



ERM SUSTAINABILITY REPORT 2023

# The time is now

EXECUTIVE SUMMARY



Sustainability is our business



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This is the Executive Summary of ERM's 2023 Sustainability Report. To view the complete report, follow [this link](#).

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# CEO message

At ERM,  
sustainability  
is our business.

As the world's largest pure play sustainability consultancy, we know that the greatest impact we can have on the world is through the work we do for our clients. Many organizations have now made commitments, set targets and articulated their sustainability strategies. But that's when the hard work really starts. And that's where ERM is ideally placed to help companies deliver on the ground. We partner with clients to help them operationalize sustainability at pace and scale, through our unique combination of strategic transformation and technical delivery capabilities.

The impact we have stems from the passion of our 8,000+ diverse professionals. I am constantly amazed by the talents and achievements of our people, who together help us deliver the change we want to see in the world.

Harnessing their talents and the wider capabilities that exist within the sustainability ecosystem is essential given the scale of the challenges we face as a society. That's why it is so exciting to see how ERM is

collaborating to shift the needle on progress, for example by establishing a partnership with leading organizations including Salesforce to help organizations achieve net-zero emissions, joining the Make it Mandatory campaign alongside 400 business and finance institutions at the United Nations Biodiversity Conference of the Parties (COP15) and supporting the launch of the Business Commission to Tackle Inequality (BCTI) flagship report on tackling inequality.



Tom Reichert, Group CEO, ERM

Partnership is a central element to how we work with our clients, run our business and increase our positive impact on society. Over the last 12 months, together with our clients we have installed over 160 gigawatts of renewable energy capacity, and remediated 279 hectares of land to beneficial use.

We have increased project sales helping clients transition to a lower-carbon economy by 34% from the previous year. And we have also made a number of new acquisitions that strengthen our capabilities across new energies, sustainability and digital solutions. NINT, Coho, Libryo, Shelton Group and MarineSpace all bring huge and unique expertise, and we are delighted they are all now part of the ERM family.

ERM is proud to be a Global Reporting Initiative (GRI) Community member. As highlighted in this Sustainability Report 2023, we strongly support the Sustainable Development Goals (SDGs).

ERM endorses the United Nations Guiding Principles on Business and Human Rights and supports the principles contained within the Declaration of Human Rights, the Task Force for Climate-related Financial Disclosures (TCFD), Principles for Responsible Investment (PRI), Women's Empowerment Principles, and other internationally recognized standards and initiatives.

There is a significant amount of work that goes into the development of this report, showcasing the impact that our people have had over the last 12 months as we deliver on our purpose of shaping a sustainable future with the world's leading organizations. I would like to thank everyone involved in this process and across ERM for the impact they have every day.

**Tom Reichert**  
Group CEO, ERM



**Read the translation of the CEO message in [French](#), [Japanese](#), [Korean](#), [Mandarin](#), [Portuguese](#) and [Spanish](#).**

**The time is now**  
to shape a more  
sustainable future.

Photo credit: ERM



# About us

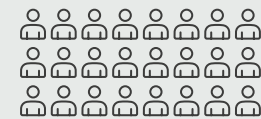
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The sustainability challenges facing the world are unprecedented. ERM exists to be part of the solution, combining our strategic and technical capabilities to help transform businesses and make a real impact in the world – at a time when it is most needed.

## Key statistics

**23,000** PROJECTS WORKED ON IN FY23 

**8,000+** EMPLOYEES



**1,200+** EMPLOYEE PROMOTIONS

**\$1 billion+** ANNUAL REVENUE 

**152** COUNTRIES where we worked on projects

**3,000+** CLIENTS 

# Who we are

At ERM, our unique purpose sets us apart: we exist to shape a sustainable future with the world’s leading organizations.

“**Shape**” means we are actively influencing, collaborating and co-creating; “a **sustainable future**” has been defined through the United Nations Sustainable Development Goals (SDGs); and “with the **world’s leading organizations**” inspires collaboration with our clients and society’s most prominent change-makers alike in order to make a difference through our work.

