



Climate Supplement and Related Disclosures

SUPPLEMENT: SUSTAINABILITY REPORT 2026

Introduction

This document comprises the Climate Supplement to [ERM's Sustainability Report 2026](#).

The pursuit of net-zero is fundamental to our purpose of shaping a sustainable future. As the world's largest advisory firm focused solely on sustainability, we understand both the magnitude of the climate crisis and our responsibility to help address it. In line with our support for the [Paris Agreement](#), we recognize the need for urgent, science-based action to limit global warming to 1.5°C.

As a professional services provider, our most material impact is the support we provide to clients seeking to decarbonize their own operations and value chain. Further information on our services and the impact this creates is included within this Supplement.

We are committed to incrementally decarbonizing our own operations, aligned with our Science Based Targets initiative (SBTi) targets, validated as aligned to the SBTi Corporate Net-Zero Standard. This forms a key program under the framework of 'sustainable operations' which is a material topic for the business.

This Supplement provides a comprehensive overview of ERM's strategic approach to decarbonization, our latest emissions data and progress against our SBTi emissions reductions targets.

ERM publishes a number of climate-related regulatory disclosures, which are collated within this Supplement, consistent with our commitment to be open and transparent with our stakeholders.

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Decarbonization of our own operations and supply chain

Summary of our FY26 emissions

We are committed to publishing our emissions data across Scope 1, 2, and material Scope 3 sources of emissions.

ERM’s Scope 1 sources of emissions arise from company-owned or leased cars that we use for business purposes, natural gas use and air conditioning losses within our offices. Our Scope 2 sources of emissions include office electricity, steam, and battery electric company cars. Our most material Scope 3 emissions within the boundary of our Science Based Targets initiative (SBTi) target arise from business travel in support of client delivery, employee commuting, and purchased goods and services.

Our FY26 greenhouse gas (GHG) emissions across our material Scope 1, 2, and 3 sources of emissions are listed in the table with commentary on our progress against our emissions reductions targets subsequently detailed in the remainder of this section. Our overall emissions for FY26 were just under 41,000 tons of carbon dioxide (tCO₂e) reflecting an overall reduction from FY25. We remain committed to incrementally reducing this further in line with our [Decarbonization Strategy 2024-2027](#).

Further information on each of these sources of emissions, including comparisons against our previous years’ emissions data, is detailed later in this Supplement.

ERM’s greenhouse gas (GHG) emissions across our material sources of emissions in FY26

Scope of GHG emissions	Total emissions (tCO ₂ e)
Scope 1 GHG emissions	867
Scope 2 GHG emissions (location-based) ¹	1,424
Scope 2 GHG emissions (market-based) ¹	73
Scope 3 GHG emissions Category 1 - Purchased goods and services	26,179
Scope 3 GHG emissions Category 2 - Capital goods	550
Scope 3 GHG emissions Category 3 - Fuel and energy-related activities	576
Scope 3 GHG emissions Category 6 - Business travel	8,065
Scope 3 GHG emissions Category 7 - Employee commuting	3,176
Total GHG emissions (location-based) ²	40,837
Total GHG emissions (market-based) ²	39,486

1 ‘Scope 2, Location-based’ and ‘Scope 2, Market-based’ are defined in the WRI/WBCSD GHG Protocol Scope 2 Guidance, 2015.

2 Transportation of subcontractors and goods purchased are included in Category 1. Emissions from ERM rented offices and leased vehicles are included in Scope 1 and 2. Therefore, Categories 4 and 8 have been determined as not applicable to ERM. All other Scope 3 categories have been assessed as not relevant to ERM.

Progress against our FY26 key performance indicators

During FY26, we made further progress in decarbonizing our internal operational footprint while continuing to enhance our understanding of emissions associated with our supply chain, in particular Scope 3 Category 1 (purchased goods and services). We remain on track to meet our SBTi targets across Scope 1, 2, and 3. Further detail on our FY26 emissions is provided throughout this Supplement.

Building on the detailed analysis of our top-tier suppliers undertaken in FY25, we launched the ERM Supplier Portal and implemented a structured supplier engagement program. This has strengthened our ability to collect consistent supplier data, improved the accuracy of emissions associated with our value chain, and enhanced our understanding of supplier sustainability ambitions.

We remain focused on identifying and capitalizing upon further opportunities to reduce our Scope 1, 2, and 3 emissions and retain our target of remaining on track to meet our SBTi targets for FY27. This will involve further engagement to understand how we deliver a program of decarbonization across our supplier base.

FY26 targets	Performance
Remain on track to meet SBTi targets for Scope 1, 2, and 3	ACHIEVED
Engage top-tier of suppliers on decarbonization to promote stronger climate governance and emissions reductions targets	ACHIEVED

FY27 targets

We are focused on identifying further opportunities to reduce our Scope 1, 2, and 3 emissions and retain our target of remaining on track to meet our SBTi targets for FY27. This will involve further engagement to understand how to best deliver a program of decarbonization across our supplier base.

- Remain on track to meet SBTi targets for Scope 1, 2, and 3

SBTi Net-Zero Standard targets



ERM remains on track to meet our SBTi targets aligned to the SBTi Corporate Net-Zero Standard and attainment of net-zero by 2040.

Overall net-zero target:

ERM commits to reach net-zero greenhouse gas emissions across the value chain by FY40.

Our near-term targets:

By 2028:

- Ensure that 45% of suppliers by emissions covering purchased goods and services will have science-based targets.

By 2030, we will:

- Reduce absolute Scope 1 and 2 GHG emissions by 50%.
- Achieve 100% annual sourcing of renewable electricity (currently at 99%).
- Reduce absolute Scope 3 GHG emissions from business travel and employee commuting by 42%.

Long-term targets:

By 2040, we will:

- Reduce absolute Scope 1 and 2 GHG emissions by 90%.
- Reduce absolute Scope 3 GHG emissions from purchased goods and services, business travel and employee commuting by 90%.

Both near-term and long-term targets are set against a FY20 base year.

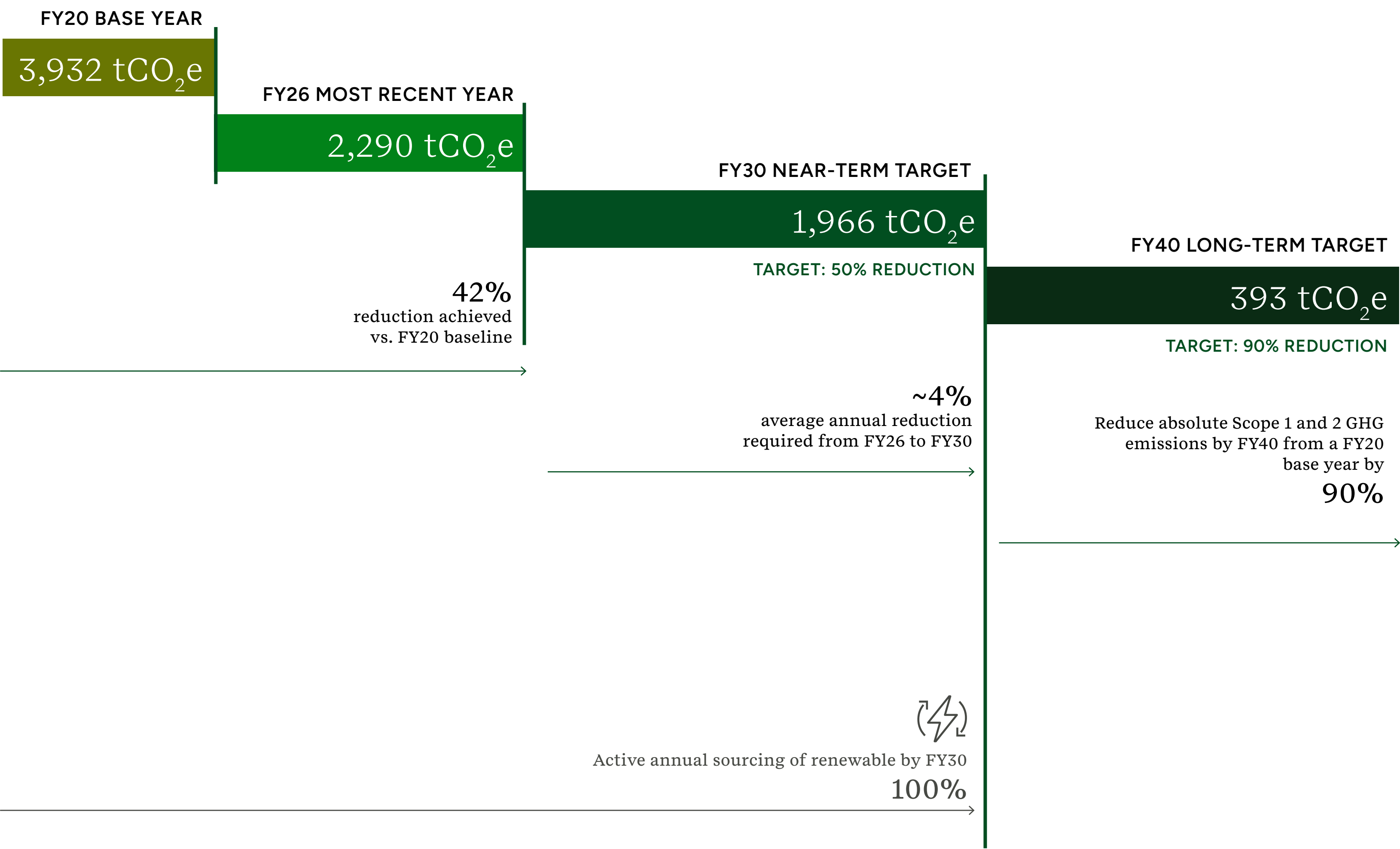
Performance against our SBTi-validated science-based targets

We are on track to meet our near- and long-term Scope 1 and 2 SBTi targets.

We have near and longer-term targets in place to reduce our Scope 1 and 2 emissions, in line with our delivery of net-zero by 2040.

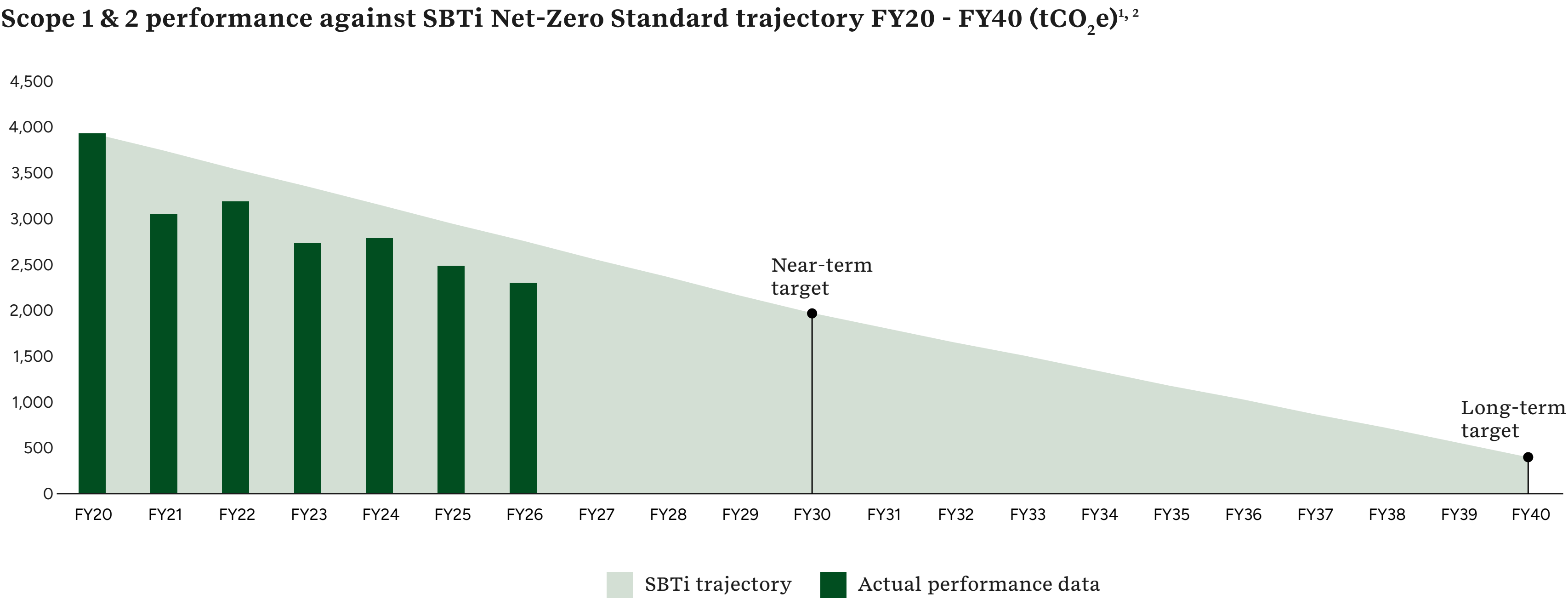
We have achieved a 42% reduction in Scope 1 and 2 emissions and are currently on track to meet our target of 50% reduction.

Building on this progress, we are continuing to drive reductions through fleet electrification, energy efficiency, and portfolio optimization as we progress towards our FY40 net-zero goals, aligned with our SBTi trajectory.



Scope 1 and 2 SBTi Net-Zero Standard trajectory

This graphic shows our actual performance against the SBTi Net-Zero Standard trajectory from FY20 to FY40. It incorporates emissions data through to FY26 and highlights our progress in reducing emissions in line with our 2040 net-zero goal.



1 ERM's near-term science-based target is to reduce absolute Scope 1 and 2 GHG emissions by 50% by FY30 from a FY20 base year. ERM's long-term science-based target is to reduce absolute Scope 1 and 2 GHG emissions by 90% by FY40 from a FY20 base year.

2 Our Scope 2 target is location-based. In addition to this, we are meeting our renewable energy target to increase active annual sourcing of renewable electricity from 99% in FY23 to 100% by FY30.

Scope 3 SBTi Net-Zero Standard trajectory

We have achieved our SBTi near-term target on Scope 3 and on track to meet our long-term targets

Our material Scope 3 emissions within the boundary of our SBTi target primarily arise from business travel in support of client delivery, employee commuting, and purchased goods and services.

We have both near- and long-term SBTi-validated targets in place for Scope 3 emissions.

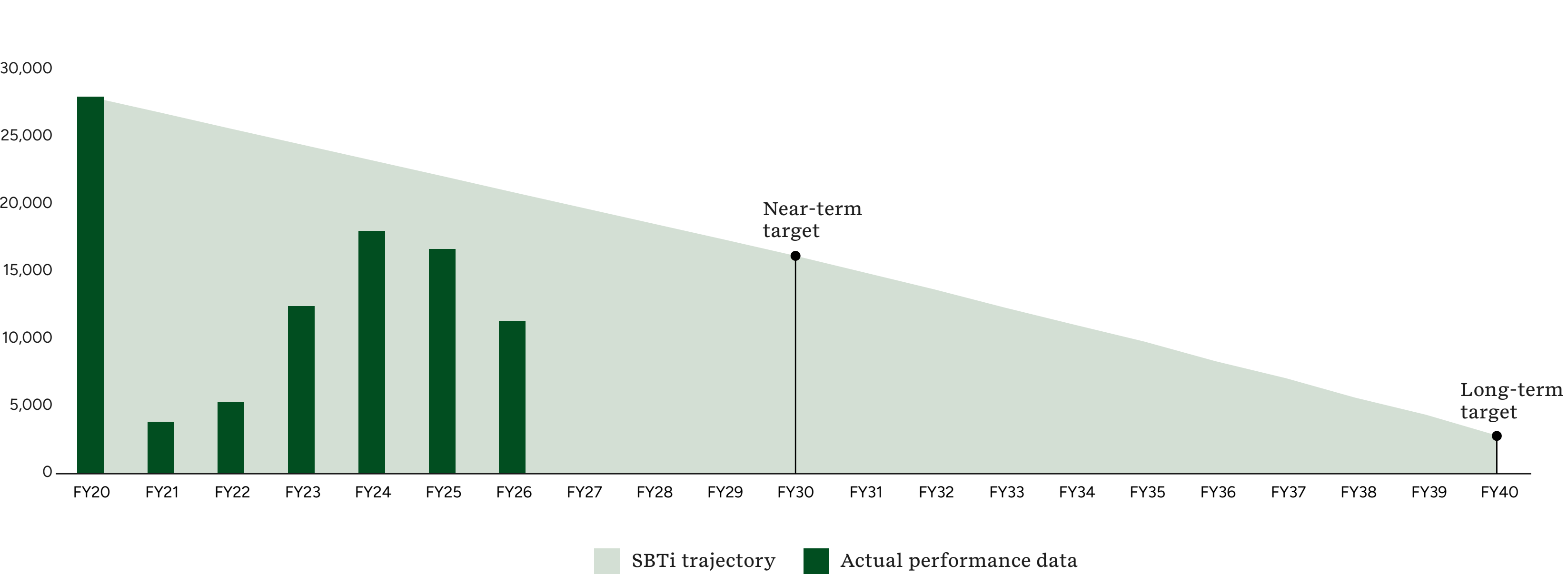
We have already achieved our near-term target of a 42% reduction in business travel and employee commuting emissions from our FY20 baseline, ahead of our FY30 target year. This positions us well and we are now building on this early progress to progress towards our longer-term net-zero targets, maintaining alignment with our SBTi trajectory.

