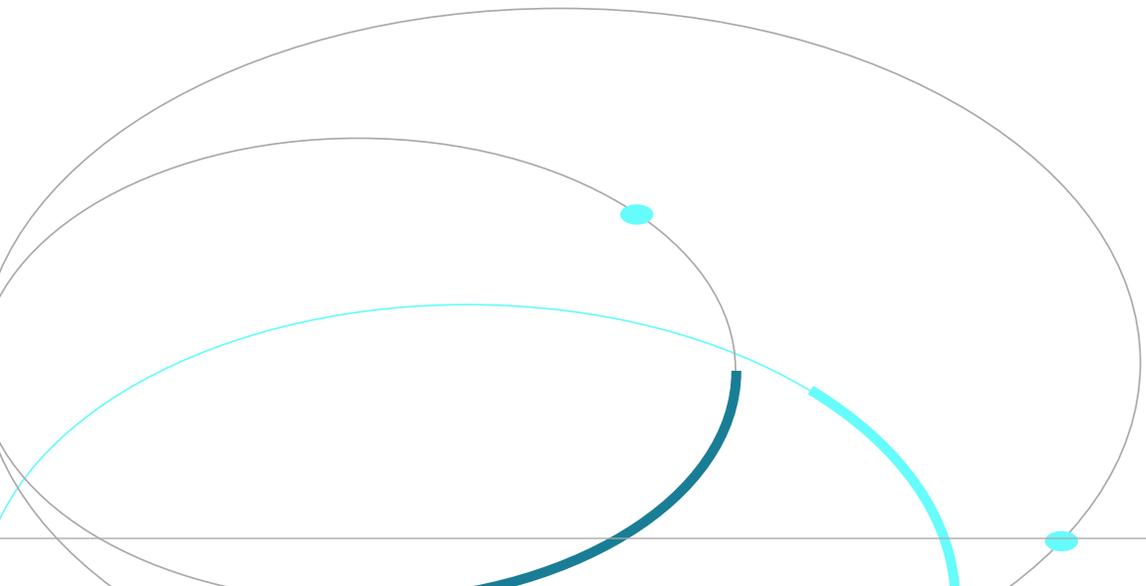


# HEIDRICK & STRUGGLES



# 2022 ESG Report

# Contents



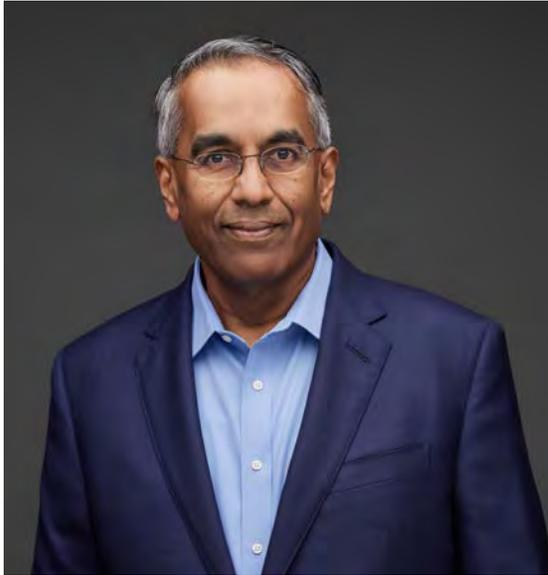
## About This Report

This is Heidrick & Struggles' third ESG report, covering environmental, social and governance activities that took place during fiscal year 2022, beginning January 1, 2022, through December 31, 2022, except where otherwise noted. This report was produced in line with globally recognized frameworks including the Global Reporting Initiative (GRI), the Sustainability Accounting Standards Board (SASB) standard for Professional & Commercial Services and the Task Force on Climate-related Financial Disclosures (TCFD). This report covers impacts within our corporate boundary—through our network of 55 offices in 31 countries around the world.

## Forward-Looking Statements

This report contains forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements generally are identified by words such as "believes," "estimates," "expects," "intends," "may," "projects," "could," "should," "will," "continue" and other similar expressions. All statements other than statements of historical fact could be forward-looking statements, which speak only as of the date they are made, are not guarantees of future performance and are subject to certain risks, uncertainties and other factors, many of which are beyond our control and are difficult to predict. We describe risks and uncertainties that could cause actual results to differ materially from those expressed in, or implied by, any of these forward-looking statements in our SEC filings, including our most recent Annual Report on Form 10-K and our subsequent reports on Forms 10-Q and 8-K. Except as required by law, we do not intend to update or revise any forward-looking statements as a result of new information, future events or otherwise.

# A Message from Our President & CEO



**Krishnan Rajagopalan**  
President & CEO,  
Heidrick & Struggles

## Dear Stakeholders,

I am delighted to share with you the progress Heidrick & Struggles has made in advancing our environmental, social and governance (ESG) initiatives throughout fiscal year 2022. As I reflect on the past year, I am proud to showcase our dedication to the values that drive us.

### Driving ESG Impact with Clients

In this evolving landscape of corporate priorities, ESG considerations have ascended to the forefront. Our ESG client work grew and expanded in scope, and we maintained our focus on incorporating best practices around sustainability, governance, leadership, culture, and diversity, equity and inclusion (DE&I) across our firm. From facilitating appointments of Chief Sustainability Officers to collaborating closely with boards and corporations that are striving to attract visionary leaders deeply committed to ESG principles, our engagements exemplify our dedication to driving

transformative change. Together, we are poised to amplify our impact and continue guiding our clients toward a brighter, more sustainable future.

### Our People, Culture & Benefits

At the core of our values lies a fundamental belief that our employees' growth fuels our company's success. We recognize that nurturing skills, potential and well-being is essential to achieving our shared goals. This is why we invest in an array of learning and development programs that ensure every employee can evolve and excel at every stage of their career journey.

In addition, an essential pillar of our commitment to growth and engagement is the promotion of an open and continuous feedback culture. In 2022, we introduced our Voice of Employee pulse surveys, a powerful tool that contributes to the ongoing improvement of our workplace experience. I am delighted to share that our Voice of Employee

survey achieved a strong aggregate participation rate of nearly 80%, a testament to our employees' commitment and investment in our shared success.

In 2022, we appointed Cecilia Nelson-Hurt as our Chief DE&I Officer. She has been leading our firm's employee-focused DE&I strategy and developing a comprehensive roadmap and scorecard. This strategic framework will guide our long-term vision for DE&I, including aspirational goals, inclusive initiatives and a robust evaluation process to track our progress.

### Our Communities

We have witnessed the impact our people can wield in driving positive change across communities. Our Global Philanthropic Committee serves as a guiding force behind collective, firm-wide efforts, providing support for causes and organizations that resonate with our employees, clients and communities around the world.

**A Message from Our President & CEO** | continued

Our fourth annual Global Day of Service underscored our commitment to local communities, with over 40 offices participating in supporting more than 40 non-profit organizations. The outcome included more than 700 employees dedicating their time, enthusiasm and energy to clock over 2,400 hours of volunteer service. The impact of our collective efforts was evident as we partnered with local organizations focused on education, food insecurity and healthcare.

**Environmental Sustainability**

Our commitment to environmental sustainability reached new milestones in 2022. We completed a climate change risk assessment to better understand the potential impacts of the changing climate on key aspects of our business. This assessment will be used to guide future decisions to protect the interests of our stakeholders.

Underscoring our dedication to reduce our carbon footprint, we are actively working toward setting reduction targets through the Science Based Targets initiative (SBTi), which we intend to submit in 2024.

We recognize that the urgency of climate change necessitates continuous exploration of innovative approaches to mitigate our environmental impact. To this end, our newly formed ESG Working Group and ESG Steering Committee stand at the forefront of our efforts. This cross-functional group is instrumental in devising comprehensive ESG strategies and integrating them into our operations. This collaborative synergy ensures that our commitment to sustainability is not just a statement, but an intrinsic part of our firm's ethos.

In closing, I extend my deepest gratitude to our global team whose passion, dedication and innovation fuel our ESG journey. As we look ahead, our commitment to advancing ESG principles grows stronger. We are excited to continue sharing our progress, partnering with our clients, employees and key stakeholder communities to create lasting, positive impact.



**Krishnan Rajagopalan**  
President & CEO, Heidrick & Struggles



# Executive Summary

Our third annual ESG report outlines how we address our company's environmental and social impact, our governance structures and how we integrate ESG considerations across our business lines. This summary highlights some of our key 2022 achievements.

## Our People, Culture & Benefits

**63%**

of our workforce were women

**26%**

of U.S. workforce were racially/ethnically diverse

**78%**

participated in at least one employee survey

**119**

senior-level employees participated in our leadership development program

## Our Communities

**700+**

employees took part in our Global Day of Service

**2,400**

hours donated for Global Day of Service

**\$523,000**

raised to support humanitarian efforts in Ukraine

**1,845**

miles raced in support of Rwandan women

## Environmental Sustainability

**-22%**

electricity use

**60%**

global offices were sustainably certified

**79%**

U.S. offices were sustainably certified

**2,000**

tons of CO<sub>2</sub> equivalent emissions were offset

## Corporate Governance

**43%**

of our board of directors were women

**29%**

of board members were racially/ethnically diverse

**47%**

of the CEO's direct reports were women

**Launched**

an ESG governance framework

## ABOUT US

We serve the executive talent and leadership advisory needs of the world's top organizations.



Heidrick & Struggles (Nasdaq: HSII) is a premier provider of global leadership advisory and on-demand talent solutions, serving the senior-level talent and consulting needs of the world's top organizations.

In our role as trusted leadership advisors, we partner with our clients to develop future-ready leaders and organizations, bringing together our services and offerings in executive search, diversity, equity and inclusion (DE&I), leadership assessment and development, organization and team acceleration, culture shaping and on-demand, independent talent solutions. Heidrick & Struggles pioneered the profession of executive search 70 years ago. Today, the firm provides integrated talent and human capital solutions to help our clients change the world, one leadership team at a time.®

For our clients, one of our critical differentiators is our global network, including our access to, and knowledge of, regional and functional markets, as well as top executive and independent talent in the marketplace.

Our work spans:

- Fortune 1000 companies
- Major global companies
- Middle market and emerging growth companies around the world
- Private equity firms
- Government, higher education and non-profit organizations
- Other leading private and public entities

## Our Values

Our employees are guided by five primary values, which serve as the firm's foundation. These five values build on the principles that have guided the actions of our employees for 70 years. They have contributed to our ongoing success, earning the respect of our peers in the industry and the organizations we serve. As we think about our responsibility to the environment and the communities we serve, these core values will continue to guide us in our commitment to operating our business ethically and responsibly.



# Our Business

## Executive Search

We partner with our clients—respected organizations across the globe—to help them build the best leadership teams in the world. Our consultants specialize in executive search and long-term succession planning engagements for boards of directors and the C-suite, including roles such as Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Chief Digital Officer and Chief Human Resources Officer, as well as functional officer roles in areas like Information Technology, Legal, Risk, Compliance & Government Affairs, Marketing, Sales and Strategy and Supply Chain and Operations. We also see growing demand for executive searches related to Artificial Intelligence, Consumer Products, Cybersecurity, DE&I, Energy, Health Technology, Industrial Goods & Technology and Sustainability.

## Heidrick Consulting

We offer a unique set of leadership advisory solutions and work with clients through projects and larger journeys to help them become future-ready. We advise our clients on developing more effective, future-ready leaders, aligning leaders and teams around culture, purpose and strategy to drive organizational effectiveness, and supporting leaders in defining and implementing DE&I strategies. By applying our deep understanding of the leadership attributes and behaviors of leaders that are most effective and in-demand across many of the world's premier companies, we guide our clients as they build future-ready leaders, teams and organizations. These premium services and offerings, which complement our executive search expertise, significantly contribute to our ability to deliver a full-service human capital consulting solution to our clients.

## On-Demand Talent

Through our leading On-Demand Talent services, we are bringing a transformational, new way for our clients to quickly access flexible, independent talent options to fulfill interim executive roles and high-impact project needs. We help clients quickly access talent, expertise and skills to solve for a variety of capability and capacity issues, such as: how to get talent faster; how to bring in a different type of talent; or how to get talent for a shorter, interim period. Companies today are using on-demand talent to augment their leadership capacity in a wide variety of ways, including leading operational transformation projects, analyzing new business opportunities, driving profitability improvement programs and implementing strategy.

## Emerging Growth Initiative: Heidrick Digital

Heidrick Navigator is a new unified leadership intelligence platform, which combines Heidrick & Struggles' proven leadership expertise with digital assessments and AI-powered insights, offering companies a way to maximize their most important assets—their leaders.

Our new platform allows our clients to assess, manage and develop their leadership population at scale to achieve their goals. Our Heidrick Navigator BETA group tested our product and provided valuable input as we prepare for our broader market launch. Initial feedback from our clients has been overwhelmingly positive.