As the largest global pure play sustainability consultancy, we partner with the world’s leading organizations, creating innovative solutions to sustainability challenges and unlocking commercial opportunities that meet the needs of today while preserving opportunity for future generations.

What we do matters in the world. Whether we are in client-facing, technical or enabling roles, everything we do starts with our unique purpose. Our diverse team of world-class experts supports clients across the breadth of their organizations to operationalize sustainability, combining strategic transformation and technical delivery capabilities. Numerous industry benchmarks attest to our market leadership, and the majority of our work is sole-sourced, reflecting the trusted partnerships we build with our clients.



**Our beliefs** unite and guide us every day towards impact and value for our clients and the people and planet that we serve.

These beliefs set a bar around who we are and how we operate, reflecting and inspiring us to be the best we can be, every day. With our purpose as our guiding star, our beliefs guide our actions day to day.

# Our value chain

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.

ERM's value chain encompasses the business activities across the life cycle of our services:

- We work with partners and suppliers who augment and increase the impact we can have on the world through serving our clients more effectively.
- We engage thousands of contractors who provide specialized expertise, from construction and heavy equipment operators to local and Indigenous natural and social scientists.
- We purchase or lease equipment, materials, travel services and office space.



# Our impact

ERM's impact on sustainability is driven by:

- Our work with clients
- Our own operations
- Our collaborations and partnerships

The case studies throughout this report bring to life each of these areas of impact.

## Our work with clients

ERM partners with clients to operationalize sustainability at pace and scale, through our unique combination of strategic transformation and technical delivery capabilities.

As outlined in the [ERM perspective](#) section, businesses today are facing many challenges that continue to grow in complexity and scale. Within this context, business is under pressure to drive profitable annual growth while at the same time integrating sustainability into their strategy and operations.

Business and the finance sector have set many commitments and targets around sustainability in

recent years – the challenge is how to deliver on these. The pace and scale of business transformation needed requires integrated implementation across the whole business. Leaders in all functions and operations are now required to deliver on a company's sustainability agenda – and many tell us they need support to innovate, collaborate and accelerate their work programs.

With more than 50 years' experience of helping companies meet the evolving landscape, ERM continues to partner with organizations as they operationalize sustainability. We work across industries, including: energy; chemical and pharmaceutical; finance; technology, media and telecommunications; mining and metals; manufacturing; and other important industries.

Our breadth of [services](#) supports our clients across the business life cycle and at all levels of the organization. We bring an unrivaled depth of technical capability as our professionals collaborate, share knowledge and problem solve together in [technical communities](#), which foster leading talent and capability, service innovation and play a significant role in delivering our business strategy.