The graphic shows our actual emissions performance against the SBTi Net-Zero Standard trajectory from FY20 to FY40. It reflects progress to date based on reported data through FY26 and illustrates how we are delivering measurable reductions in line with our net-zero commitment.

We continue to progress towards our SBTi Scope 3 engagement target

Engagement is continuing with our suppliers, working towards our SBTi target of ensuring that 45% of suppliers, by emissions covering purchased goods and services, have science-based targets by 2028.

Scope 3 performance against SBTi Net-Zero Standard trajectory FY20 - FY40 (tCO₂e)^{1, 2}



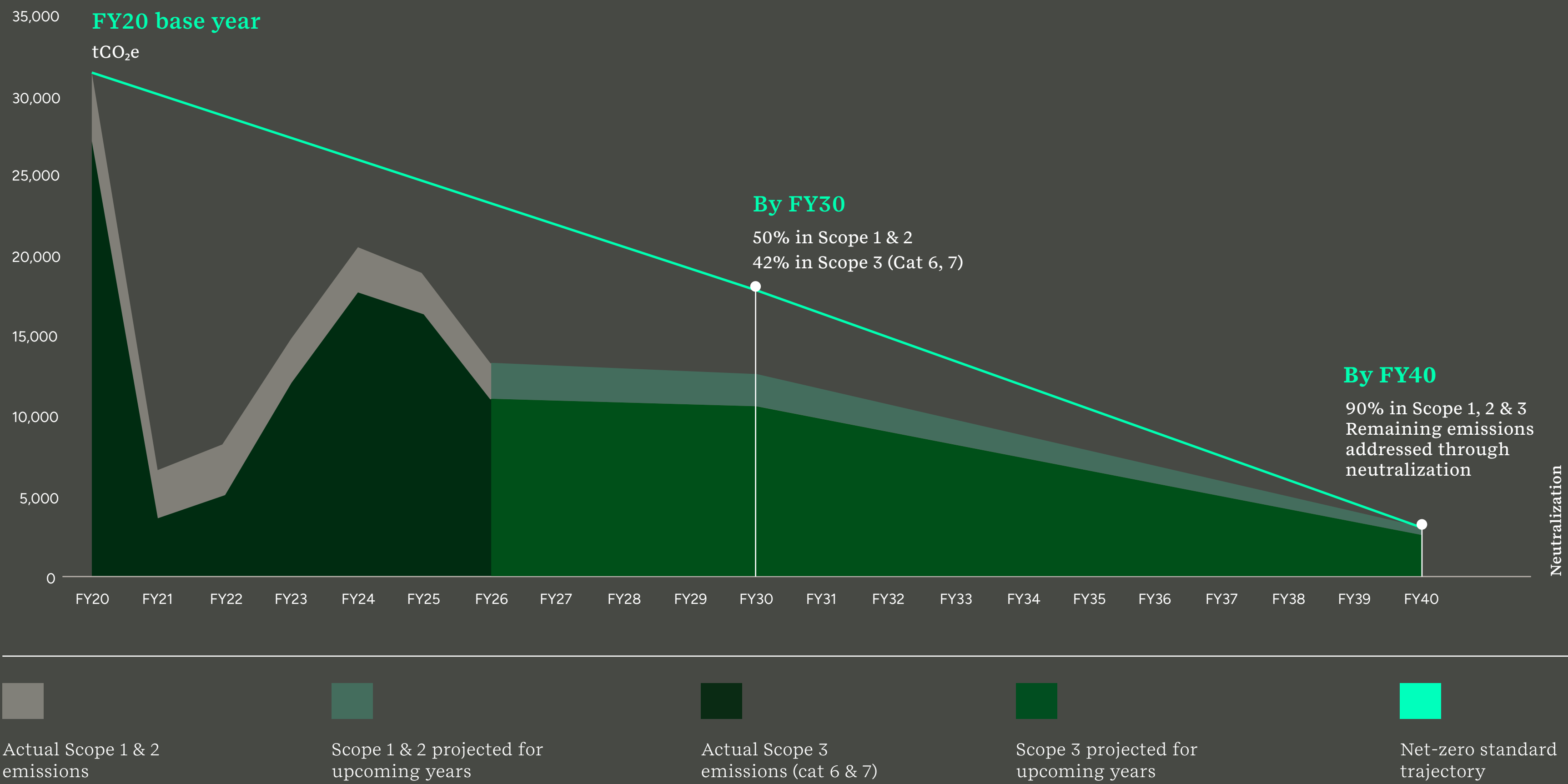
1 ERM's near-term science-based target is to reduce absolute Scope 3 GHG emissions from business travel and employee commuting 42% by FY30 from a FY20 base year. ERM's long-term science-based target is to reduce absolute Scope 3 GHG emissions from business travel, employee commuting and purchased goods and services 90% by FY40 from a FY20 base year.

2 In addition to the absolute targets, ERM has set a supplier engagement target that 45% of its suppliers by emissions covering purchased goods and services will have science-based targets by FY28.

Our pathway to net-zero

We have made progress in reducing absolute emissions, aligned with ERM’s decarbonization pathway to reach net-zero by 2040 under the Net-Zero Standard. The pathway has been updated to incorporate actual emissions data through FY26, reflecting progress against our targets. Future projections are based on expected operational trends and inform our ongoing approach to achieving net-zero by 2040.

ERM's decarbonization pathway to net-zero by 2040 aligned with the Net-Zero Standard

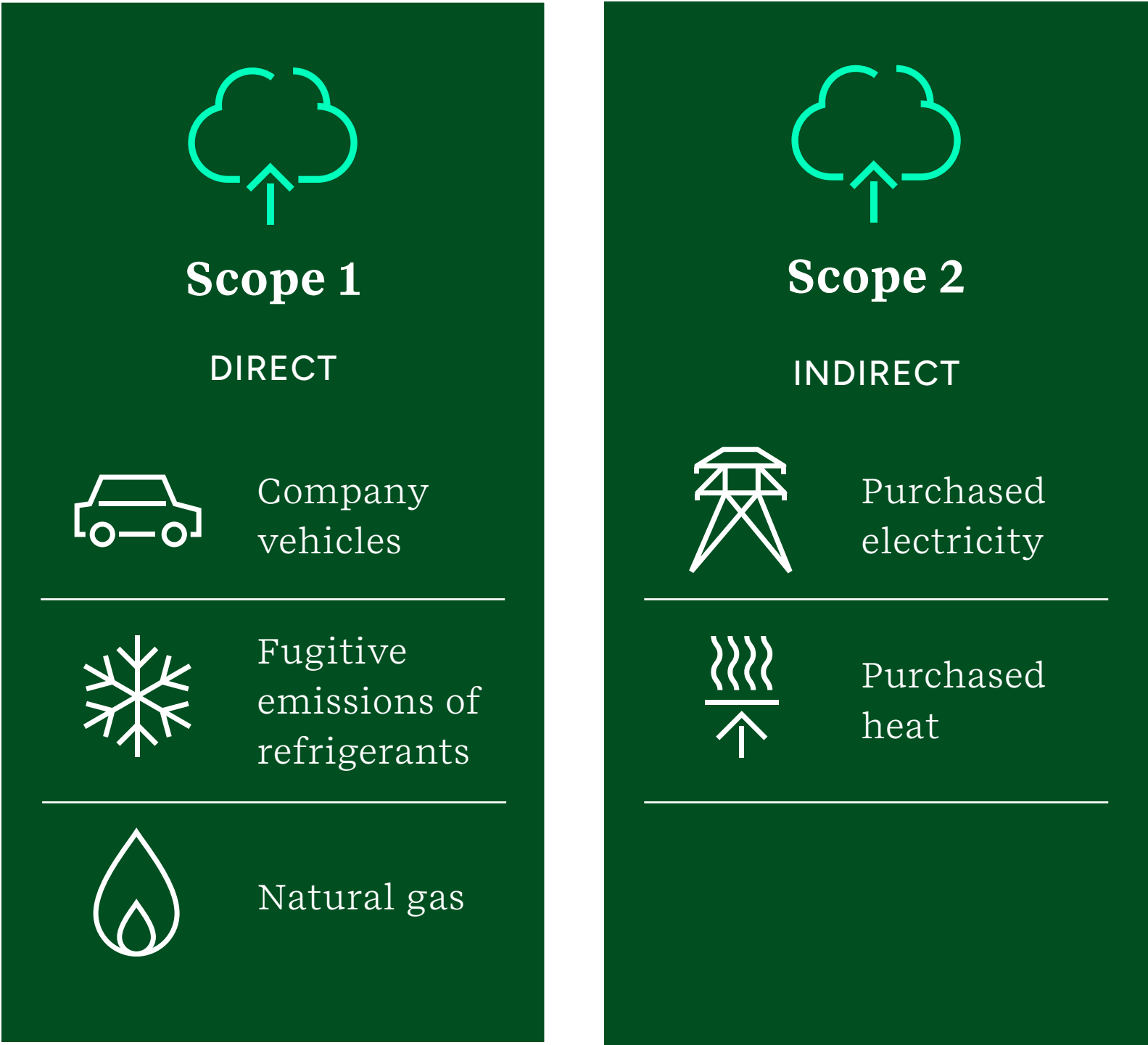


Note: This graphs shows our performance in absolute targets.

Detailed information on our Scope 1 and 2 emissions

The composition of our Scope 1 and 2 emissions sources and our FY26 performance are set out below.

Our Scope 1 & 2 emissions sources



Scope 1 & 2 emissions by category, FY20, FY24-26 (tCO₂e)

Scope	Category	FY20 Base year	FY24	FY25	FY26
Scope 1	Company cars	791	692	550	495
	Air conditioning	169	154	230	196
	Natural gas	390	191	244	175
	Scope 1 total	1,350	1,037	1,024	867
Scope 2	Office electricity (location-based)	2,436	1,624	1,353	1,351
	Steam	146	25	17	26
	Company cars (electric)	0	101	84	47
	Scope 2 total	2,582	1,750	1,454	1,424

Scope 1 emissions

Overall, our Scope 1 emissions decreased in FY26 when compared to FY25, reflecting our continued progress in reducing operational emissions. This was primarily driven by the phase-out of natural gas in several locations and ongoing efforts to decarbonize our fleet.

Company cars remain the largest contributor to Scope 1 emissions. However, emissions continue to decline as we transition towards lower-emission vehicles and reduce overall mileage. Fleet turnover, including the retirement of higher-emission vehicles and the addition of hybrid and electric alternatives, has supported this shift.

While progress is encouraging, we recognize there is more to be done. Our fleet is steadily transitioning toward electrification, supported by a further 10% reduction in company car emissions and with over half of our fleet now hybrid or electric. We are prioritizing fleet suppliers with access to renewable energy and charging infrastructure and will continue working closely with regional fleet managers to achieve 100% electric vehicles by FY40.

At the same time, we are reducing reliance on fossil fuels across our operations, with natural gas emissions decreasing by 28% due to office closures and moving to more energy-efficient spaces. Together, these actions position us strongly to deliver sustained Scope 1 reductions in the years ahead.

Scope 2 emissions

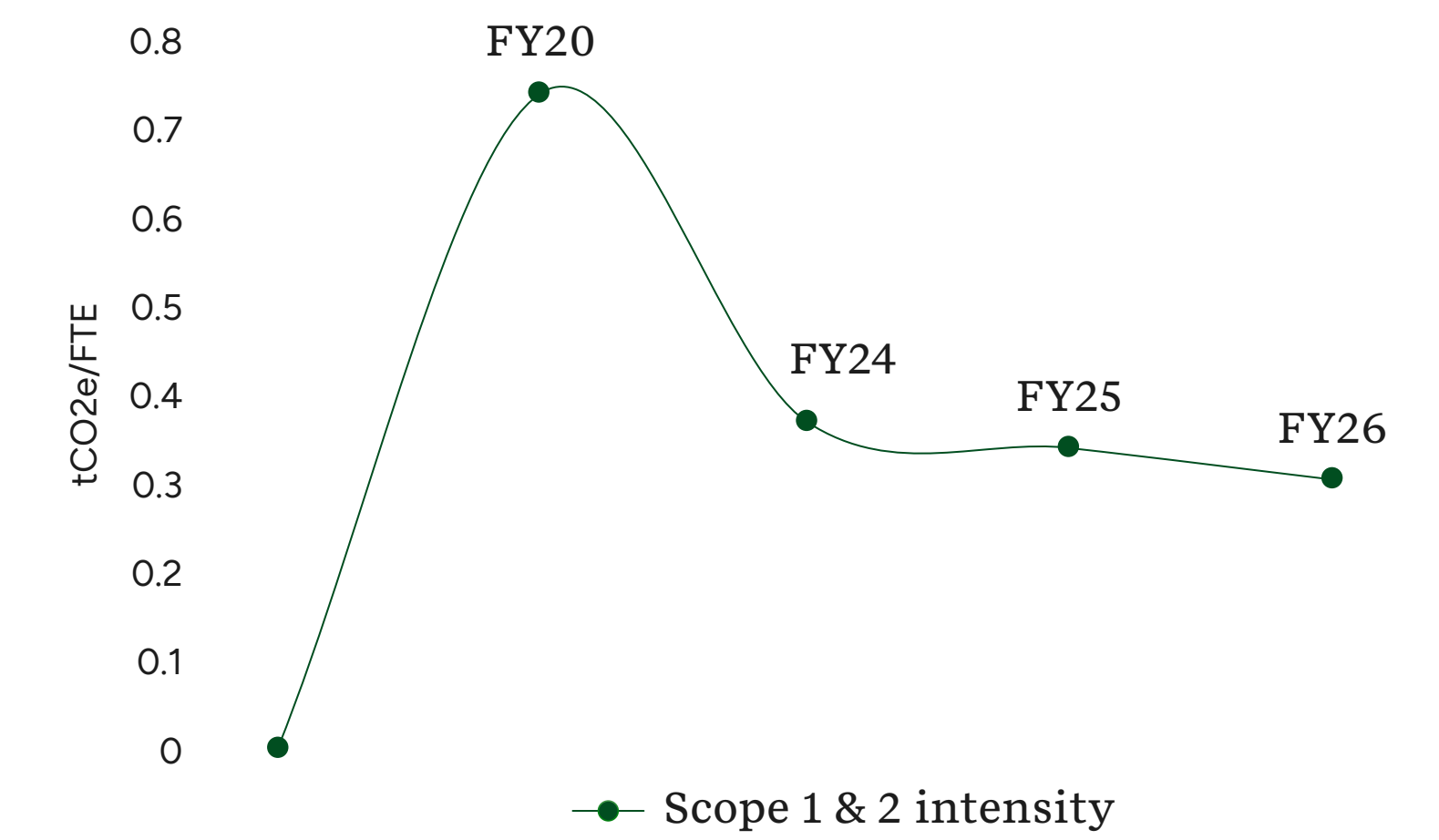
Since FY20, ERM has reduced location-based Scope 2 emissions by 45%, reflecting the combined impact of office portfolio optimization, energy efficiency improvements, and the ongoing decarbonization of electricity grids in the markets in which we are located.

From FY25 to FY26, location-based emissions decreased by 2% despite the integration of newly acquired offices with higher emissions profiles. This indicates early evidence of decoupling emissions from business growth.

Looking ahead, we will continue to embed low-carbon criteria into office selection, lease renewals, and offices that come with acquisitions of new companies to support continued reductions and alignment with our science-based targets and green buildings policy.

Scope 1 & 2 intensity per FTE and total emissions FY20, FY24-26^{1, 2}

GRI 305-4



Fiscal year	FY20	FY24	FY25	FY26
	Base year			
Total emissions (tCO ₂ e)	3,932	2,787	2,478	2,290

1 Scope 1 and 2 total emissions are presented in total tCO₂e and as intensity per full-time equivalent (FTE), normalized using the average number of FTEs for each fiscal year.

2 Emissions intensity is based on location-based Scope 2 emissions.

Scope 1 and 2 regional trends and drivers

Scope 1 emissions generally decreased across regions in FY26, reflecting continued progress in fleet decarbonization and reductions in fossil fuel use.

Our Scope 1 and Scope 2 emissions profile continues to vary across regions, driven by differences in operational activity, energy consumption, and changes in office footprint.