## Awards

### Employee Awards

**Elmer Velasquez** was recognized among the 2022 Outstanding 50 Asian Americans in Business by the Asian American Business Development Center

**Bonnie Gwin** was recognized by NACD Directorship 100: Governance Professionals and Institutions

**Jennifer Wilson** and **Christina Cary** were recognized by Women We Admire's Top 50 Women Leaders for 2023

### Industry Awards

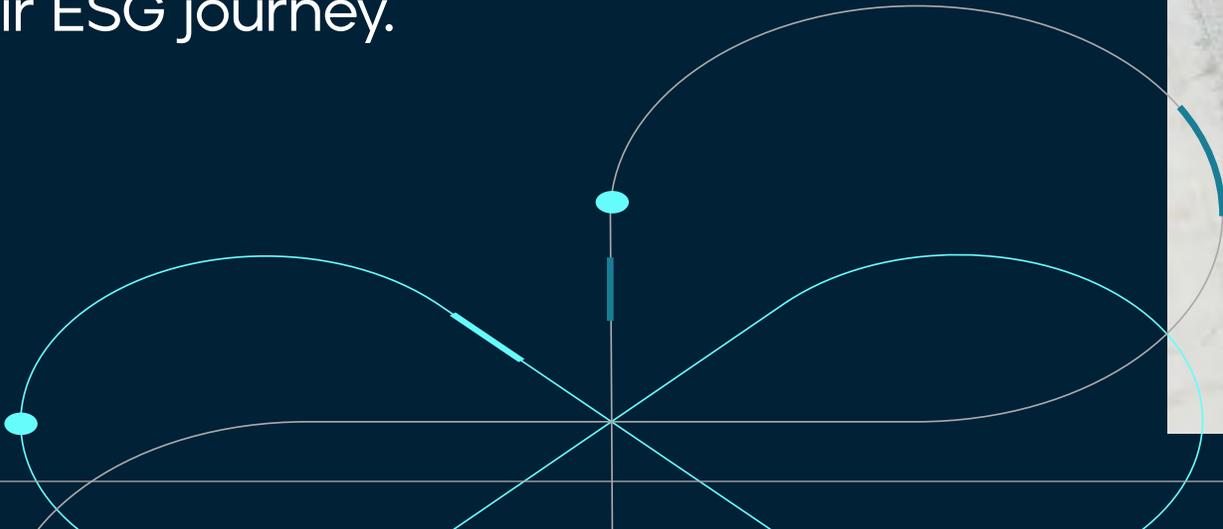
**Forbes**  
World's Best Management Consulting Firms

**Forbes**  
America's Best Executive Recruiting Firms

**Financial Times**  
Business Talent Group  
UK's Top Management Consulting Networks

## DRIVING ESG IMPACT WITH CLIENTS

We partner with our clients to provide solutions that support them on their ESG journey.



As we continue to make strides internally to advance our efforts in environmental, social and governance matters, we also provide talent and human capital solutions that support our clients on their ESG journeys in DE&I, sustainability, social impact and other related areas.

#### DRIVING ESG IMPACT WITH CLIENTS

## 2022 Highlights

- We completed hundreds of ESG-related engagements across business segments and functional practices.
- At the board director level, in 2022, 63% of our U.S. placements and 60% of our global placements were diverse,<sup>1</sup> exceeding our [Board Diversity Pledge](#).
- Across practices, 47% of our total U.S. placements and 46% of our total global placements were diverse.<sup>1,2</sup>
- Our Social Impact practice continued to grow and expand in scope, continuing to build strong relationships with mission-based organizations and increasing our portfolio of clients.
- Our consultants have expanded their work in the climate space, helping clients prepare their Boards for the expanding set of requirements they will need in the longer-term.

<sup>1</sup> Global diverse placement figures include women globally and ethnic diversity for women and men in Australia, Canada, the United Kingdom and the United States, where we currently track ethnicity.

<sup>2</sup> Excludes temporary employees deployed to clients in our on-demand talent business.

## Heidrick & Struggles' Publications on ESG Topics

Select a report to read more and explore other thought leadership pieces on [DE&I](#) and [sustainability](#).

# Diversity, Equity & Inclusion

Our teams actively seek to provide a diverse group of qualified candidates for our clients viewing diversity in the broadest sense of the word to encompass multiple dimensions. Heidrick Consulting offers clients human capital solutions, including DE&I advisory services to broaden mindsets, develop skills and drive deep insights. These solutions allow for inclusion across individuals and teams, while also building the foundation of a sustainable inclusive culture. We focus on identifying, developing and shaping future-ready, inclusive leaders, cultures and organizations. Our tools and experts use data and technology to bring science to the art of human capital development, accelerating the effectiveness of individual leaders, teams and organizations.

## CASE STUDY

### A Custom Approach to Introducing Equity into the Conversation

A Fortune 500 engineering company engaged our DE&I **Heidrick Consulting** team to help them understand the current state of D&I in their organization, as well as to develop inclusive leadership for the C-suite and their direct reports. Even though the company has had a long-standing commitment to D&I and had recently appointed its first VP of D&I, they were not yet comfortable speaking about equity.

To better understand employee sentiment around equity at the company, we surveyed employees and interviewed HR and senior leaders. Building on the insights gleaned, we designed four, three-hour sessions for the C-Suite and their direct reports to help them strengthen the organization's culture, develop

more inclusive leaders, and support them through the process of adding equity to their internal discourse.

As we listened to leaders speak during the leadership sessions, we identified one way the company had already changed behavior. The leaders spoke passionately about the intensive focus on physical safety in the last few years and how, by reaching 55,000+ employees globally, they lifted the company into first-quartile safety performance. By using the same mechanism that drives physical safety, we saw an opportunity to introduce psychological safety as the next phase of physical safety. The initial leadership series was so impactful that the CEO asked us to cascade the series to the next tier of leaders.

## CASE STUDY

### Diverse Representation on the Board

A global consumer healthcare client engaged our **Executive Search** team to build its board as it spun out from its parent company to become a standalone FTSE 100 company. As a leader in personal care products, their board was focused on innovation and accelerating growth.

In building the board, we supported the appointment of the chair designate in late 2021. We subsequently partnered with the chair to appoint new board members with excellent global consumer packaged goods experience, brand and innovation experience, digital experience and strong exposure to the international consumer market. Our initial focus was to appoint the chairs of the Audit & Risk and Remuneration Committees, so the

successful committee chairs could participate fully in the prospectus before subsequent non-executive directors were appointed. We prioritized gender and ethnic diversity across the searches.

In 2022, the company published its prospectus, inclusive of its new board of directors. We recruited five board members, one non-executive chair and four non-executive directors, including four gender and ethnically diverse leaders. Women account for 42% of the Board, while two of the 11 Board Directors are ethnically diverse. The board oversaw the company's IPO and supported efforts as the business established itself as a standalone public company.

# Social Impact

Our Social Impact practice continues to grow and expand in scope. Our consultants have built strong relationships with mission-based organizations, increasing our portfolio of clients and placing and advising boards and leaders at foundations, institutions of higher education, think tanks and organizations and serving communities across the philanthropic spectrum. Additionally, we have provided pro-bono services for several non-profit organizations that meet our criteria to receive assistance.

## CASE STUDY

### A Passionate Leader Serving Underprivileged Youth

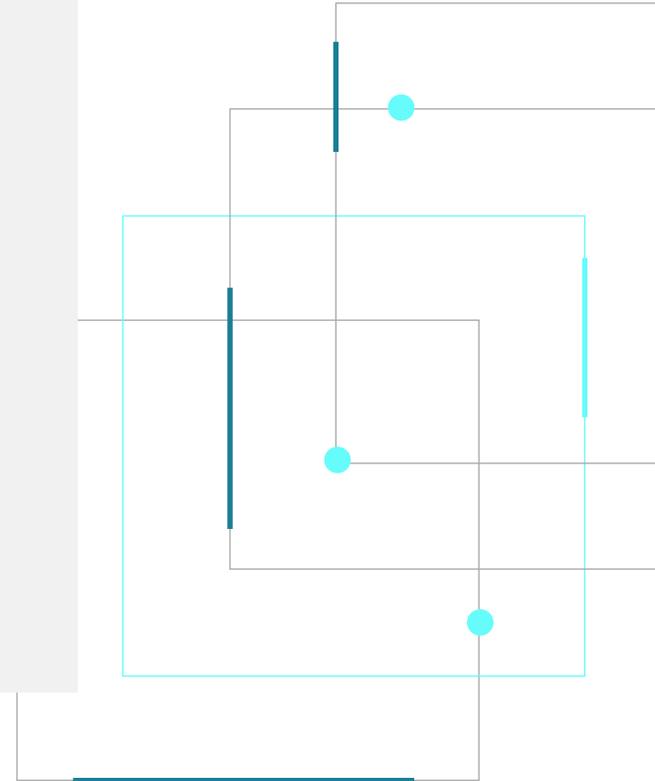
Covenant House International (CHI) builds a bridge to hope for young people facing homelessness and survivors of human trafficking through unconditional love, absolute respect and relentless support in 34 cities and six countries. Their doors are open 24/7 and their high-quality programs are designed to empower young people to rise and overcome adversity, today and in the future. Our **Executive Search** team has conducted multiple searches for CHI over the past few years, and our employees have volunteered at Sleep Outs and other events benefiting Covenant House. In 2022, we completed the search for the CEO of CHI.

When conducting the search for the CEO of CHI, we held almost 50 conversations with the

CHI community, including members of the board, as well as the Executive and Senior Leadership Team across the United States and Latin America. Through those conversations, it became clear that the CEO should bring excellence in a baseline set of skills: strategy setting and execution, fundraising, relationship building and, most importantly, a deeply held passion to serve youth. Direct exposure to similar challenges was also a key focus as CHI emphasized the importance of leadership reflecting the populations they serve.

There was unanimous agreement among the search committee that one individual stood out to be the next President & CEO of CHI: Bill Bedrossian. Bill's passion for working with youth came from his parents, who have been foster

parents for over 30 years and have adopted eight of his 11 siblings through the child welfare system. Prior to accepting the position, Bill served as the CEO of Covenant House California since 2014, leading the site to quadruple in size in those eight years. As CEO of CHI, Bill will continue developing and deepening the organization's continuum of direct care for young people overcoming homelessness and trafficking. He hopes to push the organization to work further upstream to change laws, policies and practices that lead to youth and young families becoming homeless in the first place.



# Environmental Sustainability

We work closely with companies across the spectrum that seek to define and achieve their own sustainability goals. In 2022, we advised our clients' boards and senior leadership teams across multiple industries, sectors and geographies on the emerging climate crisis and have aided them in expanding their expertise in these areas in both the board room and the C-suite.

## CASE STUDY

### Accelerating Climate-Led Investing Efforts

Generation Investment Management, a pure play sustainable investment manager, recently established Just Climate, a purpose-driven investment management platform dedicated to climate-led investing to address the net zero challenge at scale. Our **Executive Search** team was mandated by the founders to advise on the formation of a world-class team to lead investment in the highest-impact solutions that can radically reduce or remove emissions, while generating attractive risk-adjusted returns.

We mobilized an international team that worked in partnership with the key stakeholders to build a truly diverse team whose collective, complementary experience spanned international growth equity, infrastructure equity and debt investment and engineering and innovation across carbon-intensive

industries, such as steel, cement, aviation, shipping and others. Diversity of candidate experience, background, gender and ethnicity was also central throughout, as was a commitment to the team's values of integrity, high performance, partnership and teamwork.

We advised on the appointments of two managing directors, one director and one partner, who all share a passion for climate-led investing. In June 2023, Just Climate announced the closing of its inaugural fund, exceeding its \$1 billion target, raising \$1.5 billion in institutional capital. This investment will be directed toward high-impact solutions, including an electric vehicle charging company, an industrial startup focused on decarbonizing the steel industry and an innovative gasification technology for renewable energy generation.

## CASE STUDY

### Long-Term Governance in the Age of Impact

We are working with more clients on an evergreen basis to assure the governance condition of companies against an expanding set of requirements, including environmental concerns and opportunities. For example, Heidrick & Struggles has had a long-standing relationship with a Fortune 250 process industries company, where the firm has been a trusted governance advisor for the past five years, helping to anticipate the long-term needs of the Board, well beyond traditional industry operational expertise.

As part of this work, and against the backdrop of both increased investor pressures and a long-term competitive market opportunity, the client recognized the need to add government, business and scientific expertise in environmental sustainability and decarbonization to the Board.

They sought a director who would bring a wide range of business and government/regulatory experience and a track record of working with science-oriented companies to tackle the most pressing climate issues facing the industry.

In 2022, our **Executive Search** team placed a director who quickly established themselves in the board room and brought the ability to contribute, not only within a scientific and regulatory context, but across the full span of the business. As a former executive of a large, global company in the government sector, the director brought deep experience navigating industry transitions. We are continuing to work closely with this client to ensure the governance and leadership condition of the business is prepared against the uncertain and rapidly evolving needs of the many global communities it supports.

## OUR INTERNAL ESG PRIORITIES

We identified key ESG priorities that are important to our internal and external stakeholders.



In 2022, Heidrick & Struggles undertook a comprehensive assessment to determine our priority ESG issues. While we leveraged leading external frameworks and ratings, we also engaged our key stakeholders, including our employees and clients, to determine our critical focus areas.

We believe the resulting priorities, which will continue to support the success of our business, align with our core values and our most significant areas of impact—our people and our clients.

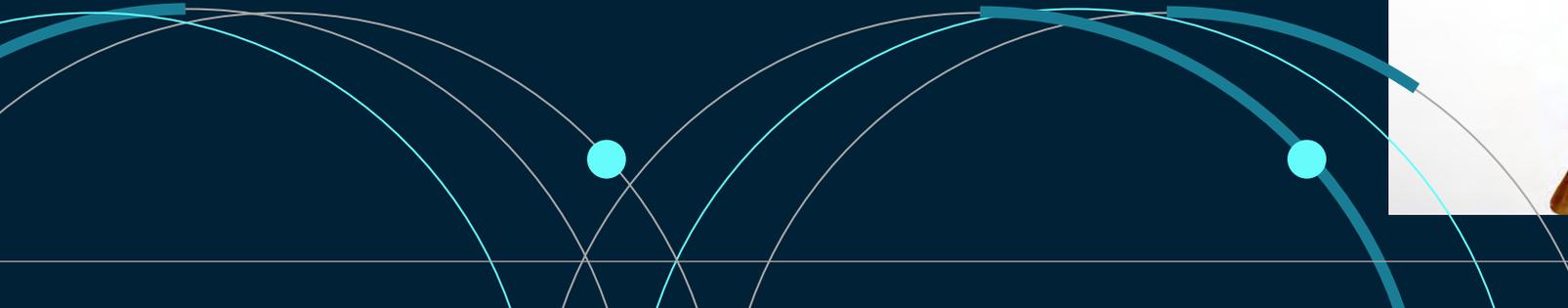
Our key ESG priorities, and other efforts underway, inform our focus and prioritization of our ESG program. We expect that our future planning efforts, including further developing our governance, strategy and assessments of risk and opportunity, will largely center around these topics. This report, along with future reports, will provide relevant details and an assessment of our impact and mitigation strategies for each priority area.



