



SUSTAINABILITY REPORT 2024 | EXECUTIVE SUMMARY

Stepping up

Sustainability is our business

CEO message



Tom Reichert
ERM Group CEO

I'm delighted to present ERM's Sustainability Report 2024, which showcases the progress we have made across our sustainability priorities and targets over the last financial year.

For over a decade, we have reported formally on our sustainability performance, in line with international standards and best practice and we are proud to be a Global Reporting Initiative community member.

The theme of this year's report is "Stepping Up". Why? For the simple reason that the sustainability challenges facing society today continue to grow in scale, pace and complexity. This requires organizations everywhere to do two things: step up on ambition and double-down on impact. As the countdown to 2030 continues, we must all aim higher and work harder to maximize our positive impact by continuing to implement the ten principles of the UN Global Compact and contributing to the UN Sustainable Development Goals.

At ERM, that means stepping up our progress across the three macro sustainability issues of our time—climate, nature and water and social inequality.

For example, we have sustained our greenhouse gas emission reductions, and our updated Decarbonization Strategy includes our new emission reductions targets, validated by the Science Based Targets initiative as in alignment with the Net-Zero Standard, which will see us deliver net-zero by 2040.

We have delivered nature projects in over 100 countries and our new Nature Strategy sets out our contribution to halting and reversing biodiversity loss by 2030 and working towards a nature positive future, which includes being an early adopter of the Taskforce for Nature-Related Financial Disclosures.

And with over 50 million people estimated to be subject to modern slavery, our new Human Rights Strategy sets out how we at ERM are committed to addressing the risk of modern slavery across our value chain, consistent with our commitment to the UN Declaration of Human Rights, UN Guiding Principles on Business and Human Rights and the International Labor Organization Principles and Fundamental Rights at Work.

As the world's largest specialist sustainability consultancy, the greatest impact we can have is through the work delivered for our clients by our 8,000 people. This year's report contains a wealth of data and stories about how this work delivers real change on the ground. For example, supporting projects contributing to in excess of 200 GW of renewable energy capacity; treating 2.4+ billion liters of water; and treating, destroying or removing 12.8+ million kilograms of contaminants. It is inspiring to reflect on these numbers and also exciting to consider how much more we can do in the future.

Thank you to everyone who has helped contribute to the progress detailed in this report. ERM's purpose is to shape a sustainable future with the world's leading organizations, which requires close collaboration across our clients, people, partners, suppliers and wider stakeholders.

I look forward to working with all of you as we step up to the challenges of the future and deliver the opportunity of a sustainable future for us all.

Foreword from our Global Leader of Sustainability & Risk



Sabine Hoefnagel

Global Leader of Sustainability & Risk

When ERM started reporting on our sustainability performance 12 years ago, such disclosures were voluntary and undertaken as a matter of corporate commitment to best practice. Fast forward to 2024 and reporting on sustainability topics has become a mandatory requirement for many companies across the globe, as regulators seek to instill greater rigor in reporting practices.

The proliferation of disclosure regulations and standards presents a challenge for organizations seeking to harmonize reporting across geographies and the interoperability of requirements remains a pressing need. ERM is currently supporting clients across the globe to navigate this rapidly changing and complex disclosure landscape.

This report sets out our performance for our fiscal year 2024 (FY24) but also provides a lookahead to our priorities throughout FY25 and beyond, which includes our preparation for disclosing under the Corporate Sustainability Reporting Directive (CSRD) and International Financial Reporting Standards (IFRS) among others.

What drives our disclosure however is not regulation but responding to stakeholder interests through our ongoing commitment to be a credible leader in sustainability, demonstrating by example the advice that we provide to our clients and wider stakeholders.

We have structured this report to set out how we as a business strive to maximize our impact through operationalizing sustainability, alongside the work

we deliver to clients and the contribution that our thought leadership and collaborations with partners make to the global sustainability agenda.

We are a business whose purpose is to shape a sustainable future with the world's leading organizations. Together, we are stepping up to create that future.

We hope you find this report informative and welcome your feedback which can be emailed to sustainability@erm.com.