Europe, Middle East and Africa achieved a significant reduction across Scope 1 and 2, supported by fleet decarbonization and a transition to more energy efficient and lower-carbon office spaces. North America shows a mixed trend, with continued reductions in Scope 1 emissions and an increase in Scope 2 emissions, primarily due to the integration of offices from our recent acquisition of NewFields. This reflects the impact of portfolio expansion during the year. Asia, Australia and New Zealand remained broadly stable across both Scopes, with only minor increases in Scope 2 emissions. Latin America and the Caribbean experienced moderate increases in Scope 2 emissions alongside a slight reduction in Scope 1, reflecting changes in operational scale and office portfolio.

Overall, these regional trends indicate continued progress in reducing emissions from existing operations, alongside the integration of new offices and ongoing portfolio evolution. Scope 1 and 2 emissions from Group and Global Businesses remain immaterial and are included within regional totals.

Renewable electricity

Our SBTi target is to procure 100% renewable electricity globally by 2030 and we continue to source renewable electricity wherever local grids and building management make it viable. In FY26, ERM had market instruments in place for 100% of our global electricity portfolio.

In countries with emerging renewable energy markets, ERM procured out-of-market EACs to ensure full coverage. The procurement breakdown is as follows:

- 11% from direct supplier contracts
- 89% from Energy Attribute Certificates (EACs), including:
 - Renewable Energy Certificates (RECs)
 - International RECs (I-RECs)
 - Guarantees of Origin (GOs)

In FY26, we continued to prioritize our use of direct renewable energy through supplier contracts, while recognizing that availability remains limited due to market structure and the distribution of renewable generation assets. Direct procurement is most developed in Europe, where infrastructure and market mechanisms support this approach. In North America, Latin America, and Asia Pacific, direct supply options remain more constrained. As a result, renewable electricity in these regions is predominantly delivered through EACs.

For our FY26 renewable electricity procurement, we partnered with Coho, an ERM Group company that supports organizations in developing effective renewable energy strategies. We evaluated renewable electricity sourcing options based on global best practices, including industry standards for attribute tracking, technical criteria, and market boundaries. As a result, we prioritized sourcing from wind and solar projects certified by EKOenergy, a label that upholds high environmental standards and promotes renewable energy development in emerging markets.

Overall, 99% of our FY26 EACs were in-market, with the remaining 1% sourced from out-of-market regions. We continue to monitor the development of guidelines in these markets to align with our SBTi targets.

By aligning our procurement strategy with the highest standards, ERM ensures that our EACs maintain environmental and where applicable, social benefits, and support accurate Scope 2 accounting under the GHG Protocol’s market-based method.

Our Scope 3 emissions



Scope 3
INDIRECT



Business travel



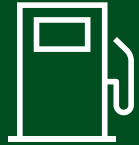
Employee commuting



Purchased goods and services



Capital goods



Fuel and energy related activities

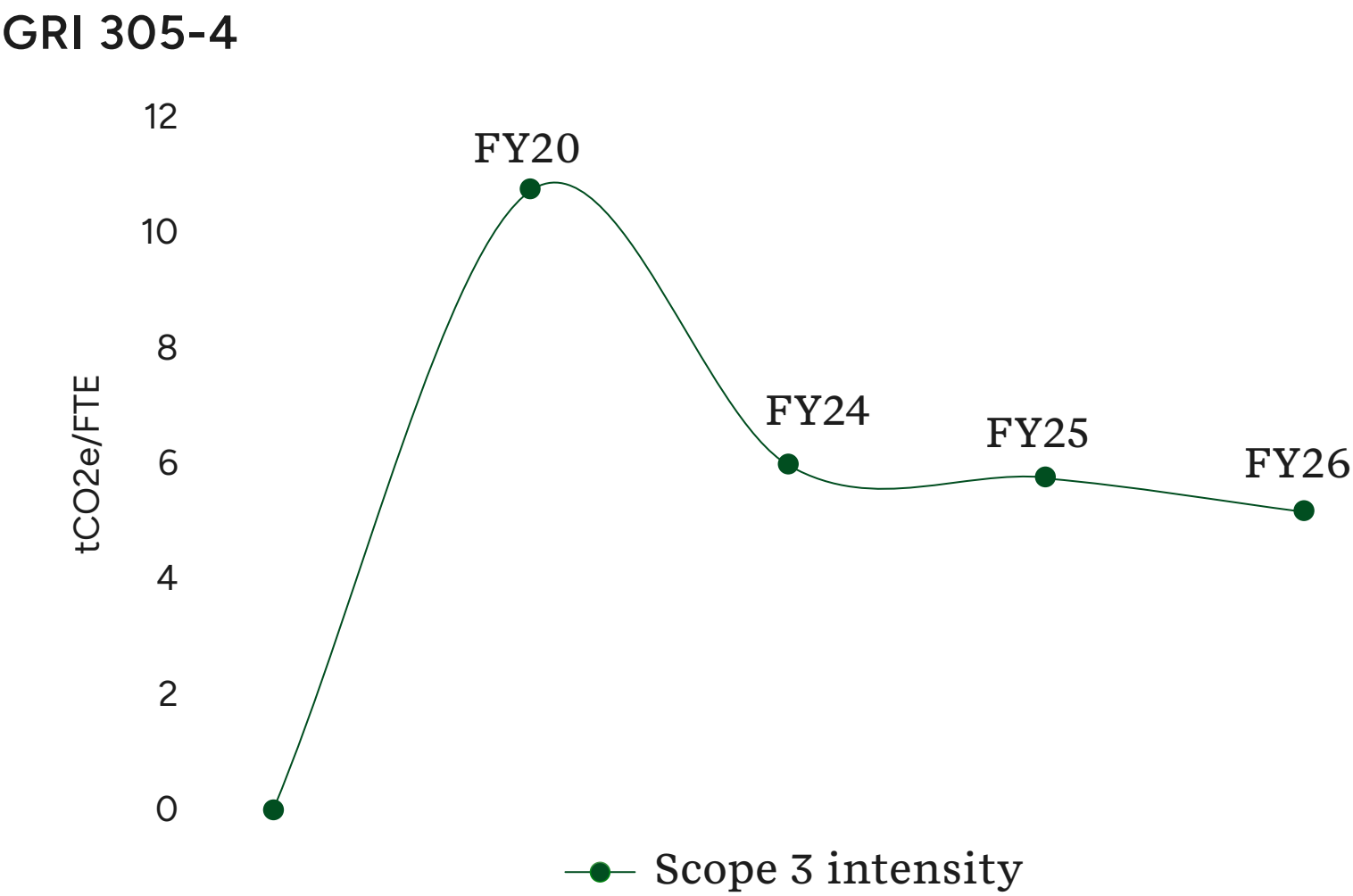
Scope 3 emissions represent the largest share of ERM’s carbon footprint, accounting for 94% of our total emissions, and are a key focus of our net-zero strategy. ERM’s Scope 3 emissions derive from business travel (Category 6), employee commuting (Category 7), purchased goods and services (Category 1), capital goods (Category 2) and fuel and energy-related activities (Category 3). Other categories of Scope 3 emissions are currently not material to our business.

Scope 3 Categories 6 and 7 (business travel and commuting) account for approximately 29% of our Scope 3 emissions in FY26. We have achieved a 60% reduction in absolute Scope 3 emissions from business travel and employee commuting compared to our FY20 base year, and a 32% reduction compared to FY25.

Business travel and employee commuting emissions showed more nuanced regional patterns. The rollout of ERM’s new global travel policy contributed to a decrease in internal travel emissions in several regions, with an ongoing focus on supporting the shift to more sustainable commuting patterns as a focus for FY26.

Our Scope 3 emissions for previous years have been restated following improvements to Category 1 (purchased goods and services) to spend boundaries and exclusion controls. These updates result in a more accurate representation of our emissions and materially impact previously reported trends, with total Scope 3 emissions now lower than previously disclosed.

Scope 3 intensity per FTE and total emissions FY20, FY24-26¹



Fiscal year	FY20	FY24	FY25	FY26
	Base year			
Total emissions (tCO ₂ e)	56,912	44,238	42,258	38,547

¹ Scope 3 GHG emissions normalized by average full-time equivalent employees (FTEs).

Scope 3 emissions by category FY20, FY24-26 (tCO₂e)^{1, 2, 3}

GRI 305-3

Category	FY20 Base year	FY24	FY25	FY26
Category 1 - Purchased goods and services	26,363	24,115	24,184	26,179
Category 2 - Capital goods	1,879	1,467	848	550
Category 3 - Fuel and energy related activities	850	716	685	576
Category 6 - Business travel	18,322	14,370	13,335	8,065
Category 7 - Employee commuting	9,499	3,570	3,206	3,176
Total	56,912	44,238	42,258	38,547

1 Our indirect Scope 3 emissions include upstream categories such as 1, 2, 3, 6 and 7. Refer <https://ghgprotocol.org/corporate-value-chain-scope-3-standard> to learn more.

2 ERM does not report Categories 4 and 8 as transportation of subcontractors and purchased goods are included in Category 1, and emissions from rented offices and leased vehicles are included in Scope 1 and 2; Category 5 is not reported as it is not considered material given the predominantly office-based nature of operations.

3 Scope 3 emissions for prior years have been restated following improvements to Category 1 (Purchased Goods and Services) to spend boundaries and exclusion controls. These updates result in a more accurate representation of emissions and materially impact previously reported trends, with total Scope 3 emissions now lower than previously disclosed.

Scope 3 Categories 1 and 2 (purchased goods and services; capital goods)

Scope 3 emissions for prior years have been restated following improvements to Category 1 (purchased goods and services) spend boundaries and exclusion controls. These updates provide a more accurate representation of emissions and materially impact previously reported trends, with total Scope 3 emissions now lower than previously disclosed.

Category 2 (capital goods) emissions, including IT equipment and office infrastructure, were not impacted by methodological updates. Emissions decreased significantly in FY26, mainly due to shifts in spend away from more emission-intensive categories, alongside a smaller impact from lower emission factors.

The largest single source of emissions, accounting for nearly two-thirds of our total footprint, is associated with our supply chain, primarily captured under Category 1 (purchased goods and services). Approximately 76% of emissions in this category relate to the use of subcontractors supporting project delivery.

During FY26, we refined our methodology used to calculate Category 1 emissions. Compared to FY25, reported emissions reflect enhanced data collection and improved clarity. These refinements were supported by the rollout of the ERM Supplier Portal and a structured supplier engagement program. The year-on-year increase also reflects higher underlying spending within this category.

Given the significance of supply chain emissions within our overall profile, Category 1 remains a key driver of our Scope 3 performance. While these improvements have strengthened data accuracy and visibility, overall, Scope 3 emissions have decreased year-on-year, driven by reductions in business travel, partially offset by higher Category 1 emissions.

During FY26, ERM expanded its supplier engagement program, with a focus on top-tier suppliers that contribute to the majority of ERM supply chain spend. A key priority was analyzing supplier-reported decarbonization data including targets, initiatives, metrics, and disclosure practices. The outcome of this work informs the next phase in our supplier engagement program and how we will seek to achieve our SBTi target to have 45% of suppliers by emissions covering purchased goods and services with science-based targets by 2028.

Scope 3 Category 3 (fuel and energy-related activities)

Starting in FY24, ERM began reporting Category 3 emissions covering fuel and energy-related activities not included in Scope 1 or Scope 2. These emissions capture upstream impacts associated with the production and distribution of energy consumed during the reporting year.

Representing approximately 1% of our total Scope 3 emissions, Category 3 emissions are not material but were included under limited assurance, reflecting our commitment to enhancing transparency and data integrity across value chain emissions.

Scope 3 Category 6 (business travel)

In FY25, ERM launched a new global travel policy to support our ambition to achieve net-zero by 2040 and set expectations for more sustainable business travel. The policy encourages employees to prioritize virtual engagement and lower-carbon travel options, supported by improved governance, integration with health and safety, and enhanced data systems.

In FY26, business travel emissions decreased significantly, continuing the downward trend observed since FY25. This reflects more purposeful travel choices, including a sustained reduction in long-haul flights, alongside improved visibility and control through the global rollout of our travel management platform. Updates to emission factors have also contributed to the reduction, in line with standard annual revisions.

Scope 3 Category 7 (employee commuting)

In FY25, ERM advanced its long-term strategy to reduce emissions from employee commuting by promoting hybrid working, sustainable office locations, and lower-carbon commuting options.

In FY26, emissions from employee commuting decreased slightly, reflecting changes in office locations and continued uptake of lower-impact travel modes. These outcomes are supported by ongoing employee engagement and targeted initiatives.

Looking ahead, ERM will roll out a new global employee commuting survey to further improve data quality and inform future actions.

Scope 3 Categories 6 and 7 (business travel; employee commuting) (tCO₂e)

Fiscal year	Business travel	Employee commuting
FY20 base year	18,322	9,499
FY24	14,370	3,570
FY25	13,335	3,206
FY26	8,065	3,176

Compensating for our residual emissions

Beyond value chain mitigation

ERM is committed to reducing Scope 1, 2, and 3 emissions under our Decarbonization Strategy, while also addressing residual emissions on the path to net-zero. We support climate action beyond our value chain, using the voluntary carbon market to scale finance for nature, communities, and innovation.

We have conducted a rigorous review of credit options with ERM’s Climate Markets Team, ensuring transparency and certification under the Verified Carbon Standard (VCS) and the Climate, Community and Biodiversity (CCB) Standard.

Following the review, ERM has continued our investment in the REDD+ Katingan Restoration and Conservation Project in Central Kalimantan, Indonesia for a third year. This initiative safeguards almost 150,000 hectares of tropical peat swamp forest, one of the largest remaining intact peatlands in the country. Peatlands store vast amounts of carbon both above and below ground. Without protection, these areas are at risk of being drained and cleared for industrial plantations, releasing substantial greenhouse gas emissions.

In FY26, ERM retired 1,100 carbon credits (2020 vintage) as part of its voluntary carbon strategy. This volume is broadly aligned with ERM’s Scope 1 emissions and residual Scope 2 emissions not addressed through market-based instruments.

In compliance with the California Voluntary Carbon Market Disclosures Act (Assembly Bill 1305), we have disclosed full details of our FY26 carbon credit project investment, which can be found on page 40 of this Supplement.

ERM is also a member of the Beyond Value Chain Mitigation (BVCM) working group of the World Business Council for Sustainable Development (WBCSD) and the Natural Climate Solutions Alliance (NCSA), committing to a high-integrity BVCM approach. These efforts reflect ERM’s long-term commitment to climate action, biodiversity and community resilience through credible carbon finance.

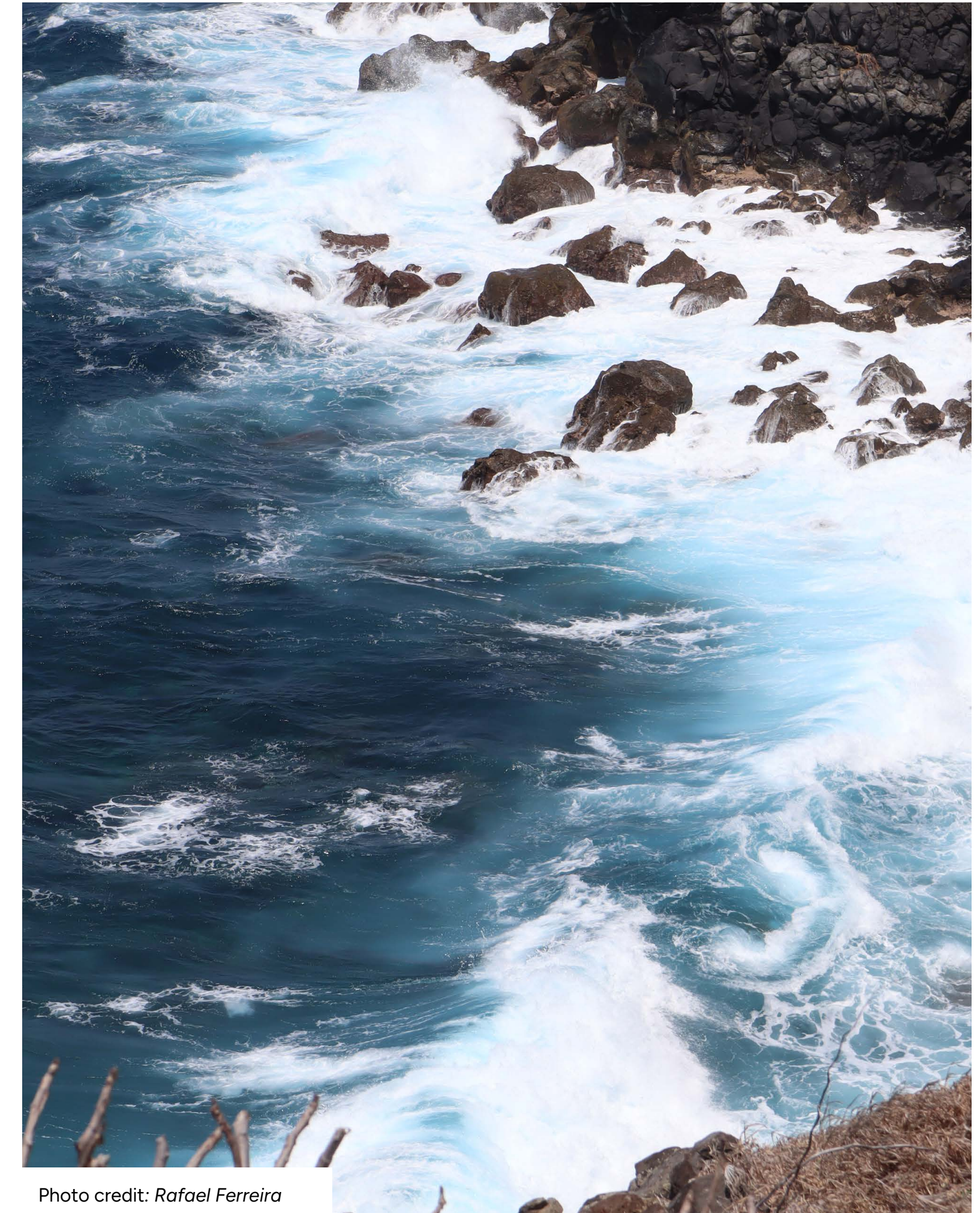
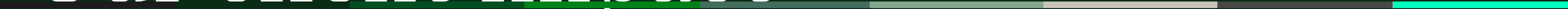


Photo credit: *Rafael Ferreira*

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Our client impact



Creating impact through our client services



Photo credit: Jennifer D Thompson

FY26 was the second year in which we tracked the impact area of every new project across ERM, facilitated through our Impact Tracker, which is integrated into our customer relationship management system and financial operating platform.