Our Key ESG Priorities and Definitions			
	<b>Diversity, equity and inclusion</b>	Workforce DE&I efforts, including multi-dimensional diversity and equity; inclusive culture development; pay equity	See pages <a href="#">19, 22-25, 53</a>
	<b>Customer trust</b>	Customer engagement and satisfaction; sales efforts	See pages <a href="#">41, 49-50</a>
	<b>Compensation and benefits</b>	Board, executive and employee compensation; employee benefits; aligning compensation with strategic initiatives	See pages <a href="#">19, 45-46</a>
	<b>Employee engagement and management</b>	Recruiting and retention; training and development; performance assessment; organizational alignment	See pages <a href="#">19-21</a>
	<b>ESG governance</b>	Setting ESG goals and targets; engaging internal stakeholders	See pages <a href="#">4, 22, 32, 39</a>
	<b>Data security and privacy</b>	Protecting sensitive information; data security and privacy policies; handling confidential client and contractor information	See pages <a href="#">41-42</a>

## OUR PEOPLE, CULTURE & BENEFITS

Our winning teams come from an extraordinary culture.



As leaders in helping clients attract, develop and retain the highest-performing talent, we are constantly learning and promoting leadership and management best practices, which we also seek to incorporate into our own firm.

This work begins by implementing policies and programs that support our employees' success and create a welcoming environment. We view our culture as a strategic differentiator, one where our colleagues can

engage deeply in their work, pursue their passions and bring their authentic selves to the workplace. We believe this type of culture creates an environment that is most conducive for developing dynamic, productive teams and individuals.

## Workforce Demographics



\*Employed by Heidrick & Struggles (as of December 31, 2022).

### OUR PEOPLE, CULTURE & BENEFITS

## 2022 Highlights

- Women represented 63% of our overall workforce, 64% of our new hires and 64% of our promotions for the year.
- People of color represented 26% of our U.S. workforce, 33% of our new hires and 18% of our promotions for the year.
- We appointed Cecilia Nelson-Hurt as the firm's first Chief Diversity, Equity & Inclusion Officer.
- 52% of Partner promotions were women and 63% of Principal promotions were women.
- Our Learning & Development team delivered over 17,900 hours of aggregate live training to our colleagues globally.
- We launched a new leadership development program where six cohorts and 119 senior-level employees participated in the program.

# How We Work

## A Respectful Environment

As part of our core human capital values, we are committed to fostering a workplace where each of our employees is respected and valued. Respectful environments require recognizing each other's strengths and providing support when challenges arise. Our [Code of Ethics](#) outlines policies we have in place to promote a respectful work environment, including:

- **Speak-Up and Investigations Policy:** Encouraging our employees to speak up when they notice behavior that does not align with our Code of Ethics.
- **Non-Retaliation Policy:** Making every reasonable effort to prevent potential instances of retaliation, stop retaliation if it occurs, provide remedies to victims and appropriately discipline perpetrators of retaliation.
- **Anti-Sexual Harassment Policy:** Requiring all employees to work in a manner that prevents sexual harassment in the workplace.

In addition to these policies, we launched a new leadership development program that encompasses the themes of resilience, vulnerability and trust grounded in our values to promote respectful and empathetic interactions in the workplace.

## Flexible Work

Our employees have the flexibility to work remotely part of the time, with variations depending upon location and role. We have learned from our pulse surveys that our employees highly value some flexibility and choice in the way they work, and our flexibility allows us to create a culture where employees meet the demands of their personal lives while maintaining high levels of work performance.

We also believe that bringing teams together in person facilitates collaboration that comprehensively supports our client services standards and go-to-market strategy. We encourage our teams to structure their schedules to allow for purposeful time in the office together. There is no substitute for in-person connections, and when we are in the office, we are maximizing the time we have with each other, whether it's a team meeting, global gathering, social event or learning opportunity. We believe stronger bonds are formed in person, and it is a competitive advantage for our business to continue nurturing these connections.



# Total Rewards

We are committed to supporting our employees both professionally and personally as they continue to navigate a rapidly changing world on multiple fronts. One of the objectives of our benefits program is to help our employees in their efforts to achieve a healthy work-life balance.

Our total rewards program focuses on attracting, retaining and rewarding our global workforce. We are committed to equitable pay and rewards, and ensuring that programs are in alignment with our values and support our long-term enterprise strategy. Elements of our compensation include

base salary, annual cash bonuses, overtime wages and long-term incentives, as applicable.

We provide our employees with several resources to support wellness at work and at home. We consistently track wellness through our Voice of Employee survey and plan to deploy focus groups to address key areas for improvement in 2023.

While specific benefits vary across each of the markets in which we operate, we work with local experts to provide competitive total rewards packages that are in alignment with competitive local market practice.

## Pay Equity

We are committed to compensating our employees fairly and equitably at all levels, based on demonstrated capabilities and achievements, experience and superior performance, irrespective of gender, race, or other demographic factors. Our compensation practices are designed to ensure that pay is determined fairly and consistently. We regularly benchmark our compensation practices against industry standards and best practices to ensure that we remain competitive while upholding our commitment to pay equity. We believe achieving and sustaining pay equity is critical to helping our company attract, develop, promote and retain top-performing talent.



## Prioritizing Mental Health Wellness

### Employee Assistance Program

Our global Employee Assistance Program (EAP) provides confidential counseling and a host of other resources, offered in local languages, to allow employees and all their household members access to support and guidance to help them live their best lives. In addition, employees can receive up to five live or virtual counseling sessions per person, per issue, per year. Our EAP also includes support for finding child/elder care, emotional support by qualified clinicians to help with anxiety, stress and grief, in addition to legal and financial guidance by credentialed professionals and more.

### Mental Health Support

In addition to our global EAP, we offer a premium subscription to an online global wellness platform, which provides virtual events, classes, meditations and a range of other tools for building healthy habits. This platform, which consistently sees registration rates above 50% and engagement above 75%, allows employees 24/7 access to a variety of tools that can be used for preventive mental well-being, or to address a particular new or ongoing stressor. This resource also has content in seven languages, and each employee can share a membership with up to five family members.

### Resilience Webinars

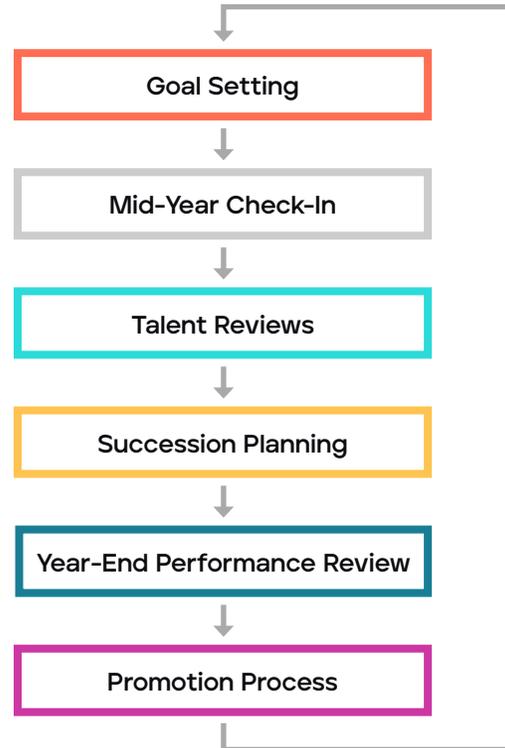
We introduced quarterly resilience webinars in 2022 designed to help employees and their families, covering topics such as Building Resilience, Reducing Risk in Children, Acknowledging Trauma and Healthy Device & Relationship Connection Skills. We engaged external experts to provide our employee base with tools and tips to address adolescent mental health and family connections.

### Honoring World Mental Health Day

In 2022, we granted every employee a day off to honor World Mental Health Day, supporting our employees in prioritizing their own mental health, as well as helping them take care of their loved ones, family and friends. We also offered live-led global meditation sessions virtually, recognizing the importance of mental health as we continue to foster a supportive, inclusive environment for all.

# Talent Management and Development

We invest in ongoing learning and development for employees of all levels by applying a talent management framework to grow our people and deliver on the firm's strategic objectives.



## Employee Engagement

We believe an engaged workforce is crucial to our success and our culture. To that end, we are keenly focused on creating an environment where employees are acknowledged, valued and supported. Employee engagement is a key element to attracting, developing, promoting and retaining the highest-performing talent and building a more diverse, equitable and inclusive workplace.

A key component of our employee engagement strategy is to promote a culture of continuous and candid feedback. In June 2022, we launched a new Voice of Employee pulse survey tool. These surveys, distributed quarterly, offer employees the opportunity to regularly and anonymously comment on their experience at Heidrick &



Struggles. Every employee has access to a personal dashboard, where they can view their results over time and compare their results to global results.

With this tool, leaders can engage with their employees to provide acknowledgement, discussion and feedback, while keeping the employee's identity anonymous. We leverage



of employees participated in at least one employee survey in 2022

the results of this survey as a tool to evaluate and drive employee experience. Data from the surveys is shared anonymously with key leaders across geographies, practices and businesses, and leaders are encouraged to engage with their teams to celebrate the positive themes and tackle the challenging issues and opportunities expressed through the survey results.

## Talent Management

As part of our talent management framework, we have mid-year check-in and a comprehensive performance review process at year-end. With a focus on the professional development of our employees, these processes allow managers and employees to celebrate successes and be intentional about discussing areas for growth and development. The year-end review process

## Better Together: Connecting with Purpose

For the first time since 2019, we hosted our Global Conference where senior leaders from around the world—across all business lines and corporate teams—met in person to advance our strategic goals. A second set of in-person gatherings occurred during our regional Connections Conferences in September and October where our Executive Search and Heidrick Consulting employees came together to learn from one another through team-building events and educational workshops on an office-by-office basis.

## Talent Management and Development | continued

includes self-evaluation, 360 feedback, manager evaluation and a performance discussion. We also offer business-specific guidance to tailor the process to each line of business.

The performance process is paired with comprehensive talent reviews, which include a business, regional and practice-level analysis of leadership potential and long-term performance to enable the identification of development needs and succession potential for leadership roles. In addition, this process helps us identify any talent gaps that our talent acquisition team can focus on related to future hiring needs.

## Learning and Development

We are committed to the professional development of our employees and promoting a continuous learning culture within our firm. We have a comprehensive, global talent management framework across business lines that we use to support and grow our people and deliver on the firm's strategic objectives.

In 2022, our Learning & Development team delivered over 17,900 hours of aggregate live training to our colleagues globally. Our programming was deployed in both virtual

and in-person formats. Our learning curriculum and offerings provide dozens of live and virtual programs, as well as thousands of eLearning courses designed to help build and enhance employee leadership, business acumen and business development skills. And these programs are regularly updated to reflect best practices and feedback received from employees.

### Leadership Development

Our firm's leaders continue to play a central role in our talent development and employee engagement work, and we continually invest in developing our leaders and teams in accordance to our firm's values. This includes the launch of a new leadership development program, which focuses on developing senior level leadership skills that inspire individuals to achieve optimal personal, professional, and organizational results. These skills will enable our leaders to create a culture of growth where our core values come to life. In



**119**  
senior-level employees participated in the leadership development program

2022, we launched six cohorts and 119 senior-level employees participated in the program. The program is a multi-year investment in our leadership that we plan to cascade across multiple cohort groups throughout the organization.

### Heidrick Business Academy

The Heidrick Business Academy is an internal training program designed for the next generation of leaders who want to learn and discuss broader business issues. It leverages the expertise of our own Heidrick & Struggles leaders and external presenters to help high-performing talent across the firm deepen their business acumen, develop skills to create actionable impact in their daily roles and facilitate cross-service line collaboration and relationship building. Throughout the rigorous

10 month program, participants are taken through a series of modules focused on a variety of core business topics, featuring a mix of live sessions with subject matter experts, online learning courses, one-on-one advisory sessions with program sponsors and more. In 2023, we introduced ESG as one of the nine modules and one of the case study presentations.

### LinkedIn Learning

We partner with LinkedIn Learning to provide their entire catalog of online courses to all employees. As an award-winning industry leader in online training, their digital library is composed of over 6,000 courses covering a wide range of technical, business, software and creative topics, all taught by industry experts.

## Comprehensive Business Development Training

Our comprehensive training program includes an extensive business development curriculum, executive presence and communication training via virtual training sessions. This enhanced interactive experience was designed for high-potential individuals across Executive Search and Heidrick Consulting to have a space in which to learn, practice and refine the skills necessary to take their career to the next level.

# Diversity, Equity & Inclusion

At Heidrick & Struggles, we are dedicated to fostering a culture that supports our DE&I efforts internally. We believe in embedding DE&I principles across our organization and business relationships, including our hiring practices, business development and internal learning and development. Our commitment to DE&I is steadfast, creating an environment where everyone feels valued, respected and empowered. By cultivating a culture that brings a spectrum of ideas and experiences to our work with clients around the world, we believe we create better solutions for our clients' business challenges and win as one firm.