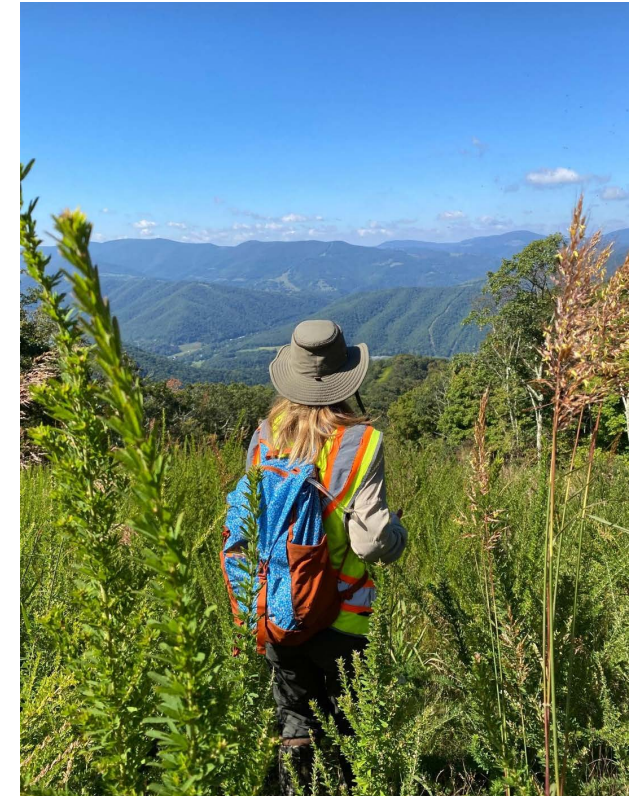


Photo credit: Autumn Dunn, United States



### Our own operations

ERM's comprehensive approach to sustainability is embedded in our corporate strategy, which includes our own approach to operationalizing sustainability. Through our materiality assessment, we determine the material topics for our organization that are then integrated into our enterprise risk management approach. Further details of this can be found [here](#).

We are committed to taking a leadership position through “walking the talk” in our own business. Learn more about our [commitments](#).

### Our collaborations and partnerships

ERM has a unique opportunity and responsibility to leverage our technical expertise and business acumen to shape a more sustainable world. We recognize the importance of collaborating with other leading organizations to address the societal challenges of our time.

Innovation is at the core of ERM's ability to make a difference in the world. Whether leveraging technology to help meet sustainability challenges or collaborating with business and nongovernmental organizations to develop new tools and approaches, ERM partners and innovates with others. We are building an ecosystem of like-minded organizations to co-create solutions capable of addressing the urgency needed to accelerate progress to a sustainable future.

We lead conversations on key issues through the [SustainAbility Institute by ERM](#), second our experts into important initiatives and actively engage in building the skills and expertise of professionals in their membership associations. We are also deeply involved in developing the standards, tools, guidelines and best practices required to develop alignment in measurement, verification, reporting and disclosure. [The ERM Foundation](#) enables ERM and our employees to provide funding and professional support for nonprofit organizations and social enterprises that share our commitment to creating a more sustainable and equitable world.

The time is now  
to deliver impact  
at pace and scale.

[Learn more in the Impact & influence section of the report →](#)



# Operationalizing sustainability



ERM's sustainability program is an overarching framework that enables us to deliver on our ambition and commitments. It is integral to our long-term business strategy and drives continual improvement as we address the sustainability challenges of our time. Our **Sustainability Policy** and **Sustainability Approach** articulate our commitments to sustainability.

The contents of this Sustainability Report 2023 reflect the relevance of sustainable development to ERM and our strategy for contributing to sustainable development.

## Corporate strategy

ERM's strategy is centered on delivering our purpose by measuring and advancing our impact, delivering the breadth of ERM offerings to support clients across their business and innovating with our clients. As a people-focused organization, we will shape the current and next generation of sustainability leaders – driven by passion and leading with confidence.

As we grow and respond to market need, we will focus on long-term value creation and delivering returns for shareholders. To sustain this growth, we need to scale our platforms, systems and internal structures – from health and safety to tech enablement, risk management, and acquisitions and integrations.

**The time is now**  
to deliver on our  
commitments.



## Highlight: Our company growth



Acquisitions are an important element of our growth strategy, bringing new capabilities, scale and expertise to our company, as well as fresh ideas and perspectives that drive innovation.

In FY23, we welcomed the following companies:

**NINT:** A consultancy in Latin America focused on sustainable finance and ESG advisory for financial institutions, corporations, civil society and public sector organizations. Acquired February 2023.

**Coho:** A global climate advisor based in the United States dedicated to helping clients navigate complexity and take ambitious steps on their climate journey. Acquired February 2023.

**Libryo:** A software company based in the United Kingdom whose automated, cloud-based platform helps organizations know the law that applies to their business, in every jurisdiction. Acquired December 2022.

**Shelton Group:** A leading marketing communications agency based in the United States that focuses exclusively on sustainability. Acquired September 2022.

**MarineSpace:** A leading marine environment consultancy in the United Kingdom that advises clients on their largest and most complex marine development projects. Acquired July 2022.