For every newly won project, our project leaders identify one or more impact areas the work is expected to support. These impact areas inform both ERM’s material topics and relevant global reporting frameworks and recognize that impact may arise through both our approach to project delivery and the client’s intended outcomes. Each year, we are strengthening our methodologies through working with our technical leaders and commercial teams, in order to build more robust data and insights.

Through our impact program we can accurately reflect the proportion of our client work which supports a key tenet of our purpose, the low-carbon economic transition. In FY26 we once again met our KPI of 40% of total revenue generated through such work, and we will retain this target for FY27.

We also met our second impact related KPI, the development of two new societal impact metrics to better understand where and how we deliver societal impact through our projects. We will build upon the development of these metrics to implement them across key service lines during FY27.

FY26 targets	Performance
Derive 40% of total revenue from projects supporting the low-carbon economy transition	ACHIEVED
Develop two new societal impact metrics in key service lines	ACHIEVED
FY27 targets	
Derive 40% of total revenue from projects supporting the low-carbon economy transition	
Roll out societal impact metrics across key service lines	

Contributing to the low-carbon economy transition



Photo credit: *Diego Fernandes*

Supporting the transition to a low-carbon economy is core to our purpose and we work with clients to facilitate their own transition, from initial assessment through to operationalizing their transformation strategies. This section focuses on the highlights of some of the key services we provide supporting the transition and the impact which this work has generated during FY26.

Increased impact

One of the key mechanisms we use to track the scale and impact of the services we have provided to clients in support of the low-carbon economy transition (LCET) is by measuring both the annual sales and net revenue of projects that contribute to the transition.

Our sales in LCET-related projects have increased by over 500% in the last six years, reflecting our sustained focus as a business, on supporting clients who seek a more sustainable future.

LINKED MATERIAL TOPICS:

Our purpose
and strategy

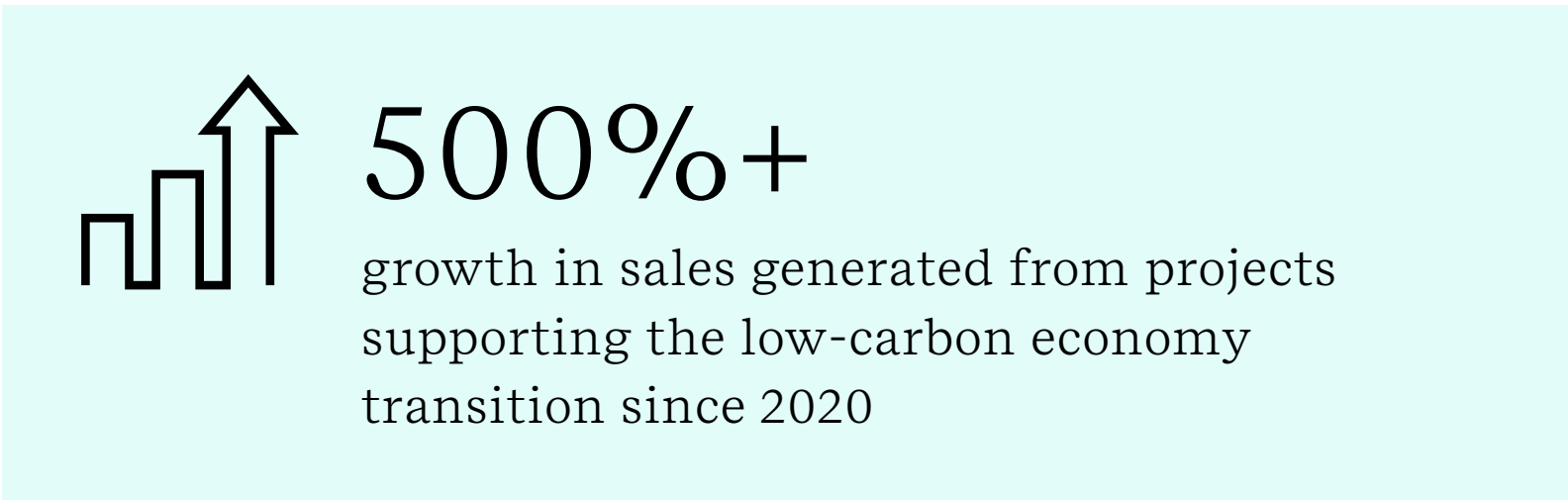
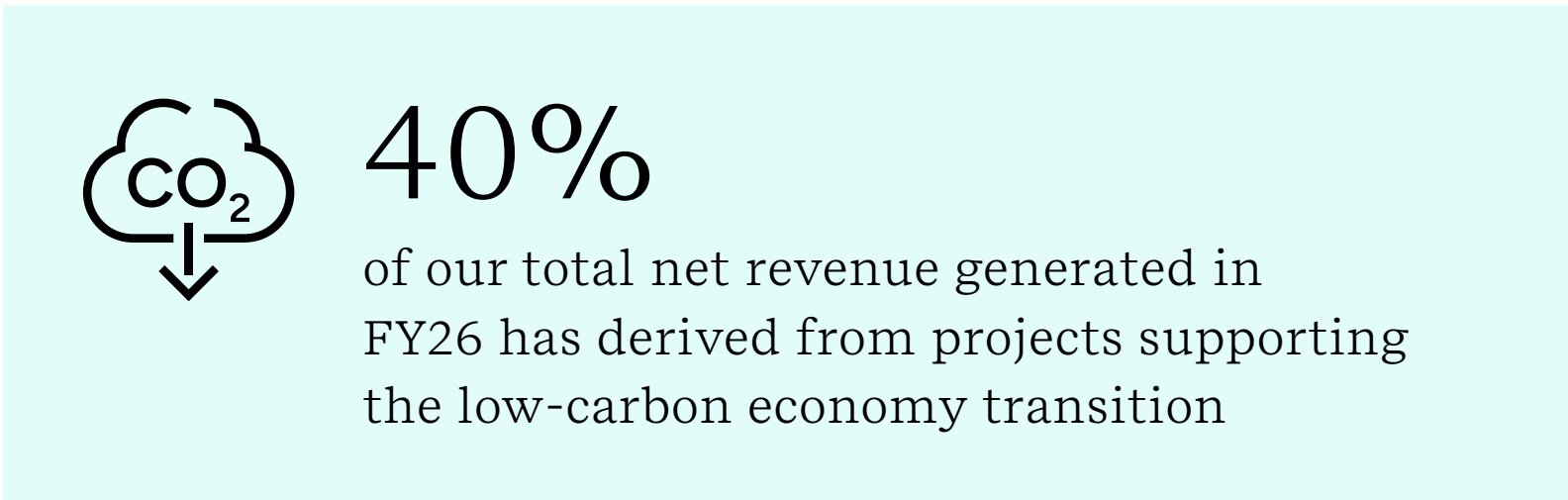
Sustainable
operations

Facilitating transactions to aid the LCET

As clients transition to a lower-carbon economy, they draw on all of ERM’s services. In FY26, as part of developing new indicators for key services we worked with our Mergers and Acquisitions service teams to analyze which announced transactions contributed to the LCET.

We piloted methodologies to assess the value of the deals we worked on that contributed to the transition to a lower-carbon economy and the proportion of our own transactions book for the past year. We will continue to develop these methodologies and analysis with a view to inclusion in the next report.

FY26 HIGHLIGHTS



Supporting renewable energy generation and access

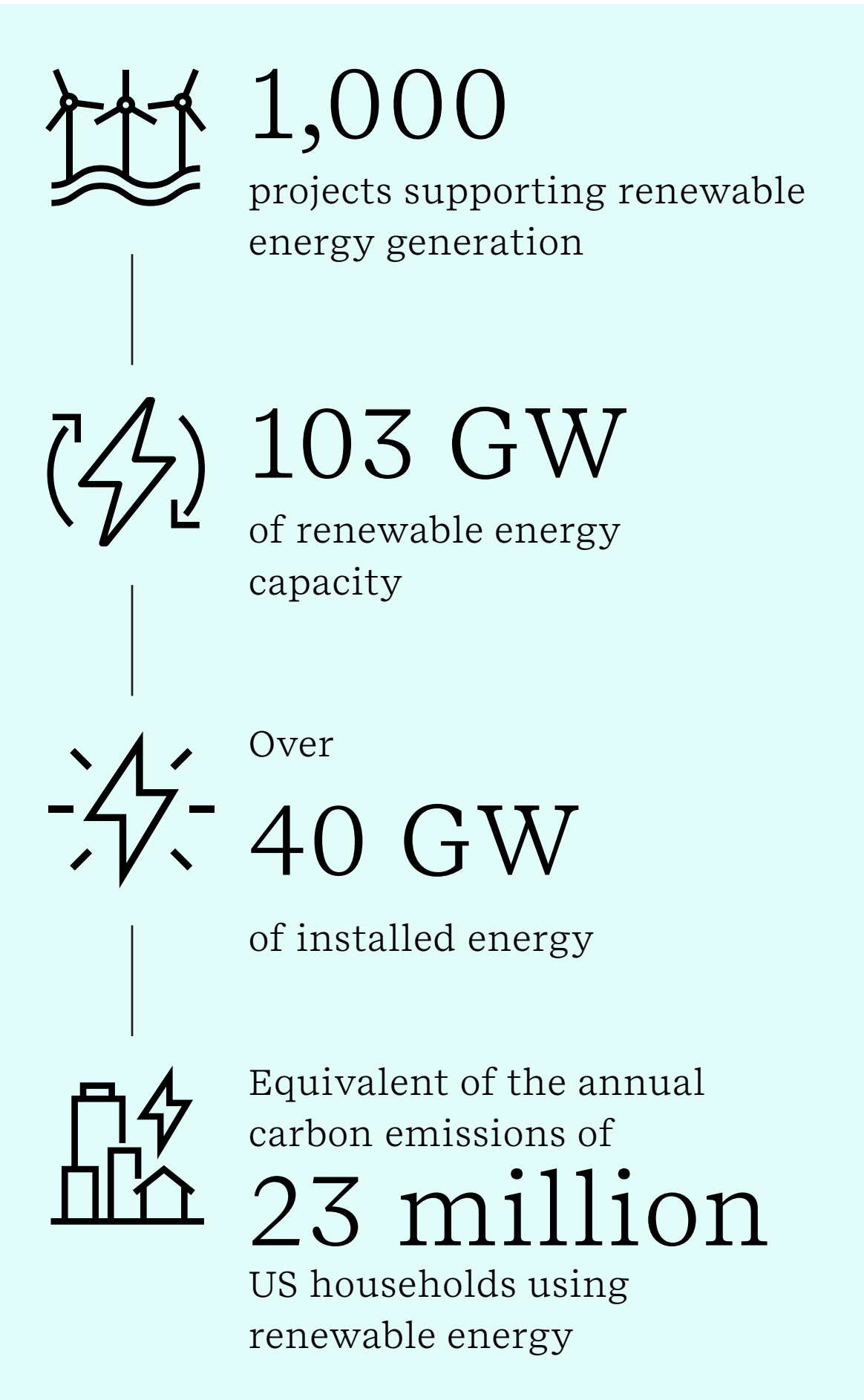
ERM has a long-standing history of supporting the generation of renewable energy and through our membership of various coalitions, we actively advocate for the adoption of the goal to triple renewable energy capacity to 11,000 gigawatts (GW), as agreed at the 28th United Nations Climate Change Conference of the Parties (COP28).

Five years ago, we began tracking our contribution to global renewable energy generation through our capital project service line. Recognizing the crucial role that energy storage plays in a renewable energy future, we also introduced dedicated tracking of the new energy storage capacity we support.

Against a backdrop of geopolitical and market headwinds for the renewable energy sector during FY26, we supported clients on renewable energy projects representing more than 100 GW of capacity and over 40 GW of installed energy storage.

During FY26, we have seen an increase in the actual number of projects that include energy storage as part of the overall development. The type of energy generation has changed in different markets reflecting the pause in offshore wind projects in some countries and ongoing strength in solar with battery systems.

FY26 HIGHLIGHTS



CASE STUDY

Supporting France's largest offshore wind project

ERM is supporting its client on the development of France’s largest renewable energy project, with a planned capacity of up to 1.5GW.

Our scope covers the preparation and delivery of the full administrative authorization dossier, including the Environmental Impact Assessment (EIA), Natura 2000 assessments, socio-economic studies and associated permitting documentation.

Working in close collaboration with specialist partners, ERM is coordinating multidisciplinary environmental, technical and social assessments, while ensuring compliance with national regulatory requirements. This work includes integrating complex offshore baseline data, stakeholder inputs and project design coordination considerations into a single, coherent submission.

A key feature of the project is the scale and complexity of the consenting processes for such a project, requiring robust methodologies and strong project integration. By enabling a comprehensive and timely permitting process, ERM is supporting the delivery of a flagship renewable project that will contribute significantly to France’s energy transition.

“ERM bring deep expertise in renewables permitting and environmental assessment, helping its client navigate complexity and move forward with confidence on this strategically important renewable project”

Pierre de Williencourt

Partner, ERM

Securing access to renewable energy



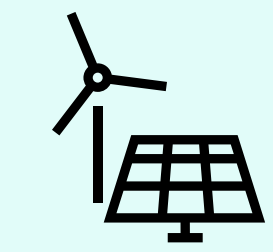
Photo credit: Weber Lai

ERM’s specialist Energy Markets team supports clients in securing long-term renewable energy supply through power purchase agreements (PPAs) and other contractual mechanisms. These agreements can help mitigate exposure to long-term price volatility while also sending an important demand signal to the market, supporting project financing and continued investment in renewable energy infrastructure. They can also support regional and rural communities where renewable energy projects are typically developed and operated.

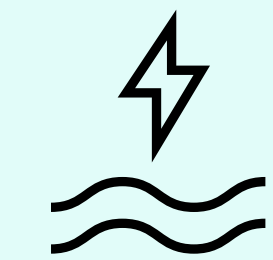
Following the inaugural year of data collection last year, in FY26 our team enabled clients to secure the supply of 890 MW of renewable energy, equivalent to the annual electricity use of more than 150,000 US households. There was a notable increase in the number of solar energy generation projects in FY26.

In addition, ERM teams supported the execution of contracts for new renewable energy projects that completed construction and began operating in FY26, with contracted capacity of 1,009 MW.

FY26 HIGHLIGHTS



Supported clients to secure the supply of **890MW** of renewable energy, equivalent to the annual electricity use of more than 150,000 US households



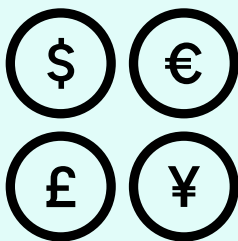
We supported **1,009MW** of contracted capacity through the execution of contracts for new renewable energy projects that became operational in FY26

Enabling corporate decarbonization

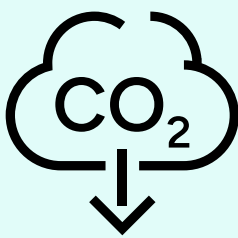
Reducing greenhouse gas emissions remains central to achieving the goals of the Paris Agreement, and companies have a critical role to play. The first step is understanding where emissions arise across operations and value chains, creating the basis for target setting, emissions reduction planning and implementation.