## The Power of Allyship

In collaboration with the Learning & Development team and Heidrick Consulting, our Chief DE&I Officer developed and facilitated an in-person training module called "Power of Allyship." This session, offered to global employees below VP level at Connections Conferences, provided an overview of the concept of allyship, including the role and behaviors of an ally. We leveraged the relationship and insights of a well-regarded legal scholar to develop a module that will be cascaded throughout the organization.

## Building Our DE&I Roadmap

We are currently developing our strategic DE&I roadmap and scorecard, which will represent our long-term plan to achieve our DE&I objectives globally. The roadmap will articulate a clear vision for DE&I, a comprehensive assessment of our current diversity and corporate culture statistics, aspirational goals, a plan for implementing related initiatives and a process for evaluating progress.

The initiatives detailed on the roadmap will correspond to our three strategic pillars:

- **Diversity:** Chart and advance our aspirational goals.
- **Equity:** Hardwire and softwire DE&I into processes and systems.
- **Inclusion:** Define, activate and track inclusive culture aspirations.

### EMPLOYEE SPOTLIGHT



In February 2022, we appointed Cecilia Nelson-Hurt as our firm's first Chief Diversity, Equity & Inclusion Officer, as we looked to accelerate our firm's transformation and growth journey on a global scale. Reporting to our Chief Human Resources Officer and a member of the Management Committee, Cecilia is charged with leading the company's DE&I strategy for our employees and delivering long-term, sustainable programs and initiatives that build on our aspirations, values and commitment to create an unrivaled culture within the executive talent and leadership advisory industry. Cecilia was also recognized as a 2022 Moves Diversity Awards Mentor.

"Good mentors have an awareness of how a mentee's skillset and competencies can and should evolve, both within a specific industry, as well as across a broader corporate landscape. So, while this may look different depending on the individual, mentors must also have the ability to have courageous conversations, giving actionable feedback so the mentee can flourish."

— Cecilia Nelson-Hurt, Chief Diversity, Equity & Inclusion Officer

Diversity, Equity & Inclusion | continued

## Diversity Begins at Home

As part of our ongoing journey, we have made an internal commitment to hold ourselves accountable by measuring our own progress on DE&I. As of December 31, 2022:

- Our Board of Directors was 43% women and 29% racially/ethnically diverse.
- Our Management Committee, a global body, was 33% women and 20% racially/ethnically diverse.
- 47% of the Chief Executive Officer’s direct reports were women.
- Women represented 63% of our overall workforce, 64% of our new hires and 64% of our promotions for the year.
- Of our U.S. workforce, people of color represented 26% of the total, 33% of our new hires and 18% of our promotions for the year.

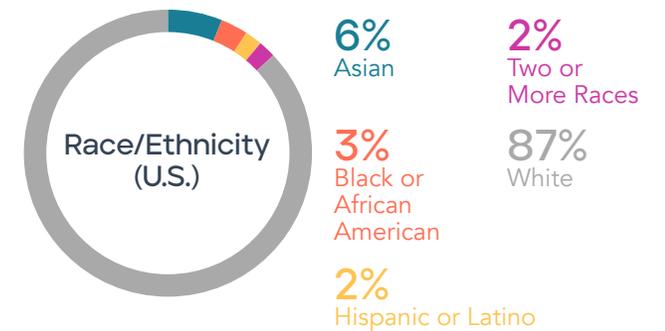
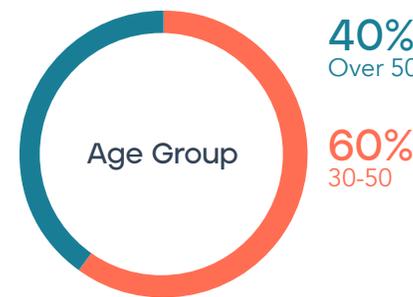
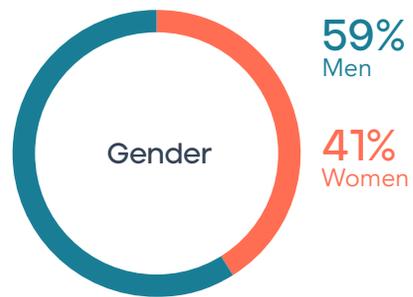
## Supplier Diversity

As a global company, we make a significant outlay when it comes to purchasing supplies and services. Our [Supplier Code of Conduct](#) outlines the following expectations of our suppliers. They will:

- Work with diverse suppliers while performing work on our behalf.
- Meet the same standards for supplier diversity as set by relevant government entities.
- Make reasonable efforts to engage minority-owned, women-owned, and LGBTQ+-owned businesses and small businesses.
- Regularly report the amount they spend with qualified diverse companies on our behalf.

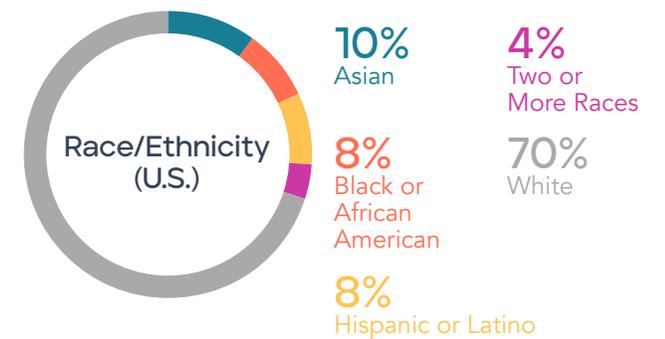
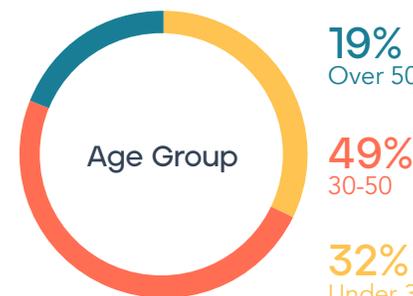
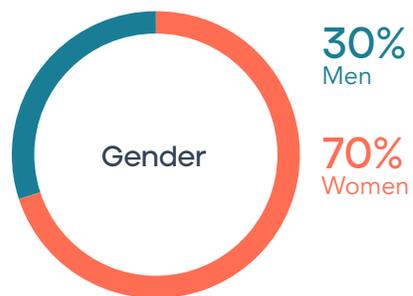
## Diversity Demographics

as of December 31, 2022



### VP and Above

### Below VP



Diversity, Equity & Inclusion | continued

## Broadening Our Approach to DE&I

We believe in expanding our DE&I efforts beyond traditional gender and race, because true inclusivity acknowledges the multitude of identities and experiences that individuals bring to the table. By widening the aperture on diversity, we recognize and value the unique perspectives shaped by factors such as age, sexual orientation, disability, religion, socioeconomic background, veteran status and more. The consideration of these additional dimensions of diversity helps us to foster a more holistic and intersectional representation of society, which creates a broader sense of belonging and strengthens the principle that every person deserves to be seen, respected and supported. By embracing a comprehensive approach to DE&I, we create a stronger, more innovative and empathetic organization that better reflects the world we live in and the clients we serve.

## Equitable Advancement Programs

In 2022, we deepened our commitment to investing in professional development opportunities for various employee populations and position levels.

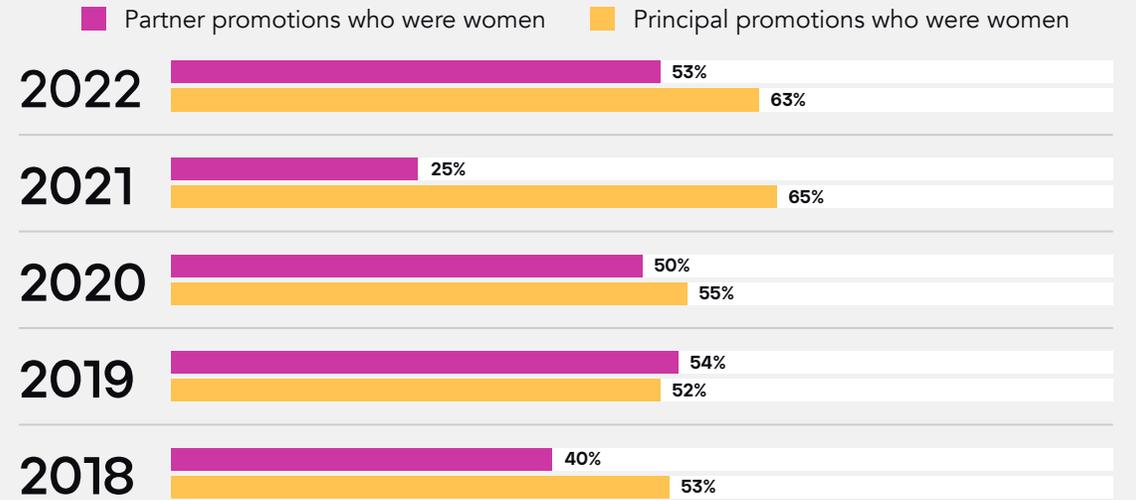
### Accelerating Women’s Excellence

Accelerating Women’s Excellence (AWE) is our flagship program to advance the development and inclusion of top professional women at Heidrick & Struggles. More than 70 women have completed the year-long program since 2018, and 51% of the alumni have been promoted into leadership roles.

### Advancing Professionals of Color

Advancing Professionals of Color (APOC) is our holistic, experiential initiative designed to accelerate the development of our junior and mid-level racially and ethnically diverse talent. APOC provides mentorship, external executives of color speaker education and differentiated, cohort-based professional development and leadership-readiness programming. In 2022, we matched more than 30 mentor-mentee pairings and launched the first professional development cohort. The cohort consisted of 15+ high-performing individuals who were selected from our Americas region through a comprehensive application process, and we expect participation to grow in 2023 as we also expand to Europe and Africa.

## Accelerating Women’s Paths to Promotion



Diversity, Equity & Inclusion | continued

## Minimizing Bias in the Recruiting Lifecycle

We believe a comprehensive and positive candidate experience enhances our employer brand strategy, presents a competitive advantage in talent acquisitions and positively impacts the quality and diversity of our talent pipelines. That is why our DE&I, Learning & Development and Talent Acquisition teams partnered with an external expert to develop a new certification program called “Mitigating Bias in Recruiting.” This certification program, which we launched in 2023, has been designed for those who play a critical role in attracting and hiring talent that best supports our values as an organization. We expect to have more than 1,000 employees complete this program in 2023.

### Mitigating Hiring Bias

In 2022, Heidrick & Struggles’ global talent acquisition team implemented a biased language analysis software to improve our diversity recruiting approach at the job description stage. Our integration of this tool allowed us to consistently modify our open position postings to avoid restricting our talent pool and to attract a broader pool of applicants. The tool provides neutral language alternatives and identifies and eliminates outdated or unreliable indicators of skill.

## Celebrating Employee Resource Groups

Our Employee Resource Groups (ERGs) represent a safe space for employees to promote and celebrate affinity and community while providing the firm a window into what the groups represented need to thrive and succeed. Our ERGs offer monthly educational programming and networking opportunities to engage, connect and develop employees.

Our ERGs, affinity groups and allies for women, people of color, people with disabilities and LGBTQ+ employees, give our employees a chance to share experiences, mentor, advocate and engage internally and externally with various networks. Our five ERGs hosted global and regional panels and virtual and in-person events with leading experts and guest speakers throughout 2022, in addition to sponsoring months and days of recognition campaigns, internally and externally.

### Providing Safe Spaces

For International Day of Persons with Disabilities on December 3, 2022, the Honoring Equality and Inclusion for Disability (#HEID) ERG hosted a webinar with a leading non-profit for business disability inclusion worldwide. The one-hour webinar focused on strategies for driving disability inclusion by mobilizing support for the dignity, rights and well-being of persons with disabilities.

And in the wake of the U.S. Supreme Court’s decision to overturn Roe v. Wade, the Women’s Inclusion Network (#WIN) ERG hosted a global forum designed to provide an opportunity for members of all regional chapters of the ERG to come together to discuss and process their wide-ranging thoughts and feelings. This forum served as an open and safe place, free from judgment, leaning into our value to “Respect and Value Each Individual.”



## OUR COMMUNITIES

We are proud members and eager participants in supporting our communities.



We see the positive effect our leaders and employees can bring to the clients they work with, and we support our employees in their efforts to contribute and give back to the communities where they work and live as well.

Our Global Philanthropic Committee leads our firm-wide approach to supporting causes and philanthropic endeavors that matter to our employees, clients and communities around the world. We select our non-profit partners on a regional basis based on employee nominations, and we give back through volunteer service, financial giving and pro-bono work. We also support our employees who bring attention to philanthropic causes and organizations that they engage with independently.

OUR COMMUNITIES

# 2022 Highlights

- 700+ employees around the world donated over 2,400 hours of fundraising and volunteering for our annual Global Day of Service.
- We launched the Heidrick & Struggles Giving Fund, a voluntary, opt-in program for U.S. employees to more easily give back and support causes and organizations.
- Through our corporate matching program, we raised \$523,00 to support the people of Ukraine and \$164,000 to support the Make a Wish Foundation.



EMPLOYEE SPOTLIGHT



Ayah Elarabi joined the firm as an Executive Search Analyst in 2021. Currently an Associate in our Global Technology & Services practice, Ayah is also a

key member of our Global Philanthropic Committee, helping spearhead initiatives focused on giving and volunteering across the world. In addition to facilitating local events in the New York office, she coordinated our Global Day of Service for 2023, which includes tracking all logistics and metrics and partnering with global cross-functional leaders to secure participation and consistency across offices. As a culture carrier, Ayah is one of our most passionate ambassadors, enthusiastically promoting our company values every day.