FY24 highlights

OPERATIONS



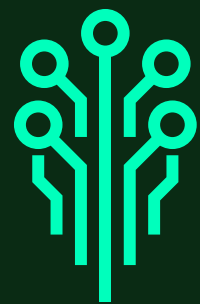
\$1 billion+
annual revenue

28%

growth in energy transition sales

Over **1,000**

employee promotions



60%

of all projects tech enabled

Launched **updated strategies**

across Human Rights and Nature

Validated **SBTi Net-Zero Standard**

aligned targets

CLIENTS

Supported renewable energy projects contributing

200+GW

installed capacity

10+GW

storage



Treated

2.4+ billion

litres of water



Treated, destroyed or removed

12.8+ million

kilograms of contaminants

Engaged

1,800+

executives to drive safety leadership

Worked on

81 sites within

21 of the 100 priority water-stressed basins globally

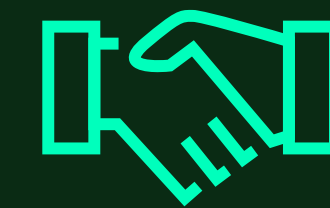
COLLABORATIONS

Over

20

global strategic partnerships

with the world's leading organizations



8

commercial partnerships announced

25

insights and thought leadership reports

published by ERM SustainAbility Institute

ERM Foundation supported

49

NGO organizations

across

29

countries

\$600,000+ disbursed through grant funding and pro bono support

Awards and recognition in FY24



Leader

in the 2024 ESG and sustainability consulting Green Quadrant by Verdantix



Best

ESG Advisory Firm in Private Equity Wire's European Awards.



#1

technical advisor by deal value in Europe in Infralogic's Technical Advisor rankings.



Best Technical Adviser – New Technologies as part of Inspiratia's Europe Energy Transition Awards.



Royal Society for the Prevention of Accidents (RoSPA) **President's Award** after achieving **10 consecutive Gold Awards**.



Visvesh Sridharan, ESG Integration Lead at ERM, **named a sustainability rising star** in by GreenBiz 30 Under 30.



ERM and EESI Remediation Limited UK were **awarded the "Remediation Project of the Year"** by Environmental Analyst Global in the Sustainability Delivery Awards 2024.



Gold Medal for sustainability achievement by EcoVadis, placing ERM in the top 5% of companies assessed.

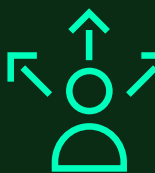


A **top performer** in World Business Council for Sustainable Development (WBCSD) annual review of companies' sustainability reporting, Reporting Matters for the 5th year running.



Platinum

score in the Highwire safety awards.



Best outreach

award in the Clean Hydrogen Partnership Awards.



IJGlobal ESG Technology Award in Energy for ERM emissions.AI.

Our value chain

We adopt a value chain approach to our management of sustainability-related risks, opportunities and impacts.

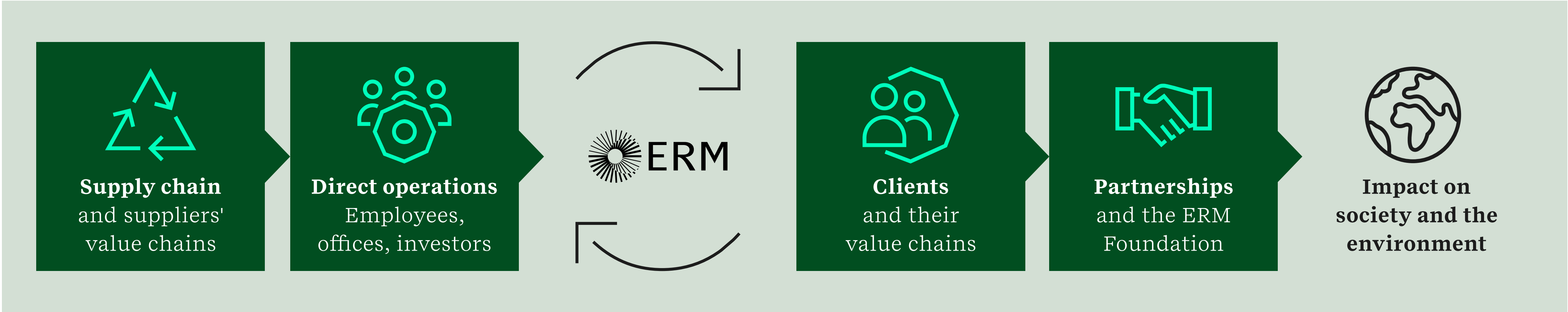
Upstream our value chain includes employees, partners and investors who are shareholders in the business, our offices and the materials required to support them.