In FY25, we introduced a new measure to assess how we support clients in their decarbonization efforts. In FY26, we continued this approach, aggregating the outcomes from selected projects.

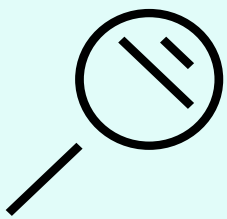
FY26 HIGHLIGHTS



Our clients reported the allocation of **\$4.2 billion** of capital investment to support emissions reduction opportunities¹



We enabled our clients to identify **1.2 million ktCO₂e** of emissions reduction opportunities²



We supported our clients to identify **2 million ktCO₂e** across Scope 1, 2 and 3 emissions³

¹Capital investment allocated by clients to deliver emissions reductions in line with identified decarbonization levers.

²ktCO₂e of emissions reduction opportunities identified, indicating the scale of potential decarbonization levers.

³ktCO₂e identified across Scope 1, 2 and 3 emissions inventories, creating transparency on clients' emissions baselines.

CASE STUDY

SEMI Global Executive Summit (GES)

Global semiconductor companies design, manufacture, and deliver the chips that underpin the infrastructure the world increasingly depends on for computing and AI. As demand for their products rises, so too does interest in strong sustainability performance and the operational and societal benefits it generates.

This interest is ushering in a new execution era for the semiconductor industry, one where decarbonization is no longer defined by ambition alone but by the ability to deliver measurable results at scale. This shift is complex and demanding.

In our work with companies across the semiconductor value chain, we see how difficult it is to align technology readiness, investment timelines, policy environments, and supply-chain realities while sustaining rapid growth.

Against this backdrop, ERM participated in the SEMI Global Executive Summit (GES) in Tokyo*, as a knowledge partner, helping frame discussions focused on turning ambition into execution. Over two days, 150 executives from the semiconductor ecosystem convened to

accelerate progress across four SEMI priority initiatives: Fab Upstream Materials, Clean Electricity, Gas Substitution, and Abatement.

The SEMI GES set a distinct tone from the outset. Rather than focusing primarily on challenges, the Summit reflected a shared sense of urgency and readiness to act, with participants prioritizing collaboration, execution, and ownership of decarbonization outcomes.

What distinguished the Summit was not a lack of realism about the challenge, but a shared willingness to engage with it directly, with continued collaboration through SEMI and the GES Executive Council to drive execution. As noted in its post-GES summary, participants reinforced the need to shift from exploration to execution and from company-specific efforts to collective action through the Summit’s priority initiatives.

Further insights from the Summit can be read at: [From Ambition to Execution: Semiconductor Decarbonization](#)

*15th & 16th December 2025

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Our wider disclosures

Climate-Related Financial Disclosure 2026

The information set out in this document has been produced in pursuance of the recommendations of the Taskforce on Climate-related Financial Disclosures (TCFD) and in fulfilment of the requirements for The Non-Financial and Sustainability Information Statement, as prescribed under The Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022, hereafter referred to as CFD.

The Non-Financial and Sustainability Information Statement is published in The ERM Group International Limited group financial statements/statutory accounts for the fiscal year ended 31 March 2026 and is published in its entirety within this Supplement.

Where information is provided in this Supplement consistent with CFD & TCFD requirements

Section of this Supplement	CFD Requirement	TCFD Pillar
Decarbonizing our own operations and FY26 performance data	Context information	Metrics and targets: disclose Scope 1, Scope 2, and if appropriate, Scope 3 greenhouse gas (GHG) emissions and related risks
Governance of climate-related risks and opportunities	Governance of climate-related financial risk and opportunities	Governance: organization’s governance around climate-related issues and opportunities
Our strategic approach to consideration of climate-related risk and opportunity	Description of how processes are integrated into overall risk management. Identification, assessment, and management of climate-related risks and opportunities	Risk management: how the organization identifies, assesses and manages climate-related risks
Our material climate-related risk and opportunity	Description of principal climate-related risks and opportunities arising in connection with the operations of the company and the relevant time periods; Impact of principle climate-related risks and opportunities on business model and strategy; Analysis of resilience of business model and strategy, taking into account different climate-related scenarios	Strategy: the actual and potential impacts of climate-related risks and opportunities on the organizations business, strategy and financial planning where such information is material
Monitoring our performance	Description of targets used to manage climate-related risks and climate-related opportunities and performance against those targets; KPIs used to assess progress against targets used to manage climate-related risks and realize climate-related opportunities and a description of the calculations which KPIs are based on	Metrics and targets: the metrics and targets used to assess and manage relevant climate-related risks and opportunities

Our governance of climate-related risks and opportunities

Structure

Responsibility for the consideration of climate-related risks and opportunities is embedded throughout our corporate governance structure. As a professional services business which delivers market leading climate-related and wider sustainability advisory services to clients, consideration of climate-related risks and opportunities comprehensively informs our strategic management and operational planning.

Board’s oversight of climate-related risks and opportunities

The Board of Directors of the Group parent company, The ERM International Group Limited, is responsible for the direction and oversight of the Group on behalf of its shareholders and is accountable to them, as owners, for all aspects of ERM’s business. Further information on the role of the Board is subsequently set out in this Statement. The Board meets six to eight times per year to review performance and consider key strategic growth plans, which includes the impact of climate-related risks and opportunities on ERM’s business strategy, such as our approach to accessing and capitalizing upon the market for energy transition-related services, as and when required.

Supporting the consideration of climate-related risks and opportunities is the Sustainability & Risk Steering Group, which serves as an advisory committee to the Board. It advises the Board to identify and manage risks relating to ERM’s strategy, reputation, reporting and disclosures. This includes horizon scanning across evolving regulatory, client, and wider stakeholder requirements and expectations to inform our operational and commercial planning, including identifying

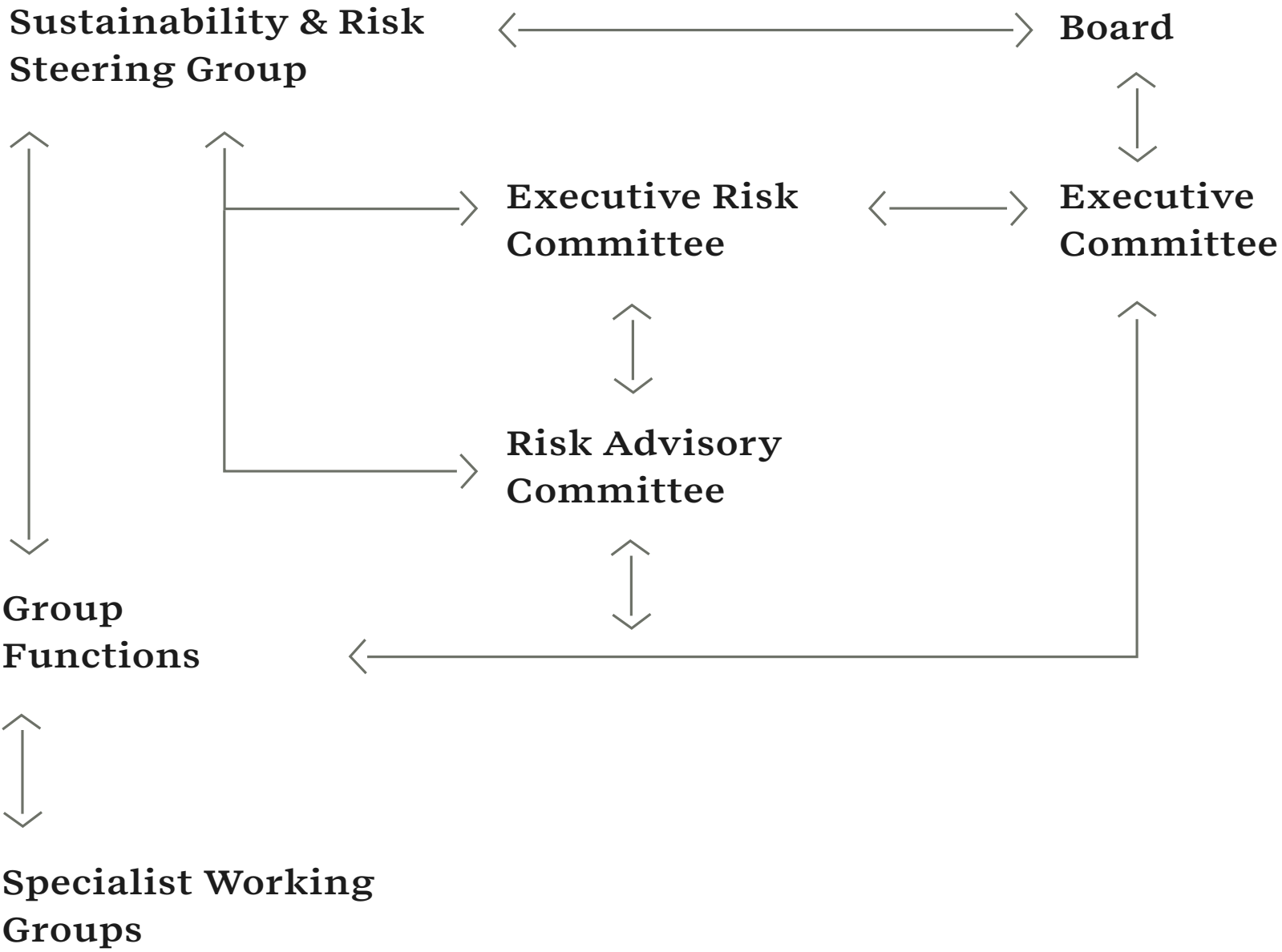
and managing climate-related risks to protect ERM’s brand and commercial position.

Management’s role in assessing and managing climate-related risks and opportunities

On a day-to-day basis, the company is managed by the Executive Committee (“ExCom”), comprised of three executive directors of the business and a number of other senior Partners in executive management roles who lead geographic, service, industry, and client divisions of our Operations, Legal, People Development, Sustainability and Risk, and other professional support functions.

ExCom has accountability for managing business operations and meets twelve times a year to discuss performance and plans in support of this. This includes ensuring that the strategic management of our climate-related risks and opportunities is being undertaken effectively, informing how we optimize current and future business performance through regional and country level planning, recruitment and remuneration, and aligned to our ability to capitalize upon climate-related opportunities for commercial growth.

ExCom is supported by the Climate-related Financial Disclosures/Taskforce on Climate-related Financial Disclosures (CFD/TCFD) Working Group which oversees the identification of climate-related risks and opportunities for the business. This Working Group comprises representatives of Risk, Sustainability, Operations, Finance, Clients, and Services, who provide specialist subject matter expertise on what and how the business should respond to such risks and opportunities.



Our approach to strategic consideration of climate-related risks and opportunities

Our approach

ERM strategically considers potential climate-related impacts to our operations, including people, industry and service line, operational, financial, reputational, geopolitical, and legal parameters, to assess potential risks and opportunities to our business.

Strategic global, regional, and business unit risks and opportunities are identified through a multi-faceted approach involving ongoing market, regulatory and horizon scanning, engagement with clients and wider stakeholders, the input of our subject-matter experts, and senior operational leaders across the globe. It forms part of our ongoing business-wide critical risk assessment, reviewed quarterly, and is supported by our annual Double Materiality Assessment (DMA) process and the wider enterprise risk management assessment process which the DMA contributes to.

Supplementing this approach and consistent with the recommendations of the TCFD, a further detailed analysis and review of current or emerging climate-related risks and opportunities is undertaken annually, supported by the CFD/TCFD Working Group, working in conjunction with senior management to deliver our strategic and operational work programs. Our senior management includes regional and business unit managing partners, service, and client leads. The output of this analysis supports visibility of the potential impacts across the short-, medium-, and longer-term horizons and informs the content of this statement.

Management of risk

We continue to evolve our governance of risk in line with business need. During FY26, two new oversight bodies have been established to support the business in strategically managing its enterprise risks, including those risks associated with climate change.

The Executive Risk Council (ERC)

The purpose of the Executive Risk Council (ERC) is to ensure ERM’s strategic objectives and risk appetite remain aligned; to provide additional focus on financial oversight reporting to/ from our Audit Committee; and to increase our assurance of the effectiveness of our enterprise risk management program and processes in maintaining our desired risk profile.

The ERC consists of select Heads of Function, including Legal, Finance, and Risk. It meets at least quarterly and supports the active monitoring and review of our risk management, including that of climate-related risks.

Risk Alignment Committee (RAC)

The Risk Alignment Committee (RAC) has a key role in the strategic oversight of our risk management program and feeds into the ERC. It promotes coordination across risks with multiple interdependences, including climate, artificial intelligence, and quality management. The Committee includes key business functional leads who comprise second line governance, responsible for supporting and challenging first-line risk owners, including climate change risks. First-line risk owners include those responsible for leading our people, operations, IT and systems, legal and regulatory matters, sustainability, and commercial functions.

Our approach to the identification, assessment and management of risk:

Inputs & Analysis

Market and regulatory analysis & horizon scanning

Double Materiality Assessment

Service line, client and operational program review

Scenario analysis

Enterprise Risk Management
Climate related risks & opportunities CFD/TCFD working group

Planning & Approvals

Business planning and budget: global, regional and BU

Investment planning: Capex, Opex

Operational Programs

Key Strategic Outputs & Reporting

Business Plans

Investment Plan

Operational Strategies

Annual Disclosures: Financial & Sustainability

Our approach to the assessment of climate-related risks and opportunities

The assessment of climate-related risks and opportunities draws upon scenario analysis, which was refreshed last year and reviewed again this year, and impact identification in support of wider strategic planning and this disclosure. This process enables the business to review potential climate-related risks and opportunities, expand understanding of where material exposures may exist and refresh the drivers and timeframes of potential impacts.

Consistent with UK Government guidance, the assessment of impacts to our business is based on three timeframe horizons of short-term (up to 2030), medium-term (up to 2040), and longer-term (up to 2050).

These timeframe scenarios take into consideration:

- Our own decarbonization targets, operational approach, strategic commitments, and business planning
- Different time horizons for physical climate risk and the nature of such risks
- National and international policy and regulation, and potential transition scenarios to a low-carbon economy
- Changes in the global economy and markets we operate in.

We have also considered the impacts on our own operations and services over the immediate timeframe as part of the proactive management of our operations.

The scenarios selected align with published guidance and data available from the leading international bodies and combine qualitative and quantified measures of development alongside climate data to create plausible scenarios for how quickly society can curb emissions.

Physical scenarios and associated time horizons selected for ERM’s scenario analysis

	Shared Socioeconomic Pathway (SSP) 1 – 2.6	Shared Socioeconomic Pathway (SSP) 5 - 8.5
Source	Intergovernmental Panel on Climate Change (IPCC) Assessment Report 6 (AR6) and Shared Socioeconomic Pathways (SSP).	
Description	Referred to as a lower-emissions scenario, this scenario projects warming to remain below 2 degrees Celsius by 2100 and is aligned to current commitments under the Paris Agreement.	A high-emissions scenario, which follows a business-as-usual trajectory and assumes limited additional climate policy or regulation, resulting in carbon dioxide emissions tripling by 2100.
Time horizons	The impact of these two physical scenarios is assessed across short, medium and longer-term timeframes.	

1 Task Force on Climate-related Financial Disclosure (TCFD) - aligned disclosure application guidance

To assess trends related to the transition to a low-carbon economy, we use information from the Network for Greening the Financial System (NGFS) which sets out a range of hypothetical long-term scenarios around the speed and nature of the low-carbon economy transition. These scenarios consider how climate change (physical risk) and climate policy and technology trends (transition risk) could evolve in different futures, under both higher and lower risk outcomes. Our assessment has considered the range of potential scenarios and the impact of these in terms of potential material risk.

Surety of assessment

As per previous analyses, the greatest level of surety exists around the short-term scenario planning and identification of potential climate-related risks and opportunities for our business. As the scenarios progress towards our medium- and longer-term timeframe of up to 2040 and 2050 respectively, the analysis represents horizon scanning taking into consideration the different physical and transition scenarios outlined by IPCC/SSP and NGFS. This horizon scanning considers the projected impacts of ongoing climatic change on the physical environment within which we operate, the potential need and capacity to adapt to such changes across our geographical operations, and the potential evolution of the market and client demand, in so far as these can be discerned as we look ahead to mid-century and beyond.