# Global Day of Service

We hosted our fourth Global Day of Service, a day where we, as a firm, give back to our communities through fundraising and volunteering. In 2022, colleagues in over 40 offices around the world donated more than 2,400 hours, supporting non-profits and organizations focused on education, food insecurity, healthcare and other local causes. These organizations were selected locally based on employee nominations.

Here are some highlights from our 2022 Global Day of Service:

- Our Chicago office assembled literacy resources to provide free interactive and educational experiences for children.
- Our Madrid office supported a mental health organization by painting part of their facility.
- Our Washington DC office assisted over 120 students with college and career planning.
- Our Frankfurt, Hong Kong, Houston, Miami and Warsaw offices helped clean local parks, campuses and areas around their cities.
- Sixteen offices collected and distributed food for local organizations, including:
  - Our Bangalore office distributed 150 meals and stationery to an orphanage.
  - Our San Francisco office made 1,180 grocery bags for a local food bank.
  - Our Johannesburg office made lunch for 150 children and youth in crisis.

“It takes amazing people to do amazing things!  
 It takes people with huge hearts to do huge things!  
 It takes people who truly want to serve to serve!  
 Heidrick & Struggles, we want to say thank you for helping us with the garden today!”

— Feed My Starving Children, Dallas, Texas



**40+**  
 non-profits and organizations supported



**40+**  
 offices participated



**700+**  
 employees participated



**2,400+**  
 total hours volunteered



# Corporate Giving and Fundraising

## Corporate Matching

In 2022, we offered a corporate match to our employee base to support the people of Ukraine. Our employees gave \$273,000, with donations coming from 25 countries and 43 offices. With Heidrick & Struggles' \$250,000 match, we allocated \$523,000 between two organizations related to Ukraine humanitarian relief, Mercy Corps and UNICEF Poland. Additionally, for our Make a Wish fundraiser that was organized at our 2022 Global Consultant Conference and subsequently rolled out to the entire firm, we raised nearly \$89,000, plus the firm's match of \$75,000, totaling nearly \$164,000 to help grant more than 16 life-changing wishes for children with critical illnesses.



**\$523,000**  
donated through our matching program to support Ukraine

## The Heidrick & Struggles Giving Fund

In January 2022, we launched the Heidrick & Struggles Giving Fund. The Giving Fund is a voluntary, opt-in program for U.S. employees to more easily give back and support causes and organizations. We selected the following three organizations to support: the National Geographic Society, A Better Chance and the National Multiple Sclerosis Society. Through this program, employees can automatically donate to any or all of these three organizations directly from their paychecks. And, to further our collective impact, Heidrick & Struggles offered to match employee donations across the three organizations in total up to \$10,000.



**\$10,000**  
maximum match per employee by the Heidrick & Struggles Giving Fund

## Race Around Rwanda

Heidrick & Struggles continues to partner with Komera, an organization that supports Rwandan women through education, health and sport. Over the course of three weeks, Heidrick & Struggles teams across the United States competed in the second annual Race Around Rwanda to see which offices could track the most mileage and raise the most money. Collectively, we ran, walked, cycled, rowed, swam—even rollerbladed—for a total of 1,845 miles, which is comparable to three trips around Rwanda! Our Chicago office took first prize, logging an impressive 843 miles.



**1,845**  
miles raced to raise funds in support of Rwandan women

## Providing Relief in Pakistan

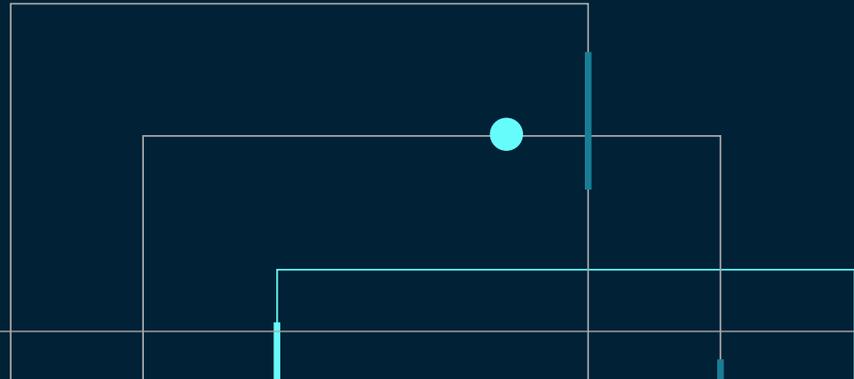
Following the floods that struck Pakistan in late 2022, we launched a global fundraiser to support relief efforts through various organizations. These unprecedented torrential rains led to the loss of lives, homes, crops and livestock, affecting regions battling with malaria, dengue fever and other infectious and water-borne diseases.

## Supporting Laborers in Dubai

During the month of Ramadan, our Dubai office gathered food staples and toiletries, and collected money to provide hot meals to 2,500 laborers in 2022.

## ENVIRONMENTAL SUSTAINABILITY

We continue to measure our environmental impact and demonstrate good corporate citizenship.



As one of the world’s largest executive recruiting and leadership advisory firms, we recognize the impact our offices and operations have on the planet, and we acknowledge our responsibility to reduce our environmental impact where possible.

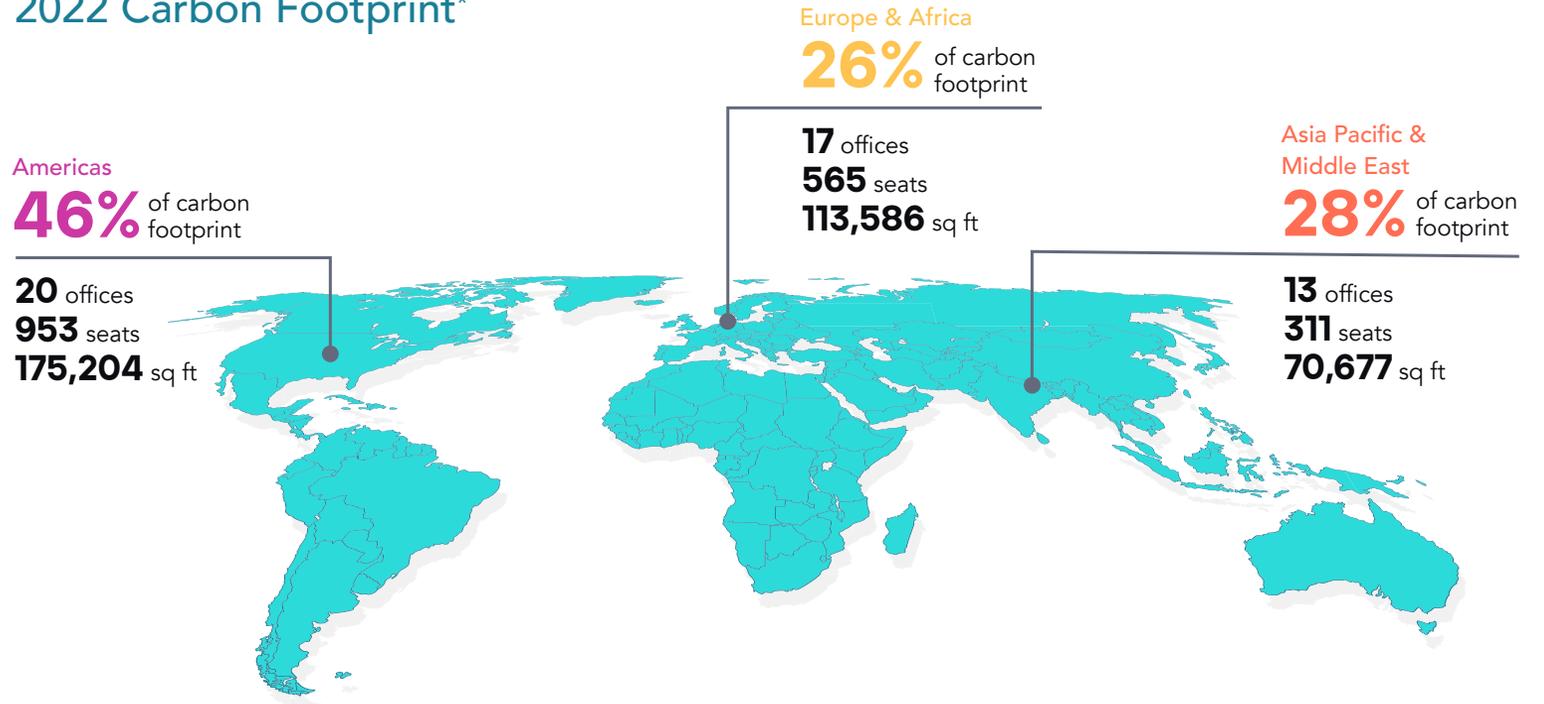
**W**e care about our communities—local and global—and we are committed to pursuing environmental sustainability initiatives and creating transparency around our activities.

**ENVIRONMENTAL SUSTAINABILITY**

## 2022 Highlights

- We are actively working toward setting reduction targets through the Science Based Targets initiative (SBTi), which we intend to submit in 2024.
- We completed a climate change risk assessment to better understand the potential impacts of the changing climate on key aspects of our business.
- We reduced our electricity usage by 22% in 2022, compared to 2021.
- We continued addressing our climate impact through the purchase of carbon offsets through our partnership with Indigo Ag.
- Of our global leased offices, 60% were sustainably certified.

### 2022 Carbon Footprint\*



\*Based on Scope 2 emissions only.

# Carbon Emissions

## Governance

At the helm of our climate strategy work is our newly formed ESG Working Group and ESG Executive Steering Committee. These cross-functional groups are developing comprehensive ESG action plans and integrating them into our operations to ensure that our commitment to sustainability remains an intrinsic part of our firm's ethos. Within these groups, climate-related matters are being evaluated to determine the impact on the business. This includes identifying the most appropriate internal team to best manage or mitigate each particular risk and/or opportunity.

## Strategy

In late 2022, we conducted a climate change risk assessment that evaluated climate risk for our company in alignment with the guidelines of the Task Force on Climate-related Financial Disclosures (TCFD). The assessment evaluated both potential physical and transitional risks and identified potential impacts in both best- and worst-case scenarios for all value chain stages and time horizons. We are now using this assessment to guide future planning of our climate-related strategy and risk management processes, as well as to respond to the CDP in 2023. As we look to the future, we are actively working toward setting reduction targets through the Science Based Targets initiative (SBTi), which we intend to submit in 2024.

## 2022 GHG Emissions

### Overview

Our total GHG emissions in 2022 increased by 20% since 2021. Scope 3 emissions continue to be our largest emissions category and accounted for 88% of total emissions. Within our Scope 3 emissions category, our business travel more than tripled, and we halved our emissions related to capital goods, year-over-year.

Our Scope 2 emissions, which decreased by 22% since 2021, account for our indirect emissions from purchased electricity. This reduction was driven by our move to a smaller, more energy-efficient building in New York City, as well as our ongoing efforts to enhance our electricity data collection processes.

Looking ahead, we remain steadfast in our commitment to reducing our carbon footprint. By focusing on data-driven improvements, responsible travel practices and sustainable building choices, we aim to reduce our environmental impact while continuing to drive our business forward.



### Business Travel

Scope 3 emissions from business travel more than tripled year-over-year. We attribute this rise to the resurgence of in-person gatherings and on site meetings to better serve our clients. Given that restrictions related to the COVID-19 pandemic have eased, we are emphasizing the importance of bringing employees together in person for career development, employee engagement, team effectiveness and cultural continuity. In 2022, we hosted several in-person conferences globally, driving some of this increase in Scope 3 emissions.

### Purchased Goods & Services

Our second largest emissions category is purchased goods & services. This sizeable category, which is partially driven by a spend-based methodology, includes communications, IT and professional services.

### Capital Goods

We moved into One Vanderbilt, a LEED Platinum building in New York City, marking a significant step toward enhancing our environmental sustainability. We experienced an increase of Scope 3 emissions related to capital goods as we retrofitted the office space in 2021, and a decrease in 2022 due to project completion. As we continue to prioritize more LEED buildings, we anticipate emissions related to capital goods will continue to fluctuate.

## EMPLOYEE SPOTLIGHT



Scott Atkinson, a Partner in our Heidrick & Struggles' San Francisco office, is the co-head of the global Sustainability Practice. His mission is to

continue placing chief executives, board directors, investment professionals, sustainability leaders and C-level executives within companies that focus on solving critical global challenges. Named one of Wall Street's Top Sustainability Recruiters by *Business Insider* in 2022, he is frequently quoted in leading news and business publications, including the *Wall Street Journal*, *Financial Times* and *Thomson Reuters*, and is also a regular guest speaker on industry panels and at major universities. Scott has a Master of Science in Environmental Science & Policy from Johns Hopkins University, and outside of work, he serves on the board of several environmental organizations including the Jane Goodall Institute, Earth League International and Save The Waves Coalition.