For more information, visit [www.erm.com](http://www.erm.com).

## Sustainability governance

ERM's Board of Directors (Board) oversees the sustainability performance, targets and goals of the ERM business and our attainment of ESG standards. The Board has established the ESG Risk and Sustainability Steering Group as an advisory group to the ERM Board.

A working group of ERM's Executive Committee provides strategic leadership on sustainability and reports to the full Executive Committee, then via the Group CEO to ERM's Board. Working group members include the Global Leader of Sustainability and Risk, our Chief People Officer, the Regional CEO for Latin America and the Caribbean, and the Regional CEO for North America, with facilitation by the Global Sustainability Director and involvement of the Head of Group Transformation.

For selected sustainability targets, performance is considered in determining senior management annual performance targets and bonuses. The performance of our overall sustainability program is included in bonus considerations for our Global Leader of Sustainability and Risk, who also serves on ERM's Executive Committee, ESG Risk and

Sustainability Steering Group and the Board. In addition, the Executive Committee leaders accountable for material topics, including diversity, equity, inclusion and belonging (DEIB) and wellbeing; health and safety; risk management; service innovation and digital enablement; data protection and cybersecurity; commercial strategy; and business conduct and ethics, have specific targets and bonus considerations.

Given the complexity and speed of changing reporting and disclosure requirements, we established a Sustainability/ESG Reporting Working Group of senior leaders and subject matter experts to provide feedback and insights on our materiality assessment, integration with our enterprise risk management framework, our reporting process and our evolving approach to sustainability/ESG governance, strategy and implementation.

At this time, we use the term ESG to describe the ESG risks to ERM and sustainability as a broader term that includes ERM's impact on the world as set out in our **Sustainability Policy** and **Approach**.

Further details can be found in the **Governance** section of the report.

## Our sustainability governance model

### Board of Directors & Board steering committee

- Determine strategic responses to ESG, sustainability & related risk topics
- Review & approve enterprise risk management & materiality assessment results
- Evaluate performance results
- Approve sustainability-related policies

### Senior leaders

- Operational leaders: responsible for sustainability performance & adherence to organizational policies & program priorities
- Selected senior leaders: accountable for specific elements of sustainability performance & regulatory requirements

### Executive committee & Executive committee working group

- Lead strategic decision-making, materiality assessment & material topics
- Set strategy, targets & goals, programmatic priorities & resourcing
- Monitor progress in meeting targets & goals

### Sustainability Network members

- Support Regional CEO & Business Unit Managing Partners on developing & implementing Sustainability Action Plans
- Lead local sustainability initiatives & provide input to global sustainability program

## Sustainability Network

At ERM, we know that employee engagement is crucial for successfully implementing our sustainability program. Our program is supported by a voluntary Sustainability Network of more than 260 employees across the world.

The network mirrors our operational organization with representatives at regional, business unit (BU) and office levels.

Members of the network are drawn from all ERM employees to ensure that as many diverse perspectives as possible are included, and this in turn strengthens ownership of outcomes. The Sustainability Network helps drive improvements in our sustainability performance and embeds sustainability into the way we operate as a business.

Key areas of focus for the Sustainability Network include:

- **Engagement:** Engaging employees in programs that connect them to the business of sustainability and drive internal performance. Examples include Global Goals Week and International Coastal Cleanup, Low-Carbon Learning Series and Earth Day.
- **Performance:** Contributing to the development of each country or BU Sustainability Action Plans (SAP) to help ERM meet our public commitments on sustainability and identifying local priorities that feed into each SAP.
- **Reporting:** Supporting the collection of sustainability data for internal and external reporting for our Sustainability Report.