Our supply chain is diverse, spanning the breadth of our global offices and countries within which we deliver our services. It encompasses many services and activities, from site investigation to translation services.

Downstream, our value chain encompasses our clients, the communities they operate in and their own supply chains, alongside partner organizations, global society and the environment. Across our value chain, we seek to work with organizations who share our purpose and values in working towards a nature positive future.



Photo credit: Will France, United Kingdom



Our purpose & strategy

We put our purpose, beliefs and behaviors at the core of everything we do. They serve as the compass to guide decision-making and wider stakeholder value to maximize our impact, drive value for clients and foster engagement and meaning for our employees.

We deliver our purpose through our business strategy of operationalizing sustainability, working with clients to support sustainable transformation, and through our partnerships and collaborations, in line with our commitment to support the United Nations Sustainable Development Goals (SDGs).

As we grow and respond to market need, we will focus on long-term value creation and extending our impact on the environment and society. To sustain this growth, we continue to enhance our platforms, systems, internal structures and capacity to ensure we are resilient in the face of increasing client demand.

OUR PURPOSE

To shape a sustainable future with the world's leading organizations.

OUR BELIEFS

 <p>Together we challenge</p> <p>We foster genuine trust and collaboration to address the world's sustainability challenges.</p>	 <p>Expertise is our superpower</p> <p>We operationalize sustainability for our clients with leading technical depth from end-to-end.</p>	 <p>Impact ignites us</p> <p>We are results-driven and impact-obsessed while always acting with the highest integrity and accountability.</p>
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HELP US TO DELIVER FOR

 <p>Our clients</p>	 <p>Our people</p>	 <p>Our investors</p>	 <p>The planet and society</p>
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Operationalizing sustainability

Operationalizing sustainability is a business imperative for ERM that is integral to our long-term strategy, operational planning and management.

It provides a framework that enables us to effectively manage our sustainability-related risks and opportunities, drive continual improvement and deliver upon our positioning as a leader in sustainability advisory services. Our [Sustainability Policy](#), [Sustainability Approach](#) and the contents of this Sustainability Report 2024 reflect the strategic priority which we place on integrating sustainability within our own operations.

Implementation of our operational programs is led by the Group Sustainability team working in conjunction with key global functional teams including Operations, Finance, Legal, Risk, People, Clients and Services, and supported by senior leadership across our operations.

We have four key operational programs, comprising:

- **Climate:** Decarbonizing our value chain in line with our science-based targets.
- **Nature:** Progressing our operations towards a nature positive future.
- **Human rights:** Respecting and promoting human rights across our value chain.
- **Supply chain:** Enhancing supplier sustainability performance.

Supporting the delivery of these operational programs are ERM’s suite of sustainability strategies which set out our objectives, governance, management systems and targets. Further information on the respective strategies, programs and latest performance data is included in this report and can be found at erm.com.

ERM's Sustainability operational programs



Supporting the Sustainable Development Goals

The United Nations adopted the SDGs in September 2015, with the objective of ending poverty, fighting inequality and injustice, and tackling climate change by 2030. Reaching these goals will require unprecedented effort by governments, civil society and businesses and we remain committed to doing our part.

ERM supports the SDGs in the following ways:

- **In our operations.** ERM strives to operate sustainably in support of the SDGs through our sustainability operational programs.
- **Through our work for clients.** We use the SDGs to help our clients develop and implement their own operational strategies for contributing to sustainable development.
- **In collaboration with others.** Through our partnerships with leading organizations, we are committed to making a meaningful contribution to the SDGs. ERM also provides thought leadership through the ERM Sustainability Institute and actively participates in panels, workshops and webinars across the globe, sharing our own experience of contributing to the SDGs. Our technical experts also support industry, scientific and academic bodies who are committed to the delivery of the SDGs.
- **The ERM Foundation.** The work of the ERM Foundation seeks to make a measurable contribution to the SDGs, and we have identified 12 intersecting SDGs where the Foundation can have the greatest impact.

