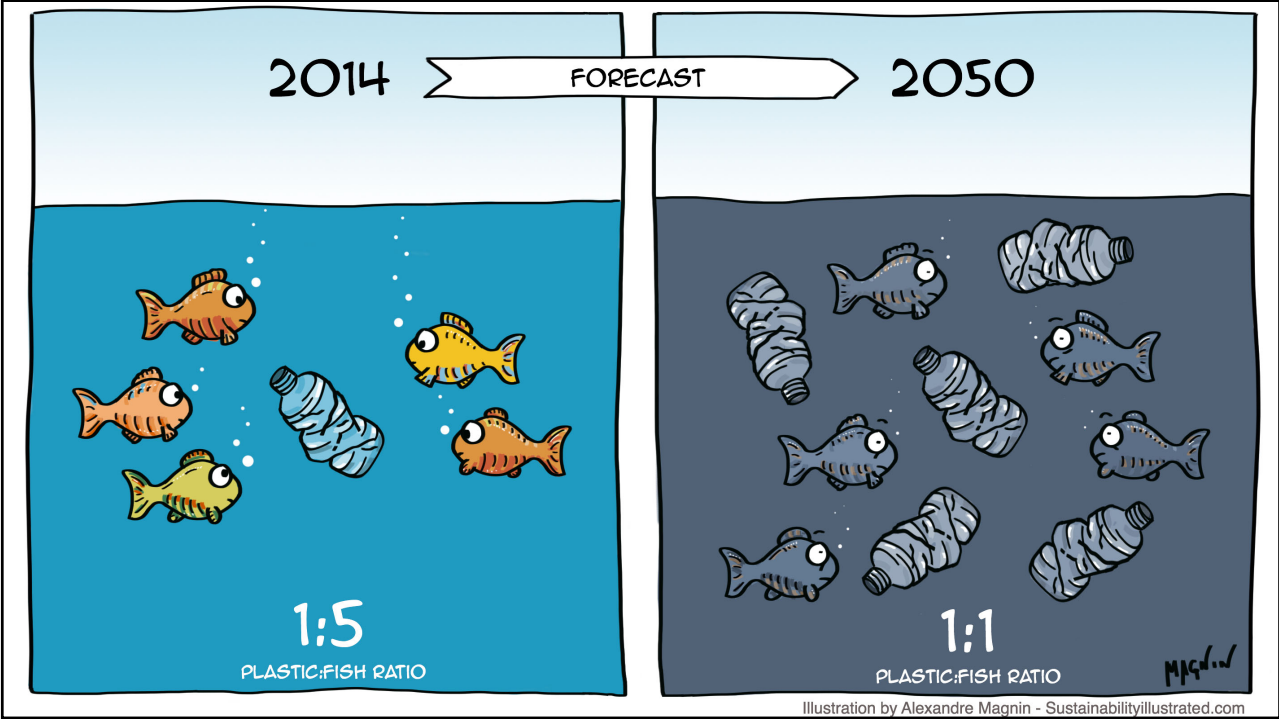
- BlackRock CEO Larry Fink’s 2023 Letter







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Illustration by Alexandre Magnin - Sustainabilityillustrated.com

## ESG Drivers

**MSCI**  
ESG RATINGS

AAA

CCC B BB BBB A AA AAA

Corporate ESG Performance

RATED BY **ISS ESG**


Prime

ESG INDUSTRY TOP RATED


2023

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## FEDERAL ESG DRIVERS



- In 2021 the US federal government announced ambition to reach Net Zero by 2050.
- DoD moving aggressively to cut energy demand to meet target - will spend \$10B annually on clean energy in 2030 vs. \$1B in 2019.



- In 2021, the White House released an executive order on DEIA - affirming the US is strongest when its public servants reflect the full diversity of the American people.
- As of 2022, Federal contractors with > \$50 million in contracts must disclose GHG emissions and develop reduction targets.

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# Why ESG in the Staffing World?