Photo credit: ERM Taiwan



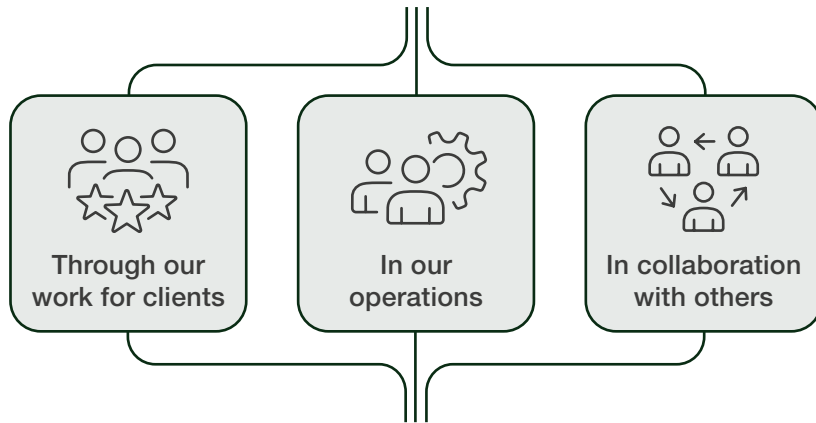
Photo credit: Isotta Bernabei, Italy

# Supporting the SDGs

The United Nations adopted the Sustainable Development Goals (SDGs) in September 2015, designed to end poverty, fight inequality and injustice, and tackle climate change by 2030. Reaching these goals will take everyone's contribution, including governments, civil society and businesses.



We contribute to the SDGs in three ways:



**Through our work for clients:** We use the SDGs to help our clients develop and implement their strategy for contributing to sustainable development. To meet growing client demand, we continue to strengthen our capabilities in this area through acquisitions and ongoing engagement with our account and technical teams. We also conduct research and publish insights that are of interest to our clients.

**In our operations:** ERM strives to operate sustainably in support of the SDGs. We have adopted several policies and programs that directly contribute to them, as do our sustainability targets and goals. Of particular note, we have adopted ambitious net-zero and science-based targets for greenhouse gas (GHG) emissions. In addition, the ERM Foundation is committed to making a measurable contribution to the SDGs, and we have identified 10 intersecting SDGs where the Foundation can have the greatest impact.

**In collaboration with others:** Through our partnerships with leading organizations, we are committed to making a meaningful contribution to the SDGs. ERM participates in SDG panels at leading conferences and convenes SDG workshops and webinars with companies across geographies and sectors, sharing our own experiences of contributing to the SDGs.

[Learn more in our SDG supplement →](#)



Photo credit: Blair Van Andel, Canada



# Year in review

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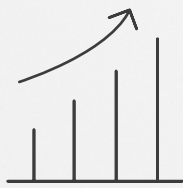
FY23 was a year of unprecedented growth for ERM. We are proud of our growing commitment to sustainability through our work with clients, our partnerships with leading organizations and the ERM Foundation and across our own operations and value chain.

ERM has made notable progress during FY23, and we aspire to achieve even more in the coming year and beyond because the time is now:

- For a world facing multiple challenges that are changing the dynamics of the sustainability agenda;
- For our clients striving to drive profitable revenue growth while simultaneously accelerating the integration of sustainability into their strategy and operations; and
- For ERM to continue to demonstrate the capabilities needed to make a real impact in the world at a time when it is most needed.

# FY23 highlights

## Working with clients



**34% increase**  
in **PROJECT SALES**  
helping clients transition to  
a **lower-carbon economy**

**279+**  
**HECTARES OF LAND**  
remediated for beneficial use



**5** **NEW ACQUISITIONS**  
strengthening capabilities across  
**new energies, sustainability**  
and **digital solutions**

## Across our operations

ON TRACK TO MEET  
**SCIENCE BASED TARGETS**  
aligned to  
**1.5 degrees**



INITIATED  
**4** **ERM FOUNDATION**  
**FUTURE FUND**  
**PARTNERSHIPS**



LAUNCHED  
**SUSTAINABLE CONNECTIONS,**  
a podcast connecting ambition to action



## Collaborating with others

SUPPORTED  
**PILOT FOR TASKFORCE**  
on **Nature-related Financial**  
**Disclosures (TNFD)** framework