2 NGFS Scenarios Portal <https://www.ngfs.net/ngfs-scenarios-portal/>

Transition scenarios and associated time horizons, selected for ERM’s scenario analysis

Transition Scenarios	
Orderly Scenario	This scenario assumes that climate policies are introduced early and become gradually more stringent. Both physical and transition risks are relatively subdued. Broadly aligned to the lower emissions IPCC/SSP scenario.
Disorderly Scenario	This scenario assumes higher transition risk due to policies being delayed or divergent across countries and sectors. Broadly aligned to the lower emissions IPCC/SSP scenario.
Hot House World	This scenario assumes that some climate policies are implemented in some jurisdictions, but global efforts are insufficient to halt significant global warming. The scenarios result in severe physical risk including irreversible impacts. Broadly aligned to the high emissions IPCC/SSP scenario.
Too Little, Too Late Scenario	This scenario assumes that a late and uncoordinated transition fails to limit physical risks. Broadly aligned to the high emissions IPCC/SSP scenario.

Summary of three timeframe scenarios for assessment

Scenario	Timeframe	Context
Short-term	Up to 2030	Representing our short-term planning scenario. Taking into consideration our Business Strategy, current operational plans, Decarbonization Strategy and our SBTi 2028 and 2030 emissions reductions targets. Considers the impact of both potential lower and higher emissions physical risk IPCC/SSP scenarios, and the range of NGFS transition scenarios up to 2030.
Medium-term	Towards 2040	Representing our medium-term planning scenario and aligning to our SBTi 2040 net-zero target. Considers the impact of both potential lower and higher emissions physical risk IPCC/SSP scenarios, and the range of NGFS transition scenarios up to 2040.
Longer-term	Towards 2050	Representing our longer-term planning scenario, beyond our current business strategy and operational planning, as well as SBTi targets. Considers the impact of both potential lower and higher emissions physical risk IPCC/SSP scenarios, and the range of NGFS transition scenarios up to 2050.

Impact assessment parameters and financial materiality

To support our analysis, we have assessed different parameters by which climate-related risks or opportunities may impact our business.

These include:

- Point of impact on our operations;
- Whether the impact is realized now (actual) or potential;
- The likely duration of impact;
- The geographical scope of our operations impacted and potential variation within this;
- The estimated magnitude of potential impact to our operations;
- The probability of potential impacts being realized; and
- Whether mitigation is possible and what this may look like.

The consideration of these impact parameters informs the analysis of the financial implications of the identified residual risks and opportunities. This is assessed through consideration of:

- The cost of required mitigation and/or enhancement of the identified risk or opportunity respectively – this is assessed as a capex/opex cost and considered in the context of our overall investment strategy and operational budgets. This is rated as low, medium or high in terms of financial cost and impact on our business.

- The potential impact to our revenue generation and profitability of the residual risk or opportunity post mitigation/enhancement. This is considered in the context of overall current and projected growth of the business and rated as low, medium or high in terms of financial impact and either positive or negative subject to whether this is generation/value creation or extraction.

Based on this analysis, an assessment is made on the projected financial impact of the risk or opportunity against each of the scenario timeframes – immediate to short-term, and medium-to long-term. A final determination is then made of whether the identified risks and opportunities are currently regarded as material to our business or not, with accompanying narrative. Where we anticipate materiality to change over timeframes, this is also noted.

Principal climate-related risks and opportunities for our business

The list of climate-related risks and opportunities considered in this year’s assessment, is provided below, and the impact, in terms of material risk or opportunity, is identified within the subsequent table with accompanying narrative.

The summary of this year’s assessment findings on our principal material climate-related risks and opportunities is set out in the next section. To note, the assessment is reviewed on an annual basis and updates will be reported each year in this statement to accompany our annual financial reporting.

Category	Climate-related risks and opportunities
Markets	Changing customer/client behavior influencing market demand for our services, in particular, impacted by geopolitical change and both regional and global market impacts
	Access to new markets
Policy and regulatory environment	Increased cost of GHG emissions abatement
	Decentralization of policy and regulation: enhanced GHG emissions reporting obligations in some jurisdictions, with removal/less rigorous of GHG emissions reporting requirements in other jurisdictions
	Increased costs and/or reduced demand for products and services resulting from fines and judgements
	Mandates on and regulation of existing products and services
	Geopolitical instability and/or impact to decarbonization, clean energy and disclosure policy, tax regimes, and regulation
	Exposure to litigation, directly or through clients

Category	Climate-related risks and opportunities
Technology	Technology, digital and AI investment required to meet evolving client needs
Reputation	Shifts in consumer preferences and expectations
	Changing investment in climate-exposed assets and services
	Increased stakeholder concern or negative stakeholder feedback
Physical risks (acute)	Increased frequency and severity of extreme weather events such as cyclones, wildfires and floods
Physical risks (chronic)	Changes in precipitation patterns and extreme variability in weather patterns
	Rising mean temperatures
	Rising sea levels
Resource efficiency	Use of more efficient modes of transport
	Use of recycling, circular use of materials
	Move to more efficient buildings
	Reduced water usage and consumption
Energy sources	Use of lower-emission sources of energy
	Use of supportive policy and financial incentives
	Nature of resource generation, transmission and capacity
Resilience	Security of energy supply and adaptation in the face of geo-political change

Topic	Potential financial impact	Residual risk or opportunity taking into account embedded mitigation	Short-term: Up to 2030	Medium-term: Towards 2040	Long-term: Towards 2050
MARKET DRIVERS					
Changing customer/client behavior influencing market demand for our services	Change in demand for climate-related services and transition of high-carbon sectors	Opportunity	Material	Material	Material
	RATIONALE INCLUDING RELEVANT MITIGATION Our business is predicated on providing professional services to enhance sustainability performance in our client base. We see the demand for such services continuing to grow and therefore as presenting a material opportunity. Our geographical scope, breadth of technical expertise and ability to diversify our service offering in anticipation of/response to client need, positions us well to capitalize upon this market opportunity. Geopolitical instability, changing policy, regulatory requirements, and fluctuating investment confidence are impacting regional and global markets. This is impacting demand most significantly in the immediate to short-term, causing fluctuation in demand within the immediate to short-term timeframe but the duration and scale of this in the lead up to 2040, remains unknown but the longer timeframe allows for greater adaptation of our business model to accommodate changes in client demand. Longer-term, in so far as it is possible to discern the potential market towards 2050, it is anticipated that the demand for climate-related services will evolve to support businesses in sustaining their low-carbon operational impact post transition in the ‘orderly’ and ‘disorderly’ transition scenarios, and to support operational adaptation to climate change in the event of the ‘hot house world’ or ‘too little, too late’ scenarios.				
	Decline of spend for activities within sectors that cannot transition	Risk	Material	Not Material	Not Material
RATIONALE INCLUDING RELEVANT MITIGATION Our business supports our client base in transitioning to a low-carbon future, including working with those currently in more carbon intensive industries who are seeking to make this transition. Under both ‘orderly’ and ‘disorderly’ transition scenarios, we anticipate that the demand for transition support will continue, albeit at a potentially slower rate in some geographies within the immediate to short-term timeframe up to 2030, but with accelerated demand as we move to the medium-to longer-term timeframes, as the urgency of addressing or abating climatic change further intensifies. Our business model is predicated on shifting away from those projects/activities which do not support transition to a low-carbon future. As such, the potential future state decline of activities within sectors that cannot transition represents an increasingly diminishing financial impact to our business, even under the ‘hot house world’ or ‘too little, too late’ transition scenarios.					

Topic	Potential financial impact	Residual risk or opportunity taking into account embedded mitigation	Short-term: Up to 2030	Medium-term: Towards 2040	Long-term: Towards 2050
Changing customer/client behavior influencing market demand for our services	Retirement of high-carbon production assets	Opportunity	Material	Material	Material
	RATIONALE INCLUDING RELEVANT MITIGATION We are already supporting clients with the divestment or closure of high-carbon assets worldwide and predict the demand for services will vary across geographies but generally be sustained globally. We have a strong and growing service line which supports the transition of assets to facilitate renewable energy generation and other uses. Whilst investor confidence is impacted by geopolitical uncertainty, we are continuing to see demand for services in support of energy generation and transmission, and it is anticipated that demand will increase and become global in scope in the medium- to longer-term horizon under both the ‘orderly’ and ‘disorderly’ transition scenarios, and to a lesser extent within the ‘hot house world’ transition scenario. Anticipating this demand, we have and will continue to cater service line development and team capacity to meet this demand and view this as a financially material opportunity for the business.				
	Increase in demand for low-carbon infrastructure, products and services	Opportunity	Material	Material	Material
RATIONALE INCLUDING RELEVANT MITIGATION The business is continuing to see the demand for low-carbon infrastructure, products and services materializing and we anticipate a sustained increase in the demand for our professional services in support of this, for both ‘orderly’ and ‘disorderly’ transition scenarios. In either scenario, we anticipate that client demand will further increase in the run up to key global decarbonization milestones, followed by demand for ongoing support to continue to sustain low-carbon operations and adapt to climatic change which will have already materialized. In the 'hot house world' transition scenario, reflecting the potential for critical international net-zero targets to be missed, there will be renewed urgency for businesses to decarbonize their operations and services in support of this. Across scenarios, this represents a financially material opportunity for the business and one which we have strategically positioned ourselves to capitalize upon through capacity building across our operational geographies. This includes acquisition of specialist capacity which has and further can significantly enhance our ability to meet ever increasing client demand and further capitalize upon our market presence.					
Access to new markets	Increased revenues through access to new and emerging markets (e.g., new technologies, services and geographies)	Opportunity	Material	Material	Material
RATIONALE INCLUDING RELEVANT MITIGATION Our business strategy includes investment in strategic partnerships which bolster our capacity to access or enhance our position in emerging markets globally and materially increase revenue generation. Emergent markets for climate-related services represent a financially material opportunity to the business both now and in future state across all transition scenarios. As with aforementioned opportunities, we anticipate this opportunity will be sustained and demand accelerate as we progress towards 2040 and through to 2050 as the urgency of addressing and then adapting to climate change further intensifies.					

Topic	Potential financial impact	Residual risk or opportunity taking into account embedded mitigation	Short-term: Up to 2030	Medium-term: Towards 2040	Long-term: Towards 2050
POLICY AND REGULATORY ENVIRONMENT					
Impact of geopolitical instability on decarbonization, clean energy and disclosure policy, tax regimes, and regulation	Slowdown in climate-regulation caused by geopolitical conflict and/or economic downturn	Risk and opportunity	Material	Material	Material
	RATIONALE INCLUDING RELEVANT MITIGATION We support our client base to pre-empt regulatory requirements and enhance the surety of their ability/capacity to address current and future challenges. Clients are determining their own approach and scale of ambition in the face of growing regulatory complexity and policy uncertainty in and across geographies/jurisdictions. For some clients, regulatory slowdown presents opportunities for competitive advantage and we are commissioned to support their ability to capitalize upon this potential. For other clients, we support their recalibration of approach and implementation of business strategy. This recalibration is essential to mitigate the risk which current scale of geopolitical instability and market impact represents – this is true for both our clients and for our own business. As we continue to adapt, we also provide support to our clients and this presents a financially material opportunity for the business and one which we anticipate will be sustained in the future, particularly in the immediate and medium-term scenarios, as stakeholder pressure to deliver net-zero is anticipated to escalate across geographies. This applies in particular within the ‘orderly’ and ‘disorderly’ transition scenarios.				
Exposure to litigation	Impact to client strategy and demand for advisory services	Opportunity	Material	Material	Material
	RATIONALE INCLUDING RELEVANT MITIGATION In recent years, across the globe but particularly in developed economies, there has been an increase in stakeholder led litigation, as stakeholder scrutiny of corporate performance has evolved into direct legal challenge, with both the efficacy of transition planning and compatibility of corporate investment with climate regulatory frameworks presenting two central foci for litigation. Whilst the change in strategic direction in the US may impact the scale and immediacy of litigation in this jurisdiction, the threat of stakeholder litigation remains real in geographies such as Europe, where stakeholder pressure is significant. We anticipate this trend to continue with escalation anticipated across our scenario timeframes as the drive for net-zero gains ever increasing urgency and societal scrutiny intensifies. In the event that ‘orderly’ transition is not realized, the potential for litigation may significantly increase. We already see our client base responding to this trend and anticipate an ongoing increase in demand for our services to support pre-emptive measures to mitigate litigation. We view this as a financially material opportunity for the business, with ongoing review of specialist capacity being critical to meet demand.				

Topic	Potential financial impact	Residual risk or opportunity taking into account embedded mitigation	Short-term: Up to 2030	Medium-term: Towards 2040	Long-term: Towards 2050
TECHNOLOGY					
Technology, digital, and AI investment required to meet evolving client needs	Capital investments and capability building to address client need and market opportunity for technology services to client	Opportunity	Material	Material	Material
RATIONALE INCLUDING RELEVANT MITIGATION The business has been strategically investing in technological advancements which support both the diversification of services to meet evolving client demand, and more efficient delivery of existing service lines. Key amongst these investments in emergent technology, is the use of AI technology. Our technology portfolio includes an array of products directly created to meet identified client needs and positions us strongly to capitalize upon growing market demand. This is augmented by commercial partnerships with many third-party digital providers. We are also investing in building capability within our workforce to support our transition to ever increasing use of technology, in particular AI, to enhance our operational efficiency. This dual focus investment mitigates the risk of lost commercial opportunity and operational profitability and across all scenario planning, represents a financially material opportunity for the business.					
OPERATIONAL RESILIENCE					
Physical risks - acute	Increased severity of extreme weather events such as cyclones and floods	Risk	Potential to be material	Potential to be material	Potential to be material
RATIONALE INCLUDING RELEVANT MITIGATION As our climate impact scenario analysis indicates, acute physical risks are anticipated to increase across the geographies within which we operate and significantly in certain regions such as Asia even under the ‘orderly’ transition scenario but with greater magnitude across the alternate transition scenarios. Our approach to management of these risks is subject to ongoing review and catered to the countries/regions within which we operate. In the event of an acute physical risk, such as a cyclone or floods, our operational efforts are focused on prioritizing the safety and wellbeing of our employees. Once secured, delivery of our services to clients can be maintained through switching to home-based working and through the leasing of temporary office facilities, should our offices be physically impacted. Disruption to business continuity in the respective location is, therefore, anticipated to be temporary and can be mitigated through the aforementioned measures. Our business continuity and travel planning help minimize impacts to employees working remotely or in-field. Repairs to the physical infrastructure of the office are anticipated to be recoverable through our insurance and the financial impact to the business whilst material at the local level in the immediate timeframe is not considered material in respect of the global financial performance of the business. We will actively monitor changing climatic conditions and the potential for acute physical risks to become chronic and impact a wider geographical area as we progress towards medium- and long-term horizons. We have, therefore, noted the potential for chronic physical risks to become material in the medium- to long-term, though will seek to offset these through mitigation measures.					

Topic	Potential financial impact	Residual risk or opportunity taking into account embedded mitigation	Short-term: Up to 2030	Medium-term: Towards 2040	Long-term: Towards 2050
Resource substitutes/ diversification	Increased cost of retaining supply chain ability to operate under various conditions	Risk	Not material	Potential to be material	Potential to be material
RATIONALE INCLUDING RELEVANT MITIGATION Future state, suppliers and specifically subcontractors, may face increased challenges and costs in operating within physical environments impacted by climatic change, particularly those who conduct in-field services for us – this applying to medium-term and potentially longer-term horizons even under an ‘orderly’ or ‘disorderly’ transition scenario. There is also recognition that as regulatory requirements for decarbonization and enhanced disclosure continue to grow, this may increase costs for subject matter experts and niche suppliers. The business is focused on engaging our subcontractors to understand and build capacity in terms of decarbonization, adaptation and resilience to ensure continuity of service provision. This does not currently present a material risk to the business, but we remain alert to the need to pre-emptively mitigate against this particularly in more vulnerable locations and markets, through both diversifying the supplier base but also our approach to relevant service line delivery, if required and particularly in consideration of potential ‘hot house world’ or ‘too little, too late’ scenarios.					

Physical climate-related risks and opportunities

As noted previously, the assessment considered a broad range of potential climate-related risks and opportunities which include physical risks, both acute and chronic, and the impact these could potentially have on our business operations, noting the potential for different transition scenarios.

The impact of climate change in terms of temperature rise, changes in precipitation patterns and volume, variability, and extreme weather is already being seen across the globe but has the potential to be exacerbated subject to the speed and nature of transition which occurs. We are alert to the potential range of risks that this may pose in the future to our operations, as with any multinational company.

The nature of our business is primarily office-based, either in our own offices or those of our clients. With respect to our own operations, our Global Operations team oversees the running of our offices, working with regional and local facilities teams which annually plan for the requirements associated with each office, consistent with our stringent health and safety requirements. Air conditioning and/or heating is integral to our office running and we are strategically committed to the use of renewable energy across all our offices, pursuant to our decarbonization strategy, and to purchase renewable energy certificates (RECs) to offset residual emissions. We proactively budget for the cost of this, whilst also seeking to incrementally introduce energy efficiency measures through our office optimization program. The cost - both current and future state - is not financially material.