Carbon Emissions | continued

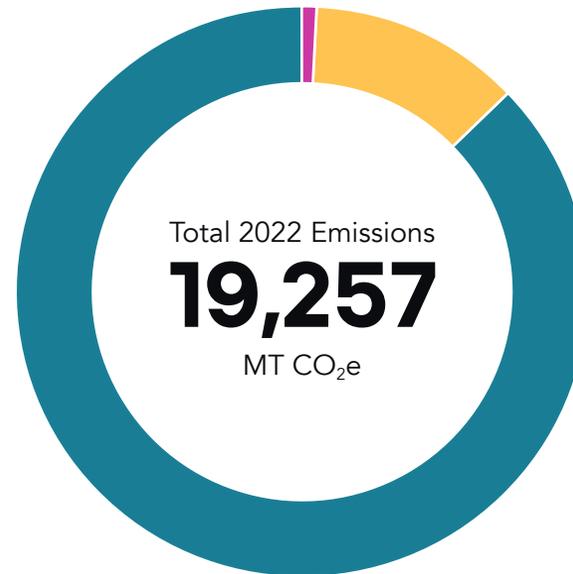


## Moving Our Largest Office Into a State-of-the-Art Building

In late 2021, we moved our New York office into One Vanderbilt, a skyscraper built with a focus on sustainable design and operations. In the heart of Manhattan, the building has unrivaled access to Grand Central Terminal and holds a pedestrian plaza to ease crowding and improve pedestrian flow. The 73-floor building holds a self-contained, catastrophe-resilient power plant, as well as a water tank that captures rainwater used to heat and cool the building. Its immense windows flood the office with natural light, leading to less need for electric lighting.

## Emissions by Scope

as of December 31, 2022



<sup>1</sup> Location-based electricity emissions are not assigned a percentage because this category is considered an alternative calculation methodology to the market-based emissions values. Market-based emissions factors take into account the emissions intensity of local energy providers, if known. The location-based emissions factors take into account regional emissions based on the Environmental Protection Agency's eGrid system and the International Energy Agency's database.

<sup>2</sup> Eight of the 15 Scope 3 categories do not apply to Heidrick & Struggles' business model.

<sup>3</sup> Emissions associated with travel on behalf of our clients' candidates and on-demand talent were excluded from our emissions total because Heidrick & Struggles does not have control over the activities, and the expenses are passed through to clients directly.

### Scope 1 <1%

Fugitive Emissions  
Mobile Combustion  
Stationary Combustion

Total Emissions (MT CO <sub>2</sub> e)	Percent of Total Emissions
73	<1%
17	<1%
3	<1%

### Scope 2<sup>1</sup> 12%

Electricity (Location-Based)  
Electricity (Market-Based)

Total Emissions (MT CO <sub>2</sub> e)	Percent of Total Emissions
2,155	—
2,277	11.8%

### Scope 3<sup>2,3</sup> 88%

Business Travel  
Purchased Goods & Services  
Upstream Transportation & Distribution  
Capital Goods  
Employee Commute  
Fuel & Energy Activities  
Waste Generated in Activities

Total Emissions (MT CO <sub>2</sub> e)	Percent of Total Emissions
6,432	33.4%
5,968	30.9%
1,792	9.3%
1,202	6.2%
989	5.1%
444	2.3%
58	0.3%

**Carbon Emissions** | continued

**Real Estate**

We pursue environmental sustainability initiatives whenever possible in all our leased offices. We do not own any real estate. When conducting market research for a new office, part of our criteria includes sustainable building certifications and buildings that report on waste consumption. When building a new office or redesigning a space, we lean toward using vendors who use sustainable materials and furniture. For example, the move into One Vanderbilt, a LEED Platinum building in New York, and we recently renewed our lease in the Amsterdam office, which is BREEAM Outstanding.

Flexible working has allowed us to reconfigure our work schedules and reimagine our offices to meet the future needs of the business. Because the majority of our employees are now on hybrid working schedules, we have redesigned our offices to increase the number of shared working and

conference spaces, as well as the number of smaller, private phone rooms for privacy, and limit the number of large private offices. With more large, sharing spaces for collaboration, we are able to bring in more natural light and reduce the amount of electricity used in the office.

We have also adopted technology to assist in scheduling “hotel desking” for the days employees are in the office. To accommodate our teams’ evolving needs, we are redesigning some of our offices using recycled furniture from other offices. For example, we furnished 50% of our Atlanta, Georgia, office with furniture from our Stamford, Connecticut, office. In instances where we need to purchase new furniture, we continue to work with vendors who are focused on producing sustainable products.



U.S. office spaces that are sustainably certified\*



Global offices that are sustainably certified\*

\*Excludes virtual offices.

**Carbon Emissions** | continued

**Better Travel Choices**

In 2022, we started working more closely with our travel vendors to enhance the way our employees make business travel decisions. We continue to look at how we can provide our employees with greater emissions transparency, allowing them to make more sustainable choices when planning trips—for example, airlines using sustainable aviation fuel and hotels with sustainable practices. This initiative will help us enhance our reporting process as we measure our emissions in the future.

**Carbon Offsets**

In addition to our real estate efforts, we are committed to addressing our carbon emissions through a variety of approaches, including the purchase of carbon offset credits. In 2022, we

again partnered with Indigo Ag for a multi-year offset program (see chart).

Indigo Ag develops biological and digital technologies that improve farmer profitability, environmental sustainability and consumer health. Their carbon offset credits support farmers who adopt regenerative, sustainable agricultural practices that reduce and sequester carbon dioxide while enriching their soil. Indigo Ag’s model is unique among carbon credit vendors—it offers technical and other support to growers and verifies carbon sequestered through a third-party audit for buyers. Indigo Ag’s work also supports U.N. Sustainable Development Goal 15: Life on Land by helping protect and restore soil and farmland through regenerative practices.

Year Purchased	Year Delivered	Carbon Credits	Offset <sup>*</sup>
2021	2022	2,000	12%
2022	2023	3,000	19%
2023	2024	4,000	25%

<sup>\*</sup>Percentages in this column are based on 2021 emissions. Exact percent offset will depend on the relevant year’s emissions.

**Electronic Recycling**

Key items such as computers, servers, printers and network equipment are inventoried before being recycled, and any other IT equipment that does not contain any data such as keyboards, mice, chargers, power cords or network cables are recycled through local building management recycling programs. We are committed to the responsible disposal of our electronics, and we ensure that any hardware with data has a certificate of destruction from a local recycling company.

**Supplier Responsibility**

Our efforts to reduce our carbon impact include selecting our suppliers responsibly. We expect suppliers to adhere to our Supplier Code of Conduct, which addresses, among other areas, protecting the environment. According to the code, suppliers are expected to:

- Comply with all environmental laws and regulations where our business is conducted.
- Conserve resources and protect the communities and environment that surround them.
- Minimize the use of non-renewable resources, reduce and recycle waste and minimize the environmental impact of their operations where possible.
- Present environmentally preferable options and ensure that materials are disposed of in an environmentally responsible manner.
- Establish targets and be transparent in their progress toward those environmental goals, including measuring, reporting and reducing emissions, transport footprints, the use of materials and resources, water use and waste.

## CORPORATE GOVERNANCE

We are committed to leading by example, starting at the top.



Our organization is governed by our board of directors and management team according to our values and ethics. Our commitment to ethical governance serves as a compass that guides our firm toward responsible and sustainable success.

Through our meetings and regular interactions with senior leadership, the board provides strategic direction and oversight to our business units and corporate operations, while encouraging the development of new initiatives to ensure we continuously meet stakeholder needs and set industry standards.

**CORPORATE GOVERNANCE**

# 2022 Highlights

- Our board of directors was 43% women and 29% racially/ethnically diverse.
- Quarterly, the board received updates on our overall ESG program, including climate strategy and DE&I initiatives and related public disclosures.
- Our Management Committee, a global body, was 33% women and 20% racially/ethnically diverse.
- 47% of the CEO's direct reports were women.
- We have developed a set of corporate values and a Code of Ethics that guide our firm's culture, ensuring we hold ourselves to the highest professional ethical standards.
- Our Privacy Policy, available in multiple languages, is regularly updated to reflect changes to data protection laws and regulations.
- We launched an ESG governance framework to ensure implementation and track progress of ESG programs.

## Our Board of Directors\*

as of December 31, 2022



**Elizabeth L. Axelrod**  
Human Resources & Compensation Committee (Chair); Nominating & Board Governance Committee



**Meg Bear**  
Human Resources & Compensation Committee



**Lyle Logan**  
Audit & Finance Committee; Nominating & Board Governance Committee



**T. Willem Mesdag**  
Audit & Finance Committee (Chair); Human Resources & Compensation Committee



**Krishnan Rajagopalan**  
President & Chief Executive Officer; Board of Directors



**Stacey Rauch**  
Audit & Finance Committee; Nominating & Board Governance Committee (Chair)



**Adam Warby, Chair**  
Ex Officio member of all committees

\* In June 2023, Heidrick & Struggles appointed John Berisford to its board of directors as an independent director and member of the Human Resources & Compensation Committee.

# Our Board of Directors

Our firm’s success is due in part to our vast network of global colleagues, including our experienced and trusted board of directors. Our board takes an ongoing approach to refreshment and the development of succession practices to meet evolving needs related to board composition. In 2022, our board was composed of six independent members and our President/CEO.

## Board Committees

The board conducts its business through meetings of the board and its three committees: the Audit & Finance Committee (AFC), the Human Resources & Compensation Committee (HRCC) and the Nominating & Board Governance Committee (NGC). Each committee has an approved written charter that is reviewed and revised annually, as needed.

- The AFC appoints and oversees our independent auditors and monitors the integrity of our financial reporting and audited financial statements. It is also responsible for establishing procedures around whistleblower complaints, ensuring compliance with our Code of Ethics and reviewing any regulatory matters related to our financial statements

with the Chief Legal Officer. The AFC also oversees enterprise risk management, including risks related to cybersecurity, data privacy and artificial intelligence.

- The HRCC discharges the board’s responsibilities relating to compensation of executives and firm-wide compensation plans. Additionally, it annually reviews human capital matters such as our DE&I practices, key metrics and talent pipeline, as well as senior leadership succession planning.
- The NGC is responsible for CEO and board succession planning and identifies and recommends director nominees, considering how they bring diversity and complementary skills and experience to the board. Additionally, it oversees corporate governance matters, including our ESG initiatives, and partners with the Audit & Finance Committee to recommend amendments to our Code of Ethics.

## Skills & Experience

Experience	Axelrod	Bear	Logan	Mesdag	Rajagopalan	Rauch	Warby
Public Company CEO Experience					•		
Professional Services Industry Experience	•		•	•	•	•	•
Human Capital Expertise	•	•		•	•	•	•
C-suite Leadership / General Management Experience	•	•	•	•	•	•	•
International	•	•	•	•	•	•	•
Risk Management	•	•	•	•	•	•	•
Information Security / Cybersecurity Expertise		•		•			•
Mergers & Acquisitions	•	•		•	•		•
Financial Literacy	•	•	•	•	•	•	•
Technology / Digital Expertise	•	•			•		•
Product Strategy & Development		•					•
Customer-Focused / Sales		•	•	•	•	•	•
Public Company Board Experience	•	•	•	•	•	•	•

# ESG Governance Framework

The NGC is responsible for oversight of the firm's holistic ESG program, goals and targets and related disclosures. Similarly, the HRCC oversees ESG-related performance incentives and workforce DE&I strategy, while the AFC has visibility into controls for ESG risks, regulations and disclosures.

The board receives updates from the committee chairs and certain members of the Management Team regarding our ESG program, as well as reviews and comments on our ESG report ahead of publication. Notably, the way we structure our committees is to ensure there is overlap among committee members. This assists in the visibility, alignment and flow of information because each committee has some common members.

As part of its quarterly meetings, the board and the NGC both receive updates on our overall ESG program and subtopics, including climate strategy, carbon emissions and DE&I initiatives, as well as related public disclosures. The board regularly receives education and information regarding ESG governance, regulatory landscape and other developments related to ESG from internal and external advisors and subject matter experts.

## Roles and Responsibilities of Each Governing Body

The ESG Working Group and ESG Steering Committee consist of client-facing business leaders and corporate leaders across DE&I, finance, HR, IT, operations and legal. These groups provide oversight of our ESG strategies and initiatives by providing cross-functional perspectives, setting direction and helping define priorities with the goal of creating alignment and building support for our ESG efforts throughout the business.

As part of their responsibilities, these groups have reviewed the priority ESG issues identified and are committed to continuing to advance those efforts. They have also informed and validated the foundational elements of our climate strategy, and we plan to continue engaging this framework as we construct a roadmap for implementation.

### Board of Directors

Validate alignment of ESG strategy with business interests



### ESG Steering Committee

Support advancement of ESG strategy and facilitate execution of all recurring ESG activities



### ESG Working Group

Convene leaders of key functions and segments to devise ESG strategies and drive their implementation within business units



# Ethics

Our [Code of Ethics](#) applies to all employees, officers, directors and independent contractors. It establishes clear ethical and professional guidelines, ensuring we hold ourselves to the highest professional ethical standards. The code is a reflection of our values and our commitment to acting with integrity and high standards in all business practices. All employees, officers, directors and independent contractors are required to certify their compliance with the company's Code of Ethics upon hire or appointment, and annually thereafter.

Guidelines presented in the code include:

- Fostering a respectful workplace free of harassment.
- Embracing diversity, equity and inclusion.
- Dealing fairly and honestly, respecting private information and conducting our business with integrity.
- Encouraging people to speak up about misconduct and unethical behavior and preventing retaliation against anyone who does so.
- Using social media responsibly.
- Managing compliance with anti-bribery laws.



Compliance with the code is overseen by the AFC. The code is available in multiple languages. In accordance with the latest legal requirements and in furtherance of our firm's value to "respect and value each individual," employees are also required to complete anti-harassment training upon hire and annually on an ongoing basis. By fostering a culture of mutual respect and understanding, we strive to create an environment that allows each employee to thrive and reach their full potential.

## EthicsLine

The EthicsLine is an outlet for reporting alleged breaches of legal or regulatory obligations, financial fraud, or violations of the code or other corporate policies. Available 24/7 via the Internet or a toll-free hotline, the EthicsLine is available to all company employees, contractors, vendors, stockholders, clients or other interested parties. It is administered by an independent third party that specializes in running whistleblower hotline programs for companies throughout the United States. Calls are not recorded, and callers may remain anonymous.