CO-AUTHORED  
**CEO GUIDE**  
**TO VOLUNTARY**  
**CARBON MARKETS**

with  
**Natural**  
**Climate**  
**Solutions**  
**Alliance**

ESTABLISHED

**6** **COMMERCIAL**  
**PARTNERSHIPS**  
to create **innovative solutions**  
for sustainability challenges





# FY23 awards & recognition



In partnership with sales training experts Imparta, received **Gold level recognition from the Learning and Performance Institute's Learning Awards** for our Client Development Program, the third consecutive year in which we have been awarded gold by an external organization.

Recognized with **two Business Achievement Awards** in the Information Technology and Social Contribution categories of Environmental Business Journal's annual awards program.



**Top 10 performer** in *Reporting Matters*, the annual review of companies' sustainability and integrated reporting compiled by the World Business Council for Sustainable Development (WBCSD), for the 4th year in a row.



**Named as a leader** in Digital Environmental Health & Safety (EHS) Technology Implementation, in the **Verdantix Green Quadrant: Digital EHS Technology Implementation Services Report**.

Highly commended awards for the ESG Innovation Award and the **Net Zero Accelerator Award**, as part of Environment Analyst's inaugural 2022 **Sustainability Consulting Awards**.



**Number one position** in the Sustainability Services Top 10 report developed by analyst organization HFS Research.



Photo credit: Environment Analyst & ©TonyGallagherPhotography

ERM Consultant Isabella Kong recognized with the Rising Star Award as part of Environment Analyst's **Sustainability Consulting Awards** in July 2022.

ERM Consultant Archana Somasekharan was recognized with a highly commended award for the Rising Star Award.

In December 2022, ERM won the Technical Consultant - Specialist award at the 4th annual **IJInvestor Awards**, which celebrates the best funds, advisors, and merger and acquisition activity in the energy and infrastructure markets.



ERM's project on hydrogen transport from Scotland to the Netherlands won the Stronger Together award at the **Netherlands British Chamber of Commerce Awards 2023** in March 2023 with the support of a diverse, international consortium, including Axens, Chiyoda Corporation, EnQuest, Koole Terminals, Port of Rotterdam, The Scottish Government, Shetland Islands Council, Storegga, Peterhead Port Authority and the Net Zero Technology Centre.

# Targets & goals

Every year, we set companywide annual targets for each of the material topics identified through our materiality assessment. We also review our longer-term goals, which are an important element of our approach to sustainability.

We made notable progress in meeting our annual targets and longer-term goals.

The following pages provide a snapshot of ERM's performance against our FY23 annual targets. See our progress in achieving our **longer-term goals** and our **annual targets** for FY24.

## Performance against FY23 targets


### Climate, nature and livelihoods

FY23 target Results

#### Decarbonization

- Increase sales supporting the low-carbon economy transition by 40% over FY22.  Target partially met
- Remain on track to meet net-zero commitment and science-based targets of 80% reduction in Scopes 1 and 2 and 30% in Scope 3 emissions by 2025.  Target met

#### Nature & biodiversity

- Publish biodiversity policy.  Target met



#### Livelihoods & communities

- Integrate impact on society and communities into ERM's methodology for client decarbonization plans.  Target met
- Establish criteria to ensure positive livelihood benefits in offsets strategy.  Target met



### People

FY23 target Results


#### Talent development

- Achieve workforce growth to meet client needs.  Target met
- Develop methodology to measure learning effectiveness.  Target met

#### Wellbeing

- Achieve net engagement score above industry average.  Target met
- Establish a baseline for ERM's total wellbeing metrics.  Target met