Acute physical risks pose potential disruption to any business and have been considered in relation to the physical location of our offices, specifically those in locations identified as being potentially prone to extreme weather conditions in the short-, medium-, and longer-term. This also takes into consideration existing and predicted capacity to adapt to such conditions.

In the event of an acute physical risk, such as a cyclone, snow storms, fires or flood, our operational priority is the safety and wellbeing of our employees. Once secured, delivery of our services to clients can be maintained through switching to alternative working environments, including home working and alternative premises. Subject to the scale of impact of the specific physical risk, for example, if the impact is felt on a national or regional geographical basis, the impact to our business has the potential to be material at the local level in the immediate term. This impact will be mitigated by the operational measures we would deploy, as outlined in the table and those deployed by the respective regional and national administration. Once adjustments are implemented, we would anticipate the impact to our business to be decreasingly and ultimately not material.

Under an ‘orderly’ transition scenario, acute physical risks are still likely to continue to manifest, with varying ability to adapt to such risks in geographies across the world. As outlined in the assessment, however, we believe the impact of such risks to be temporary in nature and limited in terms of their potential financial materiality to the business. We have established adaptation measures integrated into our business planning to enable continuity of services to clients and business resilience. This includes the proactive review of our service line delivery and deployment of personnel in-field/ on-site which is evolving in line with the impact of climatic change on seasonal survey activity. We continue to review our business plans to understand how our operational planning reflects evolving impacts of climatic change and the measures necessary to protect the wellbeing of our staff, suppliers, and clients in the delivery of our services.

Under the ‘hot house world’ or ‘too little, too late’ scenarios, there is a significantly increased likelihood of physical risks becoming chronic and a reduced potential for certain economies to adapt or increase the level of investment required

to support this. Our ongoing constraints mapping will actively consider this and inform our planning around office location and deployment of personnel in-field, working with clients to ensure we continue to deliver services in a safe and timely manner.

In the event that physical risks are anticipated to become chronic, for example, increased and sustained high temperatures which would particularly manifest under ‘hot house world’ and ‘too little, too late’ scenarios, adaptation measures will be considered in respect of the relevant office and business unit operational planning. Actions would then be undertaken through our office optimization and business unit planning, to adjust our office working environment or relocate to alternative premises. Home working, employee commuting to work, and work undertaken in-field would also be adapted to reflect changed climatic conditions and incorporated into our working practices, health and safety protocols, and service delivery plans. This would be proactively assessed, factored into the respective business unit budget and implemented in a manner which we do not anticipate to be financially material to the business unit or wider business but have conservatively noted as a potential material risk in the medium- to long-term, which will be actively monitored and mitigated against.

Impacts to our operational strategy and business resilience

Our operational strategy actively considers the potential varying impacts to business continuity and resilience in the short-, medium- and long-term which would emerge from the different assessment scenarios. Whilst it is hoped that we will see the realization of the ‘orderly’ transition scenario, the business is also prepared for the possibility of alternative transition and scenarios, as outlined by NGFS, which may materialize.

As a global sustainability consultancy, we operate in accordance with our longstanding commitment to demonstrate credible net-zero leadership and implement operational programs consistent with this. From an operational perspective, our established decarbonization program which has been validated to align with the SBTi Corporate Net-Zero Standard, sees us on a sustained pathway of emissions reduction in pursuit of net-zero by 2040. This positions us to be beyond compliant with both current and projected escalating regulatory commitments to reduce emissions across medium- and longer-term scenario timeframes. Our incremental emissions reductions also buffer the business against potential rising costs associated with market-based mechanisms delivering credits and beyond value chain mitigation.

Orderly transition scenario

It is the purpose of our business to support clients transition in a timely manner to a net-zero or low-carbon future. We will work with our stakeholders towards the realization of the ‘orderly’ transition scenario and anticipate demand for our commercial services will continue to increase in support of this. Immediate and short-term demand arises from clients who are actively transitioning now, comprising the early movers and/or those preparing for progressive transition. Demand for services is anticipated to continue to grow and

likely escalate as we move towards 2030 and a further wave of demand to manifest towards the 2040-2050 time horizons for those industries/sectors which may require a more staged or elongated timeframe for transition. In this scenario, from 2050 onwards, we anticipate client demand to be centered on support to sustain low-carbon operations and adaptation to the impact of climatic change already in progress before transition has been achieved.

Disorderly transition scenario

ERM is committed to working with stakeholders to avoid the realization of the ‘disorderly’ transition scenario, but we nonetheless take into consideration the potential for this scenario to be realized. Even in the scenario of other state or business actors seeking to adopt a more passive or fragmented approach to decarbonization, we believe wider societal, consumer, and investor demand will at least partially mitigate against this. As previously noted, ERM seeks to work with those businesses who are invested in delivering a low-carbon future, providing ongoing demand for our services.

Our cross-sectoral and global coverage enables us to adapt and remain agile and resilient in the face of geopolitical uncertainty impacting the speed or scale of policy and regulatory driven change, and potential variability in the rate of transition across sectors or geographies. In the event of industry or country specific policy and regulatory uncertainty impacting market demand, our operational model enables rapid retraining and/or redeployment of personnel, to mitigate against potential material financial impact. This can be undertaken on a temporary or sustained basis, subject to projections of how we anticipate the respective sector or country will respond in the short- to medium-term.

Our operational strategy supports the business to capitalize upon market demand, reflecting our assessment of current and

projected climate-related commercial opportunities and taking into consideration foreseeable geopolitical, regulatory, and sectoral disparities to support business resilience.

‘Hot house world’ and ‘too little, too late’ scenarios

As previously noted, it is our stated purpose to work with stakeholders towards a more sustainable future. Integral to this is the avoidance of the ‘hot house world’ and ‘too little, too late’ scenarios. As with all businesses, we are nonetheless alert to the potential for these scenarios to materialize. The evolution of these scenarios is likely to occur over a longer-period of time, notably our longer-term time horizons of 2050 and beyond. As with the ‘disorderly’ transition scenario, however, our operational model will remain agile to enable us to adapt to an evolving market and sustain material financial opportunity across these time horizons.

We anticipate that, as with the previous scenarios, many clients will seek to decarbonize in line with their own purpose and pursuit of commercial advantage. Other clients may seek to elongate but ultimately will be compelled to transition in the face of acute climate change risks to their infrastructure and operations, or stakeholder pressure. We will support our clients in either scenario and believe this represents a material financial opportunity to the business. In the event that the scale of societal transition is not adequate to prevent significant climatic change, clients will require support to adapt to a ‘hot house world’ or the even more significant scenario within which the scale of climatic change is so severe that there are tangible impacts for some businesses in terms of their ability to operate within certain geographies. In this scenario, we will support our clients to adjust their operational approach and this represents a material financial opportunity.

Targets and monitoring of performance

The nature of our business means that the suite of our metrics/targets are collectively focused on supporting our own operational decarbonization and that of our clients, and the commercial opportunity which this creates. Our business plan integrates targets aimed at sustaining and growing our business across short-, medium-, and long-term planning, and takes into consideration our geographical scope, sectoral presence, and projected demand for our services across the scenarios set out in this assessment. Commercial targets are set accordingly for service teams, sector, and client workstreams, and for our business units and regions, which are integrated into business planning as part of our commercial strategy. Progress against these targets is monitored on an ongoing basis with quarterly, half-yearly, and annual reporting undertaken, feeding into our ExCom and reporting into our CEO and Board.

A wider set of sustainability metrics are also established each year to support our operational programs, including in key areas such as people management and the recruitment and retention of staff which supports our ability to be agile in the face of increasing market demand for climate-related professional services. Performance against these targets is published in our annual Sustainability Report and our wider financial performance is set out in this disclosure.

A summary of performance against our FY26 targets/KPIs and our FY27 targets is included on the following pages.

Category	FY26 KPI	Performance against FY26 targets	FY27 target
Adaptation to changing physical environment	Review office business continuity plans in highest risk countries. Our focus is on reviewing the rigor of our continuity plans with particular emphasis upon those countries which are anticipated to experience the most acute risks.	Analysis of our office business continuity plans in high risk countries indicated that there is scope to more systematically consider the full range of potential impacts of climatic change, acute and chronic, in line with our latest assessment (as summarised in this report). This is, therefore, the focus for FY27 as part of our evolution of office level business planning.	Ongoing review and evolution of office plans to ensure they fully reflect changing climatic conditions, with a particular focus on those within high-risk geographies and specific locations which have been, or are predicted to be, most significantly impacted by change. All such locations will be reviewed over the next 2 years: 50% by end of FY27 and 50% by end of FY28.
	Track time lost due to acute physical risks, as reported in employee timesheets using the designated code and to further understanding of specific locations or service lines which are impacted by such productivity loss.	Ongoing advancements in project planning, in particular for in-field activities is reducing the potential for time to be lost due to either acute weather conditions or longer-term climatic conditions and change. This is mirrored in terms of office operations, where advance planning is mitigating against time lost due to inability to access offices, with staff switching instead to home working in such scenarios. Monitoring of time recorded to the designated code, does nonetheless indicate that there is an opportunity to increase awareness and understanding of the code to ensure time is appropriately reported where pre-planning cannot mitigate against this.	Increase awareness and use of the code to report loss of productivity, including ‘near miss’ events where impact was threatened but ultimately avoided.
Transition of operations	Reduce Scope 1, 2, and 3 emissions in line with SBTi targets against FY20 baseline. Detailed approach is set out in our Decarbonization Strategy 2024-2027 .	Our assured FY26 emissions data reflects that we remain on track to meet our SBTi emissions reductions targets.	Our FY26 target is retained and will remain a rolling annual target.
Changing market for climate-related service delivery	Year on year growth in net revenue.	Our FY26 financial performance is set out in our annual financial statutory accounts and signposted in the ERM Sustainability Report .	Refined target to focus on those aspects of our commercial strategy which are focused on climate-related service delivery: Derive 40% total revenue from low-carbon energy transition (LCET) projects.

Note: Historical performance data to be included in this statement.

UK Streamlined Energy and Carbon Reporting (SECR) 2026

In compliance with our UK SECR reporting requirements, the table outlines all our required emission sources under The Large and Medium Sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended).

Our reporting boundary aligns with our financial statement and follows the GHG Protocol Corporate Standard. Emissions are reported for our UK operations in CO₂e using IPCC AR5 global warming potentials (GWPs) without climate-carbon feedback. Scope 2 emissions are calculated and reported using both the location-based and market-based methods. Salesforce Net Zero Cloud is used to manage our emissions data, applying the 2025 UK Government greenhouse gas (GHG) conversion factors (published by the Department for Energy Security and Net-Zero (DESNZ), commonly known as DEFRA factors) for UK emissions.

Electricity usage in FY26 across UK offices reflects the continued impact of our decarbonization initiatives. While overall electricity consumption (kWh) has remained broadly stable with a slight increase, associated emissions have declined, primarily driven by a reduction of approximately 15% in the UK grid emission factor compared to the prior year (as per DEFRA factors).

Natural gas usage has decreased in FY26 compared to FY25. This reduction is driven by a combination of office optimization actions, including the closure of the Aberdeen office in the second half of the year and the cessation of natural gas usage at the Bristol office. In addition, several offices have reported lower consumption year-on-year, reflecting ongoing efforts to reduce reliance on fossil fuels. No refrigerant gas losses were reported during maintenance activities for certain UK offices in FY26, based on confirmed inputs.

ERM continues to take targeted steps to further reduce energy consumption in line with our sustainability targets, supported by our office optimization program. This multi-year program guides lease renewals and new office selection across the UK and globally. As part of this process, we assess the energy efficiency of prospective premises and identify opportunities to implement additional measures to reduce operational energy use, contributing to our incremental energy reduction targets.

Scope ¹	Fuel type	Year ended 31 March 2026	Year ended 31 March 2025	Year ended 31 March 2026	Year ended 31 March 2025
		CO ₂ TONNES	CO ₂ TONNES	KWH	KWH
Scope 1	Natural gas	28.8	42.29	166,372	231,157
Scope 1	Refrigerant gas loss	8.7	13.07	-	-
Scope 2	Electricity (market-based)	-	-	-	-
Scope 2	Electricity (location-based)	74.23	83.28	419,420	402,241
	Total	111.73	138.64	585,792	633,398
	CO ₂ emissions per \$1,000,000 of gross revenue	0.073	0.098	-	-

¹ This data refers to UK energy and carbon emissions only.

California Voluntary Carbon Market Disclosures Act

Assembly Bill 1305

In accordance with California Assembly Bill 1305 – the Voluntary Carbon Market Disclosures Act – we disclose the details of our FY26 carbon credit project. We are committed to transparency, and our disclosures include project type, location, crediting program, vintage, quantity, and associated registry identifiers, as well as any emissions reduction or removal methodologies used.

In FY26, we have continued our investment in the REDD+ Katingan Peatland Restoration and Conservation Project in Central Kalimantan, Indonesia for the third year of support. This initiative safeguards nearly 150,000 hectares of tropical peat swamp forest, one of the largest remaining intact peatlands in the country. Peatlands store vast amounts of carbon both above and below ground. Without protection, these areas are at risk of being drained and cleared for industrial plantations, releasing substantial greenhouse gas emissions.

Our continued backing reflects our commitment to nature-based climate solutions with high environmental and social co-benefits. The Katingan project delivers substantial co-benefits beyond emissions mitigation. It supports the livelihoods of over 45,000 people in 39 villages through sustainable activities like eco-tourism, rattan harvesting, and fire prevention. The forest is also a vital habitat for endangered species including the Bornean orangutan and proboscis monkey, contributing to global biodiversity goals.

The project is certified under both the Verified Carbon Standard (VCS) and the Climate, Community and Biodiversity (CCB) Standard, and has received positive ratings from independent carbon credit ratings agencies. These credits have been independently verified by accredited third parties under the VCS program.

In FY26, ERM retired 1,100 carbon credits (2020 vintage) as part of its voluntary carbon strategy. All credits have been retired on the Verra Registry on behalf of ERM Europe Ltd and are uniquely identifiable through registry serial numbers. This volume is broadly aligned with ERM’s Scope 1 emissions and residual Scope 2 emissions not addressed through market-based instruments. Carbon credits are used as a complementary measure and do not reduce ERM’s reported greenhouse gas emissions inventory.

This continued investment reinforces ERM’s long-term commitment to climate action, biodiversity, and community resilience through credible carbon finance. It also demonstrates meaningful progress toward our goal of ensuring that 100% of ERM’s carbon credit purchases support projects with proven livelihood benefits.

Project Summary	Katingan Project
Applicable Standard:	VCS (Verified Carbon Standard)
Project Identification Number:	VCS1477
Type of project:	Avoidance / Reduction Nature Based Solutions (Other): Forest Conservation (REDD+)
Protocol used to estimate emissions reductions or removal benefits:	VM0007
Project location:	Central Kalimantan, Indonesia
Registry Page:	https://registry.terra.org/app/projectDetail/VCS/1477

Additional information regarding the project can be found on the Verra Registry Page. Note: Credit issuance for Indonesian REDD+ projects, including VCS1477, has been constrained since 2022 due to national regulations, with recent policy developments (2025) expected to support the resumption of credit issuance

4

Data and assurance



Data annex

In this section, we set out our further supplementary emissions data to provide a comprehensive overview of our FY26 performance and historical data in alignment with Global Reporting Initiative (GRI) standards, and our FY26 Assurance Statement.

Scope 1 emissions by region FY20, FY24-26 (tCO₂e)¹
GRI 305-1

Region	FY20 Base year	FY24	FY25	FY26
Asia Pacific ²	59	44	73	68
Europe, Middle East and Africa	572	448	433	302
Latin America and Caribbean	26	43	70	57
North America	693	487	446	436
Global Businesses ³	0	2	2	5
Group	0	14	0	0
Total ⁴	1,350	1,037	1,024	867

1 Scope 1 includes direct emissions from operations we own or control. This includes emissions from company owned cars, natural gas and refrigerant gas loss from air conditioning.

2 Asia Pacific includes Australia and Asia.

3 Global Businesses include: Climate Markets, Coho, Certification & Verification Services (CVS), Digital Services, Global Delivery Center & Software Data and AI.