## Modern Slavery Statement

Heidrick & Struggles takes its responsibilities as a world citizen seriously and is committed to conducting its business in a lawful and ethical manner. Guided by our Modern Slavery Statement, we promote a culture of acceptance, equality and respect for the individual. In particular, Heidrick & Struggles has zero tolerance of slavery and human trafficking and applauds efforts being made globally to eliminate such practices. Heidrick & Struggles only works with people who choose to work freely, and we expect the same of our suppliers.

# Cybersecurity and Privacy

Our clients, candidates, participants and employees place a tremendous amount of faith in us to protect their most sensitive information. Our success is, in part, built upon our dedication to securing such information. Personal data is a critical component of our business, and we are committed to the security and appropriate usage of that data in compliance with applicable data protection laws and regulations.

In order to maintain the trust of candidates, clients, individuals and the broader public, we have deployed a comprehensive set of data protection and privacy programs, policies and practices throughout our organization, which we regularly assess and update to reflect the evolving regulatory landscape and threat environment.

## EMPLOYEE SPOTLIGHT



Nischal Sahrawat, our first Chief Information Security Officer, hired in 2016, leads our data and technology driven global growth journey. Located in our Chicago headquarters, Nischal is charged with building, maintaining and growing our cybersecurity program. He has a proven track record of managing a risk based, effective, practical and appropriately sized cybersecurity

program that aligns with our strategic business objectives. In his leisure time Nischal likes to travel the world with his family and enjoy different cultures, food, history and landscapes.

## Cybersecurity Operations

Confidentiality and information security are core to our corporate vision and values. It takes a combination of people, technical safeguards and processes to protect information at Heidrick & Struggles. We provide security awareness training for new joiners upon hire and annually for employees and contractors thereafter via our security and awareness training online platform. We also conduct regular phishing simulations for awareness and provide training on current events and security and data protection topics that impact our business and industry. We offer additional remedial training to users where necessary, and helpful data security bulletins to employees via our intranet.

## Key Safeguards in Place

### Policies and Processes

- Robust information security policies based on the ISO 27001 framework
- Cybersecurity incident response
- Secure software development lifecycle
- Third-party information risk management process
- Well documented processes to provide and remove access in a timely manner
- IT change control
- Access provided on a "need to know" basis applied with "least privilege" principle
- Regular, independent SOC1/SOC2 audits for key SaaS providers
- Regular security awareness training, covering topics like phishing, social engineering, mobile and device security and protection of sensitive information

### Technical Controls

- Frequent, independent third-party vulnerability and penetration testing
- Regular system patching
- Remote access using multi-factor authentication
- Use of world class data centers protected by robust physical and environmental controls
- Encrypted data transmission
- 7x24x365 security monitoring
- System redundancy and resilience to ensure business continuity

Cybersecurity and Privacy | continued

**Oversight**

Our Chief Information Security Officer and the cybersecurity team are responsible for defining, implementing and administering appropriate measures to protect information across the firm. Cybersecurity matters are overseen by the AFC, and the AFC regularly reviews our cybersecurity program with the Management Team, receiving periodic updates on the evolving threat landscape and our enhanced efforts in light of those

emerging risks. Cybersecurity risks are also reviewed and discussed with the full board as part of the annual Enterprise Risk Management assessment. Management has an annual SOX compliance program, which incorporates the review of enterprise technology controls. This program includes reviews by our internal and external auditors. We also maintain a cyber enterprise insurance policy to potentially defray some of the costs associated with a breach.

**Privacy**

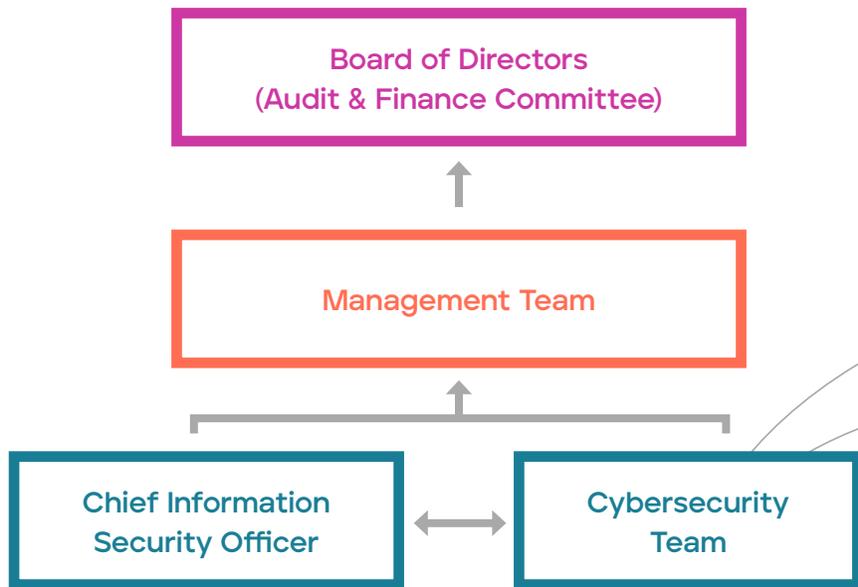
We have adopted a Global Privacy Policy to address compliance with applicable data privacy laws, including data collection, use, processing, disclosure, retention and destruction. We regularly update our [Privacy Policy](#), which is available in multiple languages, to reflect new and updated data protection laws and regulations that apply to our business and our new service offerings.

Through our privacy policies and approaches, we inform individuals whose personal data we process what data we collect, how we use it, who we share it with, for what purpose, how long we keep it and how we protect it.

The foundations to our business are confidentiality and security. Without them, we would not be the trusted partner we are to our clients. Our employees are engaged in our ongoing training and awareness program to remind them that privacy comes first, to protect our candidates, our clients, our participants and our colleagues.

**Data Ethics and Transparency**

We maintain reasonable technical and organizational measures to protect personal information from loss, misuse and unauthorized access, disclosure, alteration and destruction. As part of our data governance processes, we periodically assess our data privacy compliance program with external experts to help identify ways to improve and evolve our policies and practices. We will continue our efforts to make our dealings in relation to personal data transparent, including informing individuals how they can exercise their rights to access and control their personal data, thereby empowering individuals to make informed choices in the process. Certain jurisdictions, such as the EU, assign rights to such individuals (called “data subjects”), or anyone whose personal data is being used, processed, or transferred. To ensure transparency around this process, we maintain a data subject rights phone hotline and dedicated email via which our data subjects can easily request information on their personal data. Regardless of location, we seek to honor all data requests from individuals. Learn more about our [Data Subject Rights Hotline](#).



## APPENDIX

GRI Content Index

SASB Index

TCFD Index

ESG Data





# Heidrick & Struggles' 2022 GRI Content Index

## Global Reporting Initiative

### GRI 2: General Disclosures 2021<sup>1</sup>

Disclosure	Description	Cross-Reference or Answer
2-1	Organizational details	Heidrick & Struggles International, Inc. Heidrick & Struggles, headquartered in Chicago, Illinois, is a publicly traded company under the symbol "HSII" on the NASDAQ Stock Market, and operates in 31 countries. See our <a href="#">Annual Report on Form 10-K</a> for regions where significant operations are located.
2-2	Entities included in the organization's sustainability reporting	<a href="#">Annual Report on Form 10-K</a>
2-3	Reporting period, frequency and contact point	January 1 - December 31, 2022 Annual HSIICorpSect@heidrick.com
2-4	Restatements of information	2021 GHG emissions data have been restated to reflect an expanded scope. Heidrick & Struggles' New York office moved in November 2021 and we uncovered that some related emissions were misrepresented in the 2021 ESG report. For Scope 2 emissions, electricity was initially based on the new building but has been restated to reflect the old building's emissions through November and pro-rated emissions from the new building through the rest of the year. For Scope 3 emissions, the New York office's retrofitting was omitted from the initial capital goods inventory as well as some modes of transport as part of the business travel category. In addition, we rectified data leakages across purchased goods & services and business travel categories. These adjustments are represented in Environmental Data, p. 52.
2-5	External assurance	Heidrick & Struggles has not received external assurance for this report.
2-6	Activities, value chain and other business relationships	About Us, Our Business Segments, p. 8 <a href="#">Annual Report on Form 10-K</a> Environmental Sustainability, Carbon Emissions, pp. 32, 35
2-7	Employees	<a href="#">Annual Report on Form 10-K</a> Our People, Culture & Benefits, Workforce Demographics, p. 17 Our People, Culture & Benefits, Diversity, Equity & Inclusion, p. 23 Workforce and Diversity Data, pp. 52-53



A Message from  
Our President & CEO

Executive  
Summary

About  
Us

Driving ESG Impact  
with Clients

Our Internal  
ESG Priorities

Our People,  
Culture & Benefits

Our  
Communities

Environmental  
Sustainability

Corporate  
Governance

## GRI 2: General Disclosures 2021<sup>1</sup> (continued)

Disclosure	Description	Cross-Reference or Answer
2-8	Workers who are not employees	Our Heidrick Consulting business maintains a cadre of 350 expert, external associates who are contracted on an engagement-by-engagement basis to perform expert roles such as executive coaching, culture shaping facilitation, executive assessment and leadership development module delivery. These professionals are managed by Heidrick Consulting partners who direct their work and control quality. In our other businesses and corporate function, we utilize approximately 280 contractors globally to perform a range of services including data entry, research, presentation support, IT/digital services and support for our back office functions.
2-9	Governance structure and composition	<a href="#">Proxy Statement 2023</a> , p. 34 Corporate Governance, Our Board of Directors, pp. <a href="#">37-38</a> Corporate Governance, ESG Governance Framework, p. <a href="#">39</a>
2-10	Nomination and selection of the highest governance body	<a href="#">Proxy Statement 2023</a> , p. 34 <a href="#">Corporate Governance Guidelines</a>
2-11	Chair of the highest governance body	Corporate Governance, Our Board of Directors, pp. <a href="#">37-38</a>
2-12	Role of the highest governance body in overseeing the management of impacts	We engage with our stakeholders regularly through a variety of avenues, including meetings, forums, conferences and events, recruitment events, marketing communications, social media, newsletters and more. Corporate Governance, Our Board of Directors, p. <a href="#">38</a>
2-13	Delegation of responsibility for managing impacts	Corporate Governance, Our Board of Directors, p. <a href="#">38</a> Corporate Governance, ESG Governance Framework, p. <a href="#">39</a>
2-14	Role of the highest governance body in sustainability reporting	Corporate Governance, Our Board of Directors, p. <a href="#">38</a> Corporate Governance, ESG Governance Framework, p. <a href="#">39</a>
2-15	Conflicts of interest	<a href="#">Policy on Resolution of Conflicts of Interest for Directors and Executive Officers</a>
2-17	Collective knowledge of the highest governance body	Corporate Governance, Our Board of Directors, p. <a href="#">38</a> Corporate Governance, ESG Governance Framework, p. <a href="#">39</a>
2-19	Remuneration policies	<a href="#">Proxy Statement 2023</a> , p. 50
2-20	Process to determine remuneration	<a href="#">Proxy Statement 2023</a> , p. 50


[A Message from  
Our President & CEO](#)
[Executive  
Summary](#)
[About  
Us](#)
[Driving ESG Impact  
with Clients](#)
[Our Internal  
ESG Priorities](#)
[Our People,  
Culture & Benefits](#)
[Our  
Communities](#)
[Environmental  
Sustainability](#)
[Corporate  
Governance](#)

## GRI 2: General Disclosures 2021<sup>1</sup> (continued)

Disclosure	Description	Cross-Reference or Answer
2-21	Annual total compensation ratio	<a href="#">Proxy Statement 2023</a> , p. 81
2-22	Statement on sustainable development strategy	A Message from Our President and CEO, p. 3
2-23	Policy commitments	<a href="#">Code of Ethics</a> <a href="#">Modern Slavery Statement</a>
2-24	Embedding policy commitments	<a href="#">Code of Ethics</a> <a href="#">Modern Slavery Statement</a>
2-26	Mechanisms for seeking advice and raising concerns	<a href="#">Code of Ethics</a> Corporate Governance, Ethics, p. 40
2-28	Membership associations	<ul style="list-style-type: none"> <li>• 30% Club</li> <li>• AARP</li> <li>• Association of Executive Search and Leadership Consultants</li> <li>• Carnegie Mellon University</li> <li>• CEO Action for Diversity &amp; Inclusion</li> <li>• Change the Race Ratio</li> <li>• Disability:IN</li> <li>• Fortune: Most Powerful Women</li> <li>• Foundation for Women Warriors</li> <li>• Indigo</li> <li>• INSEAD</li> <li>• Luminary</li> <li>• NASDAQ</li> <li>• One Mind at Work</li> <li>• Paradigm for Parity</li> <li>• Stanford University (&amp; Stanford's VMware Women's Leadership Innovation Lab)</li> <li>• The Asian American Foundation</li> <li>• The Executive Leadership Council</li> <li>• The Latino Corporate Directors Association</li> <li>• The National Association of Corporate Directors</li> <li>• World Economic Forum</li> </ul>
2-29	Approach to stakeholder engagement	We engage with the following stakeholders to advance our purpose as a firm: employees and potential employees; clients and potential clients; candidates and potential candidates; stockholders and potential stockholders; and vendors/suppliers.
2-30	Collective bargaining agreements	5.3% of employees are covered by industry-level or national-level collective bargaining agreements. We are committed to respecting our employees' freedom of association, allowing them the right to establish terms and conditions of employment and to conclude their work commitment with proper notice, all free from any kind of coercion.
3-1	Process to determine material topics	<a href="#">Our Internal ESG Priorities</a> , p. 15
3-2	List of material topics	<a href="#">Our Internal ESG Priorities</a> , p. 15