#### DE&I


- Achieve regional DE&I annual targets.  Target partially met

## Performance against FY23 targets, continued





### Impact and influence

FY23 target	Results
<b>Thought leadership</b>	
<ul style="list-style-type: none"> <li>Increase engagement scores on The SustainAbility Institute social channels by 10%.</li> </ul>	 Target met
<b>Collaboration &amp; society</b>	
<ul style="list-style-type: none"> <li>Contribute 1% of prior year profits to support sustainability initiatives globally.</li> </ul>	 Target met
<b>Measurement</b>	
<ul style="list-style-type: none"> <li>Develop 3-year road map to enhance measurement of ERM's work with clients.</li> </ul>	 Target met
<ul style="list-style-type: none"> <li>Deploy client feedback approach across Key Client Program.</li> </ul>	 Target met



### Digital innovation

FY23 target	Results
<b>Digital enablement</b>	
<ul style="list-style-type: none"> <li>Finalize roadmap for digital enablement of core service offerings.</li> </ul>	 Target met
<b>Client privacy &amp; data security</b>	
<ul style="list-style-type: none"> <li>No reportable breaches of privacy regulations.</li> </ul>	 Target met



### Accountability

FY23 target	Results
<b>Strategic &amp; operational leadership</b>	
<ul style="list-style-type: none"> <li>Implement formal Board oversight of sustainability and ESG targets.</li> </ul>	 Target met
<ul style="list-style-type: none"> <li>Develop methodology for integrating ESG criteria into the Executive Committee and Partner performance management system.</li> </ul>	 Target met
<b>Client &amp; project selection</b>	
<ul style="list-style-type: none"> <li>Implement updated approach to client and project selection.</li> </ul>	 Target met
<b>Reporting &amp; disclosure</b>	
<ul style="list-style-type: none"> <li>Develop roadmap for early adoption of emerging standards for reporting.</li> </ul>	 Target met






## Progress towards longer-term goals

Based on the results of our FY22 materiality assessment, we launched a new set of longer-term goals, as reported in last year's Sustainability Report. These multiyear goals are reviewed annually and modified only if they are no longer relevant or due to data source changes.

As a result of our most recent review, we refined two climate and nature goals, as noted in the following table.

Unless otherwise noted, goals are to be achieved by the end of FY26.

### We are on track to achieve our longer-term goals.

Material topics	Longer-term goals
 <b>People</b> <a href="#">Learn more</a>	<ul style="list-style-type: none"> <li>• Achieve workforce growth to meet client needs.</li> <li>• Achieve year-on-year improvement in learning effectiveness.</li> <li>• Maintain net engagement score about industry average.</li> <li>• Achieve year-on-year improvement in ERM's total wellbeing metrics.</li> <li>• Achieve DEIB goals.</li> </ul>
 <b>Digital innovation</b> <a href="#">Learn more</a>	<ul style="list-style-type: none"> <li>• Deliver roadmap for digital enablement of core service offerings.</li> <li>• No reportable breaches of privacy regulations.</li> </ul>
 <b>Climate, nature &amp; social challenges</b> <a href="#">Learn more</a>	<ul style="list-style-type: none"> <li>• 40% of total revenue from projects supporting the low-carbon economy transition.</li> <li>• Remain on track to deliver SBTi targets (Scopes 1, 2 and 3).<sup>1</sup></li> <li>• Implement a roadmap for nature-positive action.<sup>2</sup></li> <li>• 100% of ERM's offset projects have demonstrated livelihoods benefits.</li> </ul>
 <b>Impact &amp; influence</b> <a href="#">Learn more</a>	<ul style="list-style-type: none"> <li>• Outperform industry benchmarks for thought leadership.</li> <li>• Quantify and report on sustainability impacts across all elements of ERM's business.</li> <li>• Contribute 1% of prior year profits to support sustainability initiatives globally, with a minimum of 0.5% to ERM Foundation grants.</li> </ul>
 <b>Governance &amp; accountability</b> <a href="#">Learn more</a>	<ul style="list-style-type: none"> <li>• Increase transparency of Board ESG metrics.</li> <li>• Integrate ESG criteria into performance management system for all line managers.</li> <li>• Assess all clients and projects in alignment with ERM's purpose.</li> <li>• Maintain leadership position for sustainability and ESG reporting requirements in all jurisdictions in which we operate.</li> </ul>

<sup>1</sup> Updated to align with SBTi changes.