- Client Requirements
- Recruiting Tool
- Employee Retention Strategy
- Employee Engagement
- Attract Awards

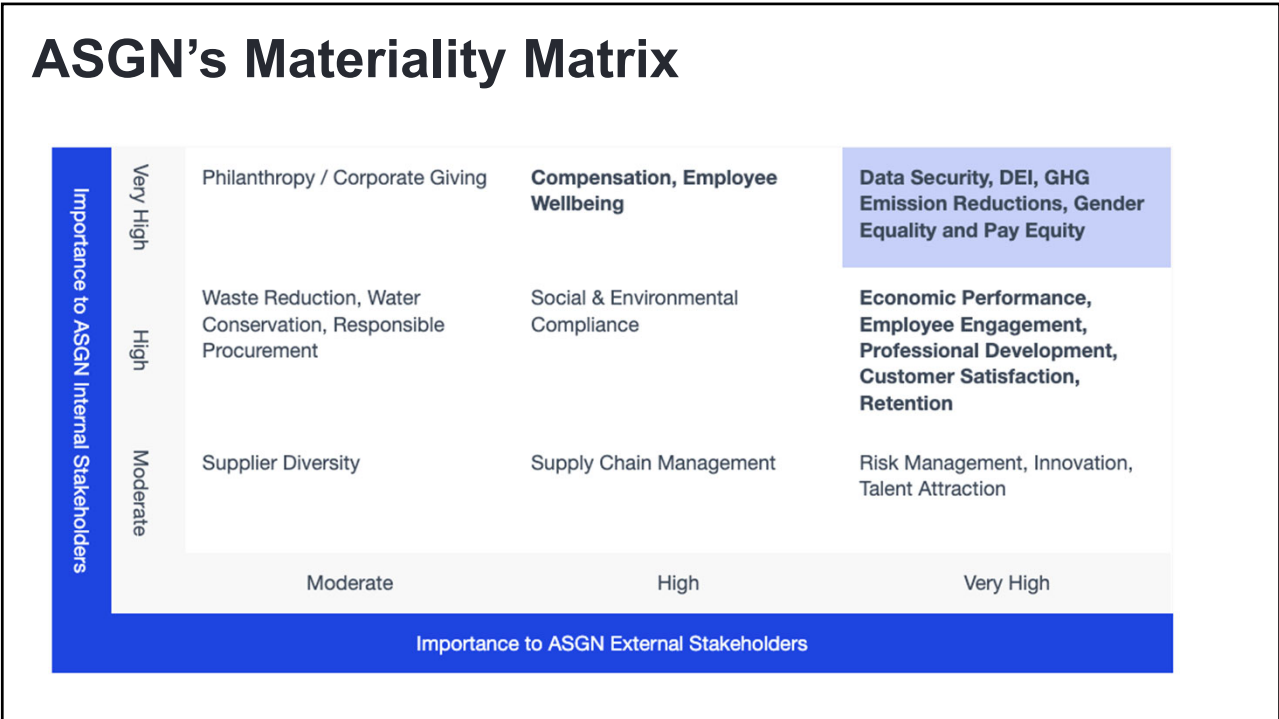


Presented by: ESG News



## ASGN's ESG Journey

- ✓ Benchmarked Industry Peers
- ✓ Engaged the Board
- ✓ Performed a Materiality Assessment
- ✓ Established Goal and Targets
- ✓ Tracking & Reporting
- ✓ Accomplished short-term Goals
- ✓ Making Progress on longer-term Targets
- ✓ *Staying informed of Trends*
- ✓ *Committed to Continual Improvement*



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## ASGN's 2022 ESG Report Highlights

### Accomplishments

<p><b>+ Environmental Responsibility</b></p> <ol style="list-style-type: none"> <li>1. Established a Carbon Emissions Reduction Plan (CERP) + working on emission reduction goal of 55% reduction per 2019 baseline by 2030 per FTEs</li> <li>2. Became a Science-Based Targets Initiative (SBTi) Signatory</li> <li>3. Engaged our Board of Directors on Climate-related Risk Management</li> </ol>	<p><b>+ Social Responsibility &amp; Our Workforce</b></p> <ol style="list-style-type: none"> <li>1. Achieved 40% diversity in senior level executive positions ahead of 2025</li> <li>2. Became a Women's Empowerment Principles (WEPIs) signatory</li> <li>3. Adopted Company-wide polices:                             <ul style="list-style-type: none"> <li>✓ Health and Safety</li> <li>✓ Employee Wellness</li> <li>✓ Supplier Diversity Policy</li> </ul> </li> </ol>	<p><b>+ Governance &amp; Data Security</b></p> <ol style="list-style-type: none"> <li>1. Expanded ESG Reporting Frameworks</li> <li>2. Achieved ISO 27001 Certification for Apex Systems and ECS</li> <li>3. Attained Level 2 on the CMMC self-assessment at Apex Systems and ECS</li> <li>4. Expanded our Security Operations Center</li> </ol>
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# ASGN's 2022 ESG Report Highlights