## Economic Topics

### GRI 201: Economic Performance 2016<sup>2</sup>

Disclosure	Description	Cross-Reference or Answer
201-1	Direct economic value generated and distributed	<a href="#">Annual Report on Form 10-K</a>

### GRI 203: Indirect Economic Impacts 2016<sup>2</sup>

Disclosure	Description	Cross-Reference or Answer
203-1	Infrastructure investments and services supported	Driving ESG Impact with Clients, pp. 11-13 Our Communities, Global Day of Service, p. 28 <a href="#">Proxy Statement 2023</a> , pp. 15, 18, 20 and 22

## Environmental Topics

### GRI 302: Energy 2016<sup>2</sup>

Disclosure	Description	Cross-Reference or Answer
302-4	Reduction of energy consumption	Environmental Sustainability, Carbon Emissions, pp. 32-35

### GRI 305: Emissions 2016<sup>2</sup>

Disclosure	Description	Cross-Reference or Answer
305-1	Direct (Scope 1) GHG emissions	Environmental Sustainability, Carbon Emissions, p. 33 Environmental Data, p. 52
305-2	Energy indirect (Scope 2) GHG emissions	Environmental Sustainability, Carbon Emissions, p. 33 Environmental Data, p. 52
305-3	Other indirect (Scope 3) GHG emissions	Environmental Sustainability, Carbon Emissions, p. 33 Environmental Data, p. 52
305-4	GHG emissions intensity	Environmental Data, p. 52
305-5	Reduction of GHG emissions	Environmental Sustainability, Carbon Emissions, pp. 32-35



A Message from  
Our President & CEO

Executive  
Summary

About  
Us

Driving ESG Impact  
with Clients

Our Internal  
ESG Priorities

Our People,  
Culture & Benefits

Our  
Communities

Environmental  
Sustainability

Corporate  
Governance

## Social Topics

### GRI 401: Employment 2016<sup>2</sup>

Disclosure	Description	Cross-Reference or Answer
3-3	Management of material topics	Our People, Culture & Benefits, pp. <a href="#">16-25</a>
401-1	New employee hires and employee turnover	Our People, Culture & Benefits, 2022 Highlights, p. <a href="#">17</a> Employee turnover rate (between January 1 - December 31 2022) • Voluntary terminations: 15% • Involuntary terminations: 3%
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Our People, Culture & Benefits, Total Rewards, p. <a href="#">19</a>

### GRI 403: Occupational Health and Safety 2018<sup>2</sup>

Disclosure	Description	Cross-Reference or Answer
403-6	Promotion of worker health	Our People, Culture & Benefits, Total Rewards, p. <a href="#">19</a>

### GRI 404: Training and Education 2016<sup>2</sup>

Disclosure	Description	Cross-Reference or Answer
3-3	Management of material topics	Our People, Culture & Benefits, Talent Management and Development, pp. <a href="#">20-21</a>
404-1	Average hours of training per year per employee	Our People, Culture & Benefits, Talent Management and Development, p. <a href="#">21</a>
404-2	Programs for upgrading employee skills and transition assistance programs	Our People, Culture & Benefits, Talent Management and Development, p. <a href="#">21</a>

A Message from  
Our President & CEOExecutive  
SummaryAbout  
UsDriving ESG Impact  
with ClientsOur Internal  
ESG PrioritiesOur People,  
Culture & BenefitsOur  
CommunitiesEnvironmental  
SustainabilityCorporate  
Governance**GRI 405: Diversity and Equal Opportunity 2016<sup>2</sup>**

Disclosure	Description	Cross-Reference or Answer
3-3	Management of material topics	Our People, Culture & Benefits, Diversity, Equity & Inclusion, pp. <a href="#">22-25</a>
405-1	Diversity of governance bodies and employees	Our People, Culture & Benefits, Diversity, Equity & Inclusion, p. <a href="#">23</a> Diversity Data, p. <a href="#">53</a>
405-2	Ratio of basic salary and remuneration of women to men	Our People, Culture & Benefits, Total Rewards, p. <a href="#">19</a>

**GRI 413: Local Communities 2016<sup>2</sup>**

Disclosure	Description	Cross-Reference or Answer
413-1	Operations with local community engagement, impact assessments and development programs	Our Communities, pp. <a href="#">26-29</a>

**GRI 415: Public Policy 2016<sup>2</sup>**

Disclosure	Description	Cross-Reference or Answer
415-1	Political contributions	We do not make or reimburse political contributions.

**Governance****GRI 418: Customer Privacy 2016<sup>2</sup>**

Disclosure	Description	Cross-Reference or Answer
3-3	Management of material topics	Corporate Governance, Cybersecurity and Privacy, pp. <a href="#">41-42</a>
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	We had zero data breaches in 2022.

<sup>1</sup> Heidrick & Struggles 2022 ESG Report applies the most recent version of the GRI Standards; "2021" refers to the Standards issues date, not the date of information presented in this report.

<sup>2</sup> Heidrick & Struggles 2022 ESG Report applies the current version of the topic specific GRI Standards; the various years refer to the applicable Standards issues date, not the date of information presented in this report.



# Heidrick & Struggles' 2022 SASB Index

## Sustainability Accounting Standards Board

### Professional & Commercial Services

SASB Topic	Code	Accounting Metric	2022 Report Reference or Answer
Data Security	SV-PS-230a.1	Description of approach to identifying and addressing data security risks	Corporate Governance, Cybersecurity and Privacy, pp. <a href="#">41-42</a>
	SV-PS-230a.2	Description of policies and practices relating to collection, usage and retention of customer information	Corporate Governance, Cybersecurity and Privacy, pp. <a href="#">41-42</a>
	SV-PS-230a.3	(1) Number of data breaches, (2) percentage involving customers' confidential business information (CBI) or personally identifiable information (PII), (3) number of customers affected	We had zero data breaches in 2022.
Workforce Diversity & Engagement	SV-PS-330a.1	Percentage of gender and racial/ethnic group representation for (1) executive management and (2) all other employees	Our People, Culture & Benefits, Diversity, Equity & Inclusion, p. <a href="#">23</a> Diversity Data, p. <a href="#">53</a> <a href="#">Annual Report on Form 10-K</a>
	SV-PS-330a.2	(1) Voluntary and (2) involuntary turnover rate for employees	Employee turnover rate (between January 1 - December 31, 2022) <ul style="list-style-type: none"> <li>• Voluntary terminations: 15%</li> <li>• Involuntary terminations: 3%</li> </ul>
	SV-PS-330a.3	Employee engagement as a percentage	78% of employees participated in at least one employee survey in 2022.
Professional Integrity	SV-PS-510a.1	Description of approach to ensuring professional integrity	Corporate Governance, Ethics, p. <a href="#">40</a>
	SV-PS-510a.2	Total amount of monetary losses as a result of legal proceedings associated with professional integrity	We do not publicly disclose this information.
Activity Metrics	SV-PS-000.A	Number of employees by: (1) full-time and part-time, (2) temporary, and (3) contract	Workforce Data, p. <a href="#">52</a>
	SV-PS-000.B	Employee hours worked, percentage billable	We do not track employee hours in this manner on a consolidated basis.



# Heidrick & Struggles' 2022 TCFD Index

## Task Force on Climate-related Financial Disclosures

TCFD Topic	Description	Response
<b>Governance</b>	Disclose the organization's governance around climate-related risks and opportunities.	About Us, Our Business Segments, p. 8 Corporate Governance, Our Board of Directors, p. 38 Corporate Governance, ESG Governance Framework, p. 39
<b>Strategy</b>	Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy and financial planning where such information is material.	Driving ESG Impact with Clients, p.13 Environmental Sustainability, Carbon Emissions, pp. 32-34
<b>Risk Management</b>	Disclose how the organization identifies, assesses and manages climate-related risks.	As part of our annual enterprise risks management (ERM) process, climate (among other risks) is tracked, monitored and assessed. We conducted a climate risk assessment in 2022 which we plan to refresh every two years and are in the process of socializing it across the ESG Working Group and ESG Steering Committee. The process of identifying and assessing potential climate-related risks encompasses all value chain stages (upstream, direct operations and downstream operations) and time horizons (short-, medium- and long-term). Data were evaluated using publicly available and proprietary tools aligned with IPCC-published climate records, as well as desk-based market trends research. Additionally, we performed a scenario analysis using the IPCC's Representative Concentration Pathway (RCP) 8.5 and RCP 4.5 scenarios, as well as a baseline scenario--a process aligned with TCFD. The identified risks and opportunities are presented to the Chief Legal Officer, the Vice President of Business Operations and members of the ESG Working Group and ESG Steering Committee. Members of this group will be responsible for integrating the risks and opportunities identified into action plans and incorporating them within the already established ERM process, which monitors and evaluates the financial implications of risks. Within the ESG Working Group and the ESG Steering Committee, climate-related matters, including the identified risks and opportunities, are evaluated to determine the impact on the business. This includes identifying the most appropriate group to best manage or mitigate each particular risk/opportunity.
<b>Metrics and Targets</b>	Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	Environmental Sustainability, Carbon Emissions, p. 33 Environmental Sustainability, Electronic Recycling, p. 35



# Heidrick & Struggles' ESG Data

## Environmental Data

### GHG Emissions (MT CO<sub>2</sub>e)

	2021	2022
<b>Total GHG Emissions</b>	<b>16,054</b>	<b>19,257</b>
<b>Scope 1 Emissions</b>	<b>62</b>	<b>93</b>
Fugitive Emissions	46	73
Mobile Combustion	16	17
Stationary Combustion	-	3
<b>Scope 2 Emissions (Location-based)<sup>1</sup></b>	<b>2,765</b>	<b>2,155</b>
<b>Scope 2 Emissions (Market-based)<sup>1</sup></b>	<b>2,772</b>	<b>2,277</b>
<b>Scope 3 Emissions</b>	<b>13,220</b>	<b>16,886</b>
Business Travel <sup>2</sup>	2,011	6,432
Purchased Goods & Services <sup>2</sup>	5,196	5,968
Capital Goods <sup>2</sup>	2,155	1,202
Employee Commute <sup>3</sup>	1,170	989
Upstream Transportation & Distribution <sup>4</sup>	1,740	1,792
Fuel & Energy Activities <sup>5</sup>	865	444
Waste Generated in Activities <sup>6</sup>	83	58
<b>Emissions per Employee (MT CO<sub>2</sub>e/Person)</b>	<b>8.70</b>	<b>8.99</b>
<b>Emissions per Revenue (MT CO<sub>2</sub>e/Million USD)</b>	<b>16.01</b>	<b>17.94</b>

## 2022 Workforce Data<sup>7</sup>

### Total Employees (Permanent and Temporary), by Region

	Permanent	Temporary	Total
Americas	1,213	64	1,277
Europe and Africa	517	46	563
APAC and Middle East	289	12	301

### Total Employees by Employment Contract (Permanent and Temporary), by Gender

	Permanent	Temporary	Total
Women	1,290	60	1,350
Men	729	62	791

### Total Employees by Employment Type (Full-time and Part-time), by Gender

	Full-time	Part-time	Total
Women	1,315	35	1,350
Men	767	24	791

<sup>1</sup> Purchased electricity is estimated based on pro rata consumption, annual spend and square footage.

<sup>2</sup> Business travel, purchased goods & services and capital goods are estimated based on annual spend.

<sup>3</sup> Employee commute is estimated using EPA emission factors for automobile travel multiplied by the estimated annual commuting distance by employees, which was determined under the assumption of 25% commuting frequency.

<sup>4</sup> Upstream transportation & distribution is calculated using a conservative estimate of 20% of purchased goods & services and capital goods to estimate upstream emissions.

<sup>5</sup> Fuel & energy activities is calculated using emissions factors from a life cycle assessment database.

<sup>6</sup> Waste generated in activities is estimated based on employee count, annual spend on waste disposal and annual wastewater consumption.

<sup>7</sup> Includes temporary employees deployed to clients in our on-demand talent business.


[A Message from  
Our President & CEO](#)
[Executive  
Summary](#)
[About  
Us](#)
[Driving ESG Impact  
with Clients](#)
[Our Internal  
ESG Priorities](#)
[Our People,  
Culture & Benefits](#)
[Our  
Communities](#)
[Environmental  
Sustainability](#)
[Corporate  
Governance](#)

## 2022 Diversity Data

### Workforce Diversity: VP and Above

	%
<b>Gender</b>	
Male	59%
Female	41%
<b>Age Group</b>	
Under 30	—
30 - 50	60%
Over 50	40%
<b>Race/Ethnicity (U.S. Only)</b>	
Asian	6%
Black or African American	3%
Hispanic or Latino	2%
Two or More Races	2%
White	87%

### Workforce Diversity: Below VP

	%
<b>Gender</b>	
Male	30%
Female	70%
<b>Age Group</b>	
Under 30	32%
30 - 50	49%
Over 50	19%
<b>Race/Ethnicity (U.S. Only)</b>	
Asian	10%
Black or African American	8%
Hispanic or Latino	8%
Two or More Races	4%
White	70%

# HEIDRICK & STRUGGLES

Heidrick & Struggles International, Inc.  
233 South Wacker Drive Willis Tower - Suite 4900  
Chicago, IL 60606-6303

+1 312 496 1200

[www.heidrick.com](http://www.heidrick.com)

[HSIICorpSect@heidrick.com](mailto:HSIICorpSect@heidrick.com)