



# ERM Sustainability Report 2016: Overview

**This document provides an overview of ERM's Sustainability Report 2016, including our approach, performance and highlights from the past year.**

Learn more about our strategy, programs and results in the full online report at [www.erm.com/sustainabilityreport2016](http://www.erm.com/sustainabilityreport2016).

## Who we are

ERM is a global provider of environmental, health, safety, risk, sustainability and social consulting services. Sustainability describes what we do, day in and day out — through the services we provide to our clients, the way we deliver our projects and how we manage our own operations. We focus on serving our clients' needs across the life cycle of their assets and business. We believe the greatest impact we can have is through helping our clients seek solutions to sustainability challenges they face now and into the future.

## The business of sustainability

ERM's strapline, "The business of sustainability," reflects what we do to support our clients as they strive to attain their business goals. Sustainability and business are now inextricably linked and as an expert in sustainability, we play a role in helping companies achieve their objectives with an understanding of how this impacts wider society and the environment.

We intend to contribute even more to the global dialogue on sustainability and expect our work on sustainability challenges and opportunities to deliver growth in our business. Sustainability is our business.

## CEO message

As we engage with our clients, key industry leaders and thinkers from around the world, we are hearing consistent themes about the sustainability challenges they face. These challenges present both risks and opportunities — with leading businesses taking bold steps to sustain their organizations in the longer term while managing the needs of today.

The challenges include navigating the transition to a lower emissions future while the global demand for energy grows. This requires doing more with less (fewer people, lower volumes of capital and far less time), overcoming natural resource constraints and delivering the required changes in uncertain market conditions. With this backdrop, global leaders have worked to build consensus on pathways for the future at several key events.

Access to sources of energy that are reliable, affordable and lower in emissions is essential for sustainable development. ERM played an active role in the UN Climate Change Conference in Paris (COP