## Commitments

### + Environmental Responsibility

1. Begin implementing the CERP
  - Sustainable Commuting Pilot
  - Business Travel Guidelines
  - Sustainable Supply Chain
2. Become ISO 14001 Certified

### + Social Responsibility & Our Workforce

1. Implement WEPs company-wide
2. Establish a company-wide Mentorship Program & Diversity Council
3. Increase Employee Engagement & Charitable Giving

### + Governance & Data Security

1. Establish an Enterprise Risk Management Program
2. Adhere to CMMC 2.0 model across all brands
3. Conduct second Materiality Assessment in 2024

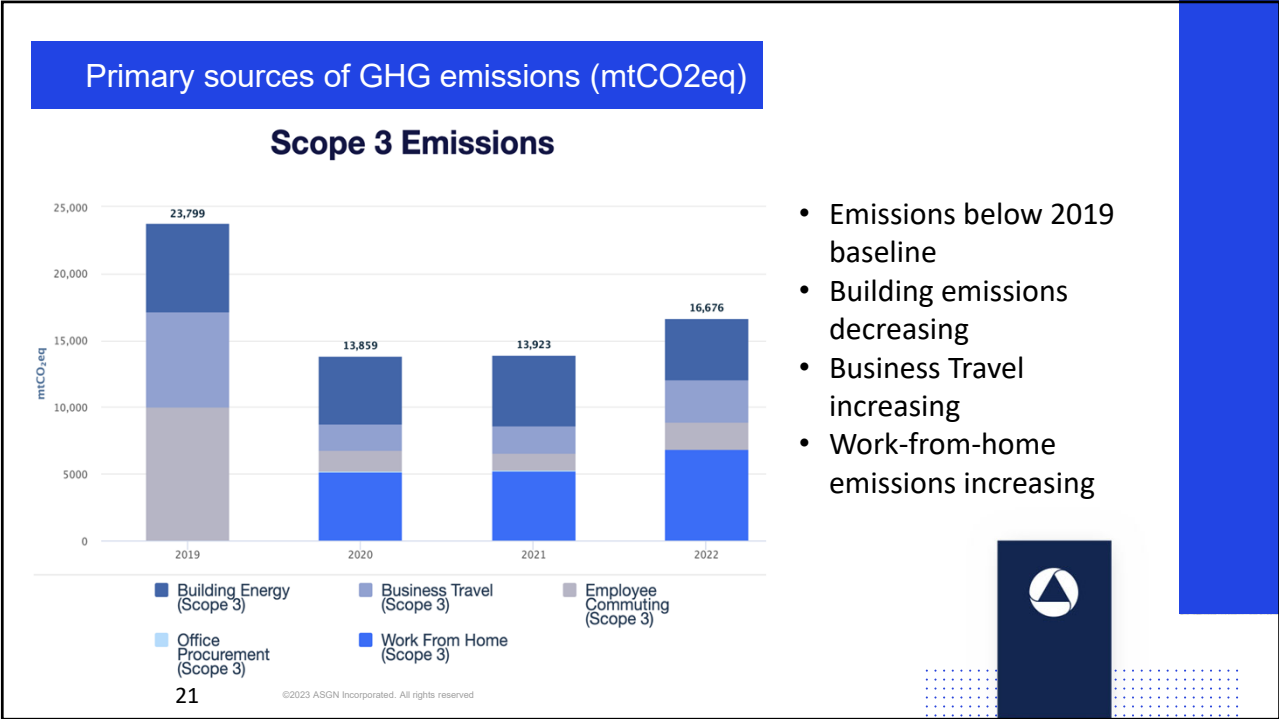




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## Climate Emissions Reduction Plan (CERP)