<sup>2</sup> Updated to align with our biodiversity policy.



Photo credit: Alexis Marti, Canada

# Our material topics

The top sustainability issues identified through our materiality assessment are considered alongside enterprise-level risks, which in turn inform our strategy and strategic plans.

We continue to expand our approach to assessing materiality to take into consideration three different approaches for identifying our material topics:

1. We assessed the potential and actual impacts of ERM on the environment, economy and society (including human rights) and the substantive influence of these impacts on the assessments and decisions of stakeholders, as required under the GRI standards.
2. We considered how sustainability issues affect ERM's performance, position and development and our impact on people and the environment (i.e., double materiality) as defined under the proposed European Corporate Sustainability Reporting Directive (CSRD). Although we are not required to report under CSRD at this time, we considered double materiality in determining our material topics.
3. We also considered topics that are not as material to ERM today but could become material in the coming decade (i.e., dynamic materiality, as defined by the World Economic Forum).



Photo credit: Indradi Soemardjan, Singapore

This Sustainability Report 2023 was developed to meet the GRI Standards.

**The time is now**  
to focus on  
what's material.

Based on our materiality assessment, our Executive Committee and Board Steering Group agreed to the following material topics for FY24:

**People**, including talent development; diversity, equity, inclusion and belonging (DEIB); wellbeing; health and safety.

**Digital innovation**, including digital enablement; client data security and privacy; cybersecurity.

**Climate, nature and social challenges**, including decarbonization; nature, water and biodiversity; social impact and human rights.

**Impact and influence**, including thought leadership; partnerships; measurement; supply chain.






**Governance and accountability**, including strategic and operational leadership; client, project and partner selection; reporting and disclosure; ethical business conduct; risk management.

[Learn more about our materiality assessment →](#)

## FY24 targets

We set annual targets and longer-term goals for each of our material sustainability topics based on the review and approval of internal subject matter experts, the Executive Committee and our Board of Directors (Board). We will report on our progress in the ERM Sustainability Report 2024.

Please see our longer-term goals [here](#).

Material topics	FY24 targets
 <b>People</b> <a href="#">Learn more</a>	<ul style="list-style-type: none"> <li>• Achieve workforce growth and strengthen community within ERM to meet client needs and enhance our social impact.</li> <li>• Achieve year-on-year improvement in learning effectiveness.</li> <li>• Maintain net engagement score above industry average.</li> <li>• Achieve global DEIB annual targets.</li> </ul>
 <b>Digital innovation</b> <a href="#">Learn more</a>	<ul style="list-style-type: none"> <li>• Achieve annual targets for digital enablement of core service offerings.</li> <li>• No reportable breaches of privacy regulations.</li> </ul>
 <b>Climate, nature &amp; social challenges</b> <a href="#">Learn more</a>	<ul style="list-style-type: none"> <li>• Increase sales supporting the low-carbon economy transition by 20% over FY23.</li> <li>• Remain on track to meet SBTi targets.</li> <li>• Finalize and implement ERM's updated decarbonization, nature, social and supplier engagement programs.</li> </ul>
 <b>Impact &amp; influence</b> <a href="#">Learn more</a>	<ul style="list-style-type: none"> <li>• Contribute 1% of prior year profits to support sustainability initiatives globally.</li> <li>• Publish initial Impact Report.</li> </ul>
 <b>Governance &amp; accountability</b> <a href="#">Learn more</a>	<ul style="list-style-type: none"> <li>• Formalize quarterly reporting of ESG/sustainability metrics to the Board.</li> <li>• 100% of eligible full-time employees complete Contributions Statements.</li> <li>• Implement refreshed enterprise risk management approach.</li> </ul>



## SUSTAINABILITY REPORT 2023

# The time is now

## EXECUTIVE SUMMARY

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Sustainability is our business