4 The total figure may differ slightly from the sum of individual values due to rounding.

Scope 2 emissions by region FY20, FY24-26 (tCO₂e)¹
GRI 305-2

Region	Location-based				Market-based			
	FY20 Base year	FY24	FY25	FY26	FY20 Base year	FY24	FY25	FY26
Asia Pacific	558	355	358	369	558	3	0	0
Europe, Middle East and Africa	527	382	384	248	347	102	87	56
Latin America and Caribbean	51	42	41	48	51	0	0	0
North America	1,446	933	643	727	736	18	15	17
Global Businesses	0	35	28	31	0	0	0	0
Group	0	3	0	0	0	3	0	0
Total	2,582	1,750	1,454	1,424	1,691	126	101	73

1 Scope 2 includes indirect emissions from purchased electricity, steam and battery electric company cars.

Scope 3 emissions by region FY20, FY24-26 (tCO ₂ e) GRI 305-3				
Region	FY20 Base year	FY24	FY25	FY26
Asia Pacific ¹	5,694	6,567	6,202	5,448
Europe, Middle East and Africa	9,137	8,186	8,060	6,492
Latin America and Caribbean	3,257	3,361	3,924	3,495
North America	35,474	21,752	19,182	18,699
Global Businesses ²	918	1,123	1,597	1,140
Group	2,432	3,249	3,294	3,273
Total	56,912	44,238	42,258	38,547

1 Asia Pacific includes Australia and Asia.
2 Global Businesses includes: Climate Markets, Coho, Certification & Verification Services (CVS), Digital Services, Global Delivery Center & Software Data and AI.

Total GHG emissions by region FY20, FY24-FY26 (tCO ₂ e) ¹ GRI 305-1, GRI 305-2, GRI 305-3				
Region	FY20 Base year	FY24	FY25	FY26
Asia Pacific ²	6,311	6,966	6,633	5,885
Europe, Middle East and Africa	10,236	9,016	8,877	7,041
Latin America and Caribbean	3,334	3,446	4,035	3,599
North America	37,613	23,172	20,272	19,862
Global Businesses ³	918	1,160	1,627	1,176
Group	2,432	3,266	3,294	3,273
Total	60,843	47,025	44,737	40,837

1 Total GHG emissions includes Scope 1, 2 and 3. Scope 2 reported is location-based emissions.
2 Asia Pacific includes Australia and Asia
3 Global Businesses includes Climate Markets, Coho, Certification & Verification Services (CVS), Digital Services, Global Delivery Center & Software Data and AI

Total GHG emissions intensity FY20, FY24-FY26 (tCO₂e/FTE)¹
GRI 305-4

Category	FY20 Base year	FY24	FY25	FY26
Scope 1	1,350	1,037	1,024	867
Scope 2 (location-based)	2,582	1,750	1,454	1,424
Scope 3				
Category 1 - Purchased goods & services	26,363	24,115	24,184	26,179
Category 2 - Capital goods	1,879	1,467	848	550
Category 3 - Fuel and energy related activities	850	716	685	576
Category 6 - Business travel	18,322	14,370	13,335	8,065
Category 7 - Employee commuting	9,499	3,570	3,206	3,176
Total GHG emissions intensity	11.4	6.3	6.1	5.4

1 Total GHG emissions normalized by average full-time equivalent employees (FTEs).

Global office energy use, by type FY20, FY24-FY26 (MWh)^{1, 2, 3}
GRI 302-1, 302-4

Category	FY20 Base year	FY24	FY25	FY26
Office electricity from non-renewable sources	4,888	0	0	0
Office electricity from renewable sources	2,878	4,892	4,091	4,145
From heating consumption	2,685	1,010	1,284	994
From steam consumption	598	104	77	125
Fuel consumption in company vehicles	2,719	2,375	1,584	810
Total	13,768	8,381	7,036	6,073

1 All heat, steam and fuel consumption are from non-renewable energy sources

2 ERM uses direct renewable energy suppliers and contractual instruments (EACs) for market-based electricity

3 Global energy use is energy consumption within our organization and not upstream or downstream energy sources.

Global energy use intensity FY20, FY24-FY26 (kWh/m²)¹
GRI 302-3

Fiscal year	FY20 Base year	FY24	FY25	FY26
Global energy use intensity	169	140	97	93

1 Total global energy use is normalized by ERM's total floor space for each year shown. We use kWh per square meter (kWh/m²) to best represent our energy use intensity in office spaces.

Data calculations and collation

All emissions data presented in our Sustainability Report 2026 is expressed as carbon dioxide equivalent (CO₂e) and includes all Kyoto gases and refrigerants. ERM uses the IPCC Fifth Assessment Report as a source of global warming potential (GWP) applied consistently across all emission factors. Our Scope 2 data has been calculated using both the location-based and market-based approach, in line with the GHG protocol. For further information on Scope 2 methods, please refer to www.ghgprotocol.org.

For data normalized by the number of full-time equivalent (FTE) employees, we applied the yearly average FTE which is more representative of the number of FTEs throughout the year compared to using year-end FTE. Average yearly FTEs have been used in ERM's reporting since 2015.

ERM uses Salesforce Net Zero Cloud as our sustainability management system to collect and manage our greenhouse gas data. Net Zero Cloud uses emission factors from DEFRA, EEIO, EPA, IEA, IPCC and other custom factors (derived from multiple sources). Emission factors are regularly updated to reflect the latest available data, and all calculations are performed within the platform. For calculation of Scope 3 categories, including Category 1 and Category 2, ERM has used EEIO emission factors, in line with guidance from the GHG Protocol.

We report environmental data for offices that fall within ERM's materiality threshold (as defined in our Sustainability Reporting Protocol) per fiscal year (FY), which runs from 1 April to 31 March.

ERM's Sustainability Reporting Protocol provides guidance for the development and maintenance of robust data collection systems that will measure sustainability performance across all key performance areas in a consistent, accurate, and auditable manner.

We work with property owners to improve our access to actual energy consumption data for leased offices. Where data is unavailable, we use the average data method to estimate energy data using office floor size. Sources excluded are reviewed annually to determine if emissions are considered de minimis. For FY26, offices encompassing fewer than 50 square meters, excluding dedicated server-hosting spaces, were considered de minimis and excluded from the energy data collection and reporting process.

In addition to office energy, we have established a standardized process to calculate emissions associated with the use of company vehicles. This process enables us to monitor and report emissions at the level of individual company cars, ensuring greater transparency and accountability in our overall emissions reporting.

Regardless of whether an office meets the de minimis exemption or not, we collect data to calculate business travel emissions for all ERM employees. Our business travel data comes from centralized platforms which support improved data completeness and consistency.

Strengthening Scope 3 data accuracy

We have undertaken a series of initiatives to strengthen the accuracy and completeness of our Scope 3 carbon inventory in support of our net-zero commitment. These include the addition of well-to-wheel emissions, expanded reporting across additional Scope 3 categories, along with the restatement of historical data to reflect well-to-wheel calculations for business travel and employee commuting. In the current reporting year, Scope 3 emissions for prior years have been further restated following enhancements to Category 1 (purchased goods and services) boundaries and exclusion controls, resulting in a more accurate representation of emissions and lower previously reported totals.

Purchased goods and services emissions

In FY26, ERM strengthened the Scope 3 Category 1 (purchased goods and services) methodology through closer alignment with Finance and Supply Chain, establishing clear inclusion and exclusion rules at the point of data extraction to improve boundary definition and consistency. A key enhancement was the elimination of manual post-processing by the carbon team, ensuring full traceability to Finance data and reducing the risk of errors. The methodology further distinguishes external supplier spend from internal reallocations and non-supplier financial transactions, while introducing targeted exclusions to prevent overlap with other Scope 3 categories. Together, these improvements enhance accuracy, consistency, and auditability of the Category 1 emissions dataset.

Commuter emissions

ERM conducts the Global Commuter survey once every two years to capture accurate commuter data from our employees. The last survey was conducted in FY25, achieving a 62% response rate globally, above industry benchmarks.

In FY26, we calculated 3,176 tCO₂e emissions from employee commuting (a 67% reduction from the FY20 baseline and a 1% reduction from FY25). This reduction is primarily driven by increased use of lower-carbon transport modes.

We do not include the energy demand associated with working from home in our GHG footprint, as this remains optional under the GHG Protocol and lacks standardized guidance.

Data background

Organizational boundaries

The data contained in the 2026 Sustainability Report and supplements covers entities controlled by The ERM International Group Limited as parent company of the ERM Group, which is headquartered in London, United Kingdom.

The 2026 Sustainability Report and supplements cover ERM CVS (ERM Certification and Verification Services Ltd. in the United Kingdom and ERM Certification & Verification Services Inc. in the United States which are both wholly owned subsidiaries of The ERM International Group Limited).

ERM CVS drives certification, verification and report assurance services to help clients improve sustainability performance. ERM CVS operates under ERM’s internal policies and procedures and therefore the information contained within the 2026 Sustainability Report and supplements also apply to ERM CVS unless otherwise stated. ERM and ERM CVS have combined human resource systems and office premises, so data in the report also includes the operations of ERM CVS.

Acquisitions

All data reported in our 2026 Sustainability Report and supplements includes data for new offices and offices added through ERM acquisitions in FY26 where available. This is noted where relevant. The data for ERM's recent acquisition, NewFields, is included. We report Scope 1, 2, and 3 GHG emissions associated with these acquisitions.

Assurance

At ERM, we strive to be a leader not just in providing sustainability services to our clients but also in our own sustainability reporting.

In pursuit of this, we transparently set out how we gather, record, compile, analyze, and report information and the processes used in the preparation of our 2026 Sustainability Report and its supplements. To ensure that stakeholders can have confidence in the quality, clarity and materiality of the information we report, ERM has engaged LRQA to undertake assurance. Our assurance approach integrates both internal and external review processes, leveraging our in-house expertise. ERM has established governance, reporting, and internal review mechanisms in place, ensuring the integrity of the information we provide.

We took on board findings from our external assurance provider last year and have integrated these into our operational practices. This included, for example, refining our methodology for accounting refrigerant gas emissions, introducing standardized templates for managing energy bills and enhancing fleet record-keeping.

We engaged LRQA to provide limited assurance to the International Standard on Assurance Engagements (ISAE) 3000 for data reported from ERM’s global operations for the following datasets:

GRI 305-1: Scope 1 GHG emissions

GRI 305-2: Scope 2 GHG emissions (location- and market-based)

GRI 305-3: Scope 3 GHG emissions that are part of our current Science Based Targets initiatives (SBTi)

Category 1: Purchased goods and services

Category 2: Capital goods

Category 3: Fuel and energy-related activities

Category 6: Business travel (internal and external)

Category 7: Employee commuting

GRI 403-9: Work-related injuries

GRI 403-10: Work-related illnesses

GRI 2-7: Employees

GRI 401-1: New employee hires and turnover

GRI 405-1: Diversity of governance bodies and employees



LRQA Independent Assurance Statement

Relating to ERM's Climate data, Health & Safety data and People data in the ERM Sustainability Report 2026 for the period from April 1, 2025- March 31, 2026.

This Assurance Statement has been prepared for ERM Int Ltd in accordance with our contract and is intended for the readers of the ERM Sustainability Report 2026.

Terms of Engagement

LRQA was commissioned by The ERM International Group Limited (ERM) to provide independent assurance of its greenhouse gas (GHG) emissions (Climate data), Health & Safety data and People data for April 1, 2025 - March 31, 2026, against the assurance criteria below to a limited level of assurance and materiality of the professional judgement of the verifier using The Greenhouse Protocol – A Corporate Accounting and Reporting Standard (revised edition, Jan 2015) and GRI Standards for performance data. LRQA's verification procedure is based on current best practise and is in accordance with ISAE 3000 and ISAE 3410.

The scope of our assurance engagement covered ERM's global operations and activities and specifically verified conformance with the following requirements:

- ERM's sustainability reporting protocol and written procedures
- World Resources Institute / World Business Council for Sustainable Development Greenhouse Gas Protocol: A corporate accounting and reporting standard, revised edition (otherwise referred to as the WRI/WBCSD GHG Protocol) for the GHG data.
- GRI Standards: 2-7, 305-1, 305-2, 305-3, 401-1, 405-1, 403-9 & 403-10.

LRQA evaluated the accuracy and reliability of data and information for only the selected indicators listed below:

Climate data

- Direct (Scope 1) GHG emissions: Natural gas, company owned cars and refrigerant gas loss from air conditioning systems (GRI Standard 305-1)
- Energy Indirect (Scope 2) GHG emissions: Office space electricity, steam (district heating) and company cars (GRI Standard 305-2)
- Other Indirect (Scope 3) GHG emissions (GRI Standard 305-3):
 - Category 1 - Purchased goods and services emissions
 - Category 2- Capital goods
 - Category 3 - Fuel and energy related activities
 - Category 6 - Business travel
 - Category 7- Employee commuting

Health & Safety data

Work Related Injuries (GRI Standard 403-9) and Work-related ill health (GRI Standard 403-10):

- Severity rate and severity rate by region
- Total recordable incident rate (TRIR)
- Number of recordable incidents and recordable incidents by type
- Number of life impacting events
- Fatality rate
- Subcontractor injury and illness

People data

- Employees by employment contract, by gender and by region (GRI Standard 2-7)
- Employees by employment type, by gender and by region (GRI Standard 2-7)
- Total number and rate of new employee hires by gender and by region (GRI Standard 401-1)
- Total number and rate of employee turnover, by gender and by region (GRI Standard 401-1)
- Total number and rate of voluntary employee turnover by gender, by region (GRI Standard 401-1)
- Percentage of employees, by gender and by age group (GRI Standard 405-1)



Our assurance engagement excluded the following data and information of ERM:

Climate data

- Leased or owned office locations that are registered as encompassing less than 50 square meters/ 538 square feet due to de-minimis source
- Dedicated server hosting spaces
- Fuels combusted by equipment utilized by subcontractors or clients on ERM project sites
- Fugitive emissions from vehicle AC due to de-minimis source
- Business travel emissions by water, subway, light rail, taxi and bus due to non-availability of data
- Emissions from waste due to de-minimis source.

Health & Safety data

- Days away from work case (DAWC) rate
- Safety AT ERM score.

People data

- New hires by age group
- Total turnover by age group
- Performance and career development reviews data.

LRQA's responsibility is only to ERM. LRQA disclaims any liability or responsibility to others as explained in the end footnote. ERM's responsibility is for collecting, aggregating, analysing, and presenting all the data and information within the Report and for maintaining effective internal controls over the systems from which the Report is derived. Ultimately, the Report has been approved by, and remains the responsibility of ERM.

LRQA's Opinion

Based on LRQA's approach nothing has come to our attention that would cause us to believe that ERM has not, in all material respects:

- Met the requirements of the criteria listed above; and
 - Disclosed accurate and reliable performance data and information as no material errors or omissions were detected.
- The opinion expressed is formed on the basis of a limited level of assurance¹ and at the materiality of the professional judgement of the verifier.

LRQA's Approach

LRQA's assurance engagements are carried out in accordance with our verification procedure. The following tasks were undertaken as part of the evidence gathering process for this assurance engagement:

- Reviewing ERM's methodology and documented procedures.
- Interviewing relevant employees of the organization responsible for managing Climate performance data, Health and Safety performance data and People performance data.
- Sampling data collection and reporting processes on Net Zero Cloud (Climate data), Event Communication System (Health & Safety data) and Workday (People data) for the reporting period April 1, 2025 - March 31, 2026.
- Verifying GHG emission factors used with the source reference and confirming their appropriateness.
- Verifying underlying calculations and formulae for Climate, Health & Safety and People performance reporting.
- Assessing ERM's data management systems to confirm they are designed to prevent significant errors, omissions, or misstatements in the Report. We did this by reviewing the effectiveness of data handling procedures, instructions, and systems, including those for internal quality control.

¹ The extent of evidence-gathering for a limited assurance engagement is less than for a reasonable assurance engagement. Limited assurance engagements focus on aggregated data rather than physically checking source data at sites. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.



LRQA's Standards, Competence, and Independence

LRQA implements and maintains a comprehensive management system that meets accreditation requirements for ISO 14065 *Greenhouse gases – Requirements for greenhouse gas validation and verification bodies for use in accreditation or other forms of recognition* and ISO/IEC 17021 *Conformity assessment – Requirements for bodies providing audit and certification of management systems* that are at least as demanding as the requirements of the International Standard on Quality Control 1 and comply with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants.

LRQA ensures the selection of appropriately qualified individuals based on their qualifications, training and experience. The outcome of all verification and certification assessments is then internally reviewed by senior management to ensure that the approach applied is rigorous and transparent.

Report verification is the only work undertaken by LRQA for ERM and as such does not compromise our independence or impartiality.

A handwritten signature in black ink, appearing to read 'S. J. Fletcher'.

Steve Fletcher
LRQA Lead Verifier

Dated: 29th May 2026

On behalf of LRQA Ltd
1 Trinity Park
Bickenhill Lane
Birmingham
B37 7ES

LRQA reference: LRQ00004598

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The English version of this Assurance Statement is the only valid version. LRQA assumes no responsibility for versions translated into other languages.

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Climate Supplement and Related Disclosures

Sustainability is our business

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