### Actions to Achieve Targets

#### Building Energy

- Increase number of leases in buildings powered by renewable energy
- Monitor market for renewables, RECs and VPPAs

#### Transportation

- Sustainable Business Travel Guidelines
- Continue to allow remote/hybrid work schedules
- Sustainable Employee Commuting Pilot Program at Apex (2024)

#### Procurement

- Adopt a Sustainable Purchasing Policy
- Establish Sustainable Supply Chain Program

#### Employee Engagement

- Support Environmental ECGs
- Communications on environmental actions, including energy conservation, waste reduction, renewables
- Annual Employee Commute & WfH Survey

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### ASGN's ESG Policies

- Anti-Corruption
- Anti-Harassment & Discrimination
- Board Diversity
- Employee Wellness
- Environmental Management
- Code of Business Conduct & Ethics
- Corporate Governance
- Human Rights
- Supplier Code of Conduct
- Supplier Diversity
- Sustainable Business Travel Guidelines
- Sustainable Procurement
- Workplace Health & Safety

### Reporting Frameworks

CDP  
TCFD | TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES  
S&P Global  
SASB | SUSTAINABILITY ACCOUNTING STANDARDS BOARD  
GRI

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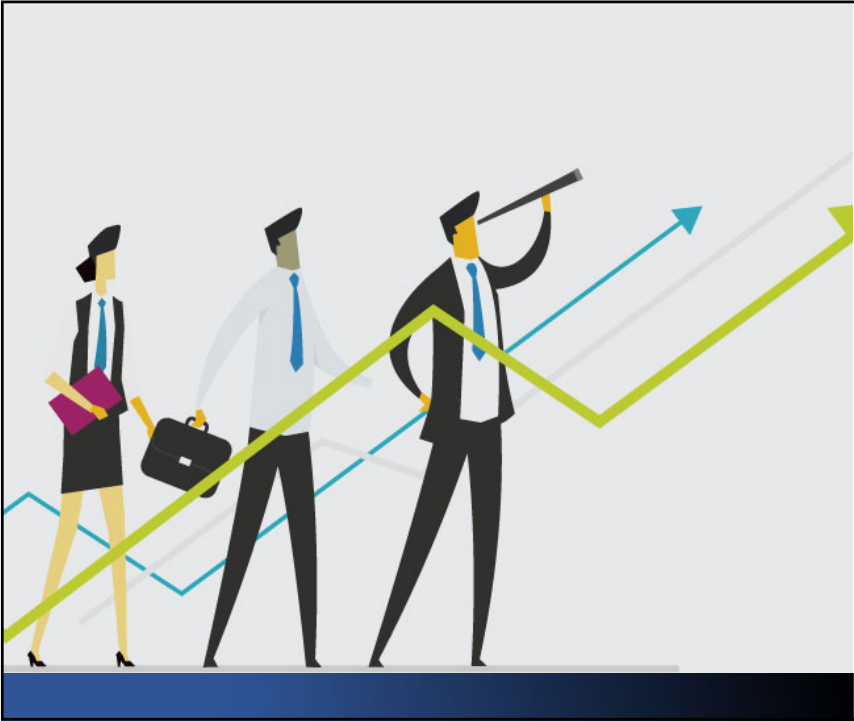
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# Women's Empowerment Principles

<b>1</b> PRINCIPLE <b>High-level corporate leadership</b>	<b>2</b> PRINCIPLE <b>Treat all women and men fairly at work without discrimination</b>	<b>3</b> PRINCIPLE <b>Employee health, well-being and safety</b>
<b>4</b> PRINCIPLE <b>Education and training for career advancement</b>	<b>5</b> PRINCIPLE <b>Enterprise development, supply chain and marketing practices</b>	<b>6</b> PRINCIPLE <b>Community initiatives and advocacy</b>
<b>7</b> PRINCIPLE <b>Measurement and reporting</b>	In support of <b>WOMEN'S EMPOWERMENT PRINCIPLES</b> Established by UN Women and the UN Global Compact Office	

# Employee Groups: ERGs & ECGs





## ESG is Growing!

- Evolving client surveys and requirements
- Evolving investor requirements (TCFD)
- Frameworks continuing to develop
- SEC regulations on the horizon...