[Learn more about ERM's impact in Supporting the SDGs](#) →



We contribute to the Sustainable Development Goals in three ways



Our impact

Our material topics represent the key issues which we have assessed will give rise to the most significant impacts for our business.

We seek to measure and manage these impacts through three points of our value chain:

- **Our operations:** We create and manage our impact through the footprint of our office-based operations, our people and the delivery of our services to our clients.
- **Our client work:** We create the greatest impact through partnering with our clients to support them in enhancing their own sustainability performance and in turn, their impact on environment and society.
- **Our collaborations:** We also create and seek to maximize the impact we can generate through our partnerships and collaborations with leading organizations.

“Every day, our teams deliver on our purpose through working with our clients to address sustainable business challenges. We also partner with leading organizations to drive change while ensuring we enhance our own operational performance”

Linden Edgell, Global Sustainability Director, ERM



Performance against targets

Consistent with our commitment to report openly and transparently to our stakeholders.

The following pages summarize ERM's performance against our FY24 targets. ERM has a Sustainability Linked Loan as part of the amendment to its debt facility, which we report on annually. The loan is aligned to performance against our annual sustainability targets, which are established on the basis of the topics assessed to be material to our overall business performance.

Key

- Target achieved
- Target not achieved

Performance against FY24 targets



FY24 target	Performance
Achieve year-on-year improvement in learning effectiveness.	<p>● ACHIEVED Learning effectiveness program delivered with measurable improvements in effectiveness of training reported.</p>
Achieve global diversity, equity, inclusion and belonging (DEIB) annual targets.	<p>● ACHIEVED Five global DEIB targets successfully delivered.</p>
Maintain net engagement score above industry average.	<p>○ NOT ACHIEVED Overall engagement score fluctuated during the year but ended below our target and the industry average.</p>
Achieve workforce growth and strengthen community within ERM to meet client needs and enhance our social impact.	<p>○ NOT ACHIEVED Reviewing our resource needs we pivoted away from recruitment and focused on retention and skills development in our existing employee base.</p>



FY24 target	Performance
Achieve annual targets for digital enablement of core service offerings.	<p>● ACHIEVED Targets for digital enablement of core service offerings exceeded.</p>
No reportable breaches of privacy regulations.	<p>○ NOT ACHIEVED ERM reported a breach to the United Kingdom Information Commissioners Office in July 2023.</p>

Performance against FY24 targets, continued



CLIMATE, NATURE & SOCIAL CHALLENGES

FY24 target	Performance
Increase sales supporting the low-carbon economy transition by 20% over FY23.	<p>ACHIEVED Client demand to support their transition to a low-carbon economy sees continued growth in sales for ERM.</p>
Remain on track to meet SBTi targets.	<p>ACHIEVED We updated our SBTi targets which have been validated by SBTi to align with the Net-Zero Standard and we remain on track to meet these.</p>
Finalize and implement ERM's updated decarbonization, nature, social and supplier engagement programs.	<p>ACHIEVED Our updated Climate, Nature, Human Rights and Sustainable Supply Chain strategies have been published alongside this report.</p>



IMPACT & INFLUENCE

FY24 target	Performance
Contribute 1% of prior year profits to support sustainability initiatives globally.	<p>ACHIEVED More than 1% of prior year profits contributed.</p>
Publish initial Impact Report.	<p>ACHIEVED Impact data is incorporated within this report in preparation for CSRD reporting.</p>



GOVERNANCE & ACCOUNTABILITY

FY24 target	Performance
Formalize quarterly reporting of ESG/Sustainability metrics to the Board.	<p>ACHIEVED Quarterly reporting of ESG performance to Board, formalized and operational.</p>
100% of eligible full-time employees complete Contribution Statements.	<p>ACHIEVED 100% of all permanent employees received a contribution statement which was completed as part of their annual performance review.</p>
Implement refreshed enterprise risk management approach.	<p>ACHIEVED Our updated enterprise risk management register was implemented, alongside enhanced risk management protocols including enhanced due diligence procedures.</p>

Progress towards longer-term goals

Based on our FY22 materiality assessment, we launched a set of longer-term goals to be achieved by the end of FY26. These multi-year goals are reviewed annually and modified only if they are no longer relevant or due to data source changes.

Material topic	Longer-term goal	Performance	
		Year 1 (FY23)	Year 2 (FY24)
People	Achieve workforce growth to meet client needs.	●	○
	Achieve year-on-year improvement in learning effectiveness.	●	●
	Maintain net engagement score about industry average.	●	○
	Achieve year-on-year improvement in ERM's total wellbeing metrics.	●	●
	Achieve DEIB goals.	●	●
Digital innovation	Deliver roadmap for digital enablement of core service offerings.	●	●
	No reportable breaches of privacy regulations.	●	○
Climate, nature & social challenges	40% of total revenue from projects supporting the low-carbon economy transition.	●	●
	Remain on track to deliver SBTi targets (Scope 1, 2 and 3).	●	●
	Implement a roadmap for nature-positive action.	●	●
	100% of ERM's offset projects have demonstrated livelihood benefits.	●	●
Impact & influence	Outperform industry benchmarks for thought leadership.	●	●
	Quantify and report on sustainability impacts across all elements of ERM's business.	●	●
	Contribute 1% of prior year profits to support sustainability initiatives globally, with a minimum of 0.5% to ERM Foundation grants.	●	●
Governance & accountability	Increase transparency of Board ESG metrics.	●	●
	Integrate ESG criteria into performance management system for all line managers.	●	●
	Assess all clients and projects in alignment with ERM's purpose.	●	●
	Maintain leadership position for sustainability and ESG reporting requirements in all jurisdictions in which we operate.	●	●

- Key
- On track
 - Not on track

Outcome of our double materiality assessment







Based on analysis from our double materiality assessment process, we identified six key material topics for our business, these comprising:

- **Governance:** Including business conduct, leadership and accountability, risk management and digital ethics.
- **People:** Including talent development, diversity, equity, inclusion and belonging, health and safety and wellbeing.
- **Human rights:** The respect and promotion of human rights, including addressing the risk of modern slavery.
- **Climate:** Addressing climate-related risks and opportunities, including our transition to net-zero.
- **Nature:** Focusing on the management of nature-related risks and opportunities.
- **Supply chain:** Addressing the operation and sustainability performance of our suppliers.

Our list of material topics is consistent with those previously included in our Sustainability Report 2023 but reflects the terminology and presentation of topics set out in the ESRS. As per previous years, based on the review and approval of functional leads, the Executive Committee and the Board, we have established targets to support the management of our material topics during the course of FY25 and in fulfilment of our longer-term FY26 goals.



Photo credit: Nico Vermylen, Belgium

FY24 Material topic*	FY25 Material topic	Aligned to ESRS	FY25 target
Governance & accountability	 Governance	ESRS G1 ESRS S2 ESRS S3 ESRS S4	<ul style="list-style-type: none"> • Deliver quarterly reporting of Sustainability metrics to the Board ESG Risk and Sustainability Committee • Undertake 3 ESG risk country-level due diligence assessments • Achieve 100% of Key Accounts assessed against ERM's sustainably transparent assessment of risk and reward (STARR) process • Develop 3 additional societal impact measures and hold impact conversations with 100% of Key Accounts • Achieve no reportable breaches of data privacy
People	 People	ESRS S1 ESRS S2 ESRS S3	<ul style="list-style-type: none"> • Implement 'Security to Thrive' Program • Increase participation in ERG groups by 10% from FY24 • Achieve combined voluntary and involuntary turnover rates below FY24 • Improve talent brand as measured by brand awareness metrics • Increase representation of women and minorities at Partner and Director levels from FY24
Climate, nature & social challenges	 Climate	ESRS E1 ESRS E2	<ul style="list-style-type: none"> • Remain on track to meet SBTi targets for Scope 1, 2 and 3 • Engage top tier of suppliers on decarbonization
	 Nature	ESRS E2 ESRS E3 ESRS E4	<ul style="list-style-type: none"> • Publish Taskforce for Nature-related Financial Disclosure report • Engage top tier of suppliers on nature
	 Human rights	ESRS S1 ESRS S2 ESRS S3 ESRS S4	<ul style="list-style-type: none"> • Ensure no unpaid workers, no material and unpremeditated pay equity issues • Engage top tier spend of suppliers on human rights
	 Supply chain	ESRS S2	<ul style="list-style-type: none"> • Expand sustainable supply chain governance program across top tier spend of suppliers

*Digital innovation and Impact and influence are no longer standalone material topics. From FY25, they are both part of Governance.

Governance



Why this topic is material for ERM

Governance controls the functioning of our company, supports the delivery of our purpose and our strategy and ensures checks and balances across our operations. Good governance relies on strong accountability structures throughout our strategic and operational leadership, including clear performance metrics and transparent reporting.

As with previous years, Governance remains a key material topic in terms of the delivery of our own operations but also in respect of the contribution that our governance and leadership can make to responsible business. Included within this topic is an overview of our leadership structure and accountability, approach to enterprise risk management and digital governance.

[Learn more here](#) →



Photo credit: ERM

People



Why this topic is material for ERM

At ERM, our people are at the heart of everything we do. Our people form a global network of specialists whose work with our clients and collaborations with wider stakeholders form the basis of our business. We take pride in our strong community, united by our shared purpose and the impact of our work. We support and learn from each other, creating an inclusive and cooperative space that respects every individual and empowers all to thrive.

Under the framework of people management, we address three key material topics for our business: attracting, retaining and nurturing talent, promoting diversity, equity, inclusion and belonging, and ensuring the health, safety and wellbeing of our employees.

[Learn more here](#) →

Sustainability is
our business

For our clients

For our people

For our investors

For the planet and society



Photo credit: ERM

Human Rights



Why this topic is material for ERM

The respect and promotion of human rights is of fundamental importance to ERM and is at the core of our purpose. It informs all aspects of our operations, including whom we employ and, how we manage our people, where we work and our selection of commercial opportunities, the services we provide to clients and our supply chain and the organizations we partner with.

Since our initial materiality assessment in 2012, ERM has integrated consideration of human rights into our core material topics. In FY24, we have made the respect and promotion of human rights a standalone material topic after detailed consideration of the impact that human rights has on us as a business and the impact we can generate through our value chain.

[Learn more here](#) →



Photo credit: Thien Nguyen, Vietnam

Climate



Why this topic is material for ERM

ERM leverages our technical and business capabilities to help clients navigate the challenges of transitioning to a low-carbon economy. These challenges affect every organization, including ERM and require a thorough understanding and assessment of the risks and opportunities which climate change poses to business operations and how to adapt accordingly.

As with previous years, climate remains one of our most material topics, reflecting the impact we can generate through decarbonizing our own operations, supporting our clients to do the same, and the contribution we make through working in partnership with organizations to support wider societal efforts to move towards a net-zero future.

[Learn more here](#) →

Photo credit: Uswah Aziz, Canada

Nature



Why this topic is material for ERM

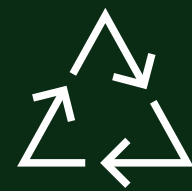
With six of the nine planetary boundaries now exceeded, the importance of halting and reversing biodiversity loss by 2030, as set out in the Global Biodiversity Framework, could not be greater. According to United Nations estimates, 2.3 billion people now live in water-stressed countries and climate change is making water scarcity worse, with socio-economically disadvantaged and marginalized sections of society most impacted. The inter-related challenge of protecting nature, addressing climate change and protecting human rights is critical to our sustainable future.

The responsible management of nature has always informed our consideration of material risks and opportunities. In recognition of the importance of managing nature-related risks and opportunities to our own operations and the importance ascribed to this by our clients and wider stakeholders, we have elevated nature to become a standalone material topic.

[Learn more here](#) →

Photo credit Alma Chen, Hong Kong

Supply Chain



Why this topic is material for ERM

The nature of ERM's business as a professional services company means that we subcontract services to support the delivery of our work and procure goods and services to support our operations. Our supply chain is diverse, spanning the breadth of our global offices and countries within which we deliver our services.

In line with our purpose, we seek to work with those organizations who share our values and commitment to shape a sustainable future. ERM like many companies, is engaging our supply chain to support the delivery of our sustainability operational programs such as decarbonization, reflecting the key role which it assumes in delivery of our strategy and targets.

While the issue of supply chain has informed our material topics, this year we have decided to make supply chain a standalone key material topic, in recognition of the increasing importance it assumes for us as a business, and to our stakeholders.

[Learn more here](#) →



Photo credit: Liza Acevedo, Colombia



Sustainability is our business