## SEC Regulations – *Oct? Jan?*

### Registrant Requirements:

**Oversight and governance of climate-related risks by board and management** → **Identify climate-related risks likely to have a material impact on business and consolidated financial statements**

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**Identify climate-related risks likely to affect strategy, business model, and outlook** → **Processes for identifying, assessing, and managing climate-related risks and integrating into overall risk management system or processes**

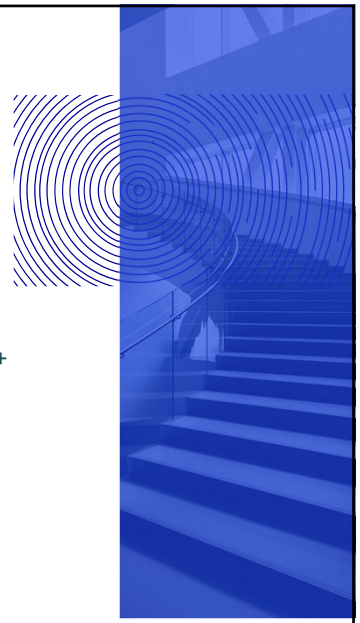
**Impact of climate-related events and transition activities in financial statements and expenditures, and disclosure of financial estimates and assumptions** → **Scopes 1 and 2 GHG emissions metrics in absolute and intensity terms**

↓

**Scope 3 GHG emissions and intensity, if material, or if GHG emissions reduction target includes Scope 3** → **climate-related goals, targets, and transition plan**

# Lessons Learned...

- ✓ **Don't OVER-commit** – *you may not be able to meet your goals*
  - Avoid greenwashing – it will come back to haunt you
  - Delta Airlines carbon-neutrality claim through carbon offsets
  
- ✓ **Don't UNDER-commit** – *you may lose current or potential clients*
  - Dozens of ASGN's clients now require GHGs inventory reporting, including 3<sup>rd</sup> party assurance and establishment of SBTi-aligned targets + reporting via CDP and other frameworks + project emissions
  
- ✓ **Be Nimble and Ready to Pivot** -- *It's like the Wild West out there!*
  
- ✓ **Build and support your ESG Team across your Company** – *It takes a village!*



# Define & Develop Your ESG Strategy

Obtain	Buy-in from the Top
Begin	Benchmarking
Conduct	a Materiality Assessment of your Key Stakeholders
Build	a Cross-Company ESG Team
Establish	your Short-term & Longer-term Goals & Targets
Start	Tracking & Reporting on your Progress
Consider	Framework Reporting: CDP, GRI, EcoVadis, etc.



## ***It's Almost Happy Hour Time!***

### A Sustainable Cocktails Checklist

#### **Do's**

- ✓ Choose organic ingredients and brands
- ✓ Support brands that use sustainable practices such as recycled glass to make bottles, compost, operate on 100% renewable energy
- ✓ Support brands that have generous give back programs
- ✓ Serve in reusable glass
- ✓ Use fiber-based straws -- *or go straw-less!*
- ✓ *Eat your edible garnish!*

#### **Don'ts**

- ✓ Single-use plastic cups
- ✓ Disposable plastic straws

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## **The *HellFire* Margarita**

### **Ingredients (2 Servings):**

- Tajin
- 2 organic lime wedges
- 3+ ounces of reposado tequila
- 2 tablespoons of freshly squeezed lime juice
- 4-6 round slices of jalapeño (1/4 inch thick)
- 15 drops of Bittermens Hellfire Habanero Shrub
- Additional lime wedges for garnish

Rub organic lime wedges along the rim of each glass, sprinkle 1 tablespoon of Tajin seasoning on a small plate and dip the rims into the Tajin.

Put all other ingredients into a cocktail shaker with ice cubes and shake vigorously for about 10 seconds.

Strain into prepared glasses, garnish with lime *and enjoy!*





*Hell's Backbone Grill & Farm,  
Grand Staircase-Escalante National Monument*

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# Rate This Breakout Session

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## What Are Your Questions?

*Thank you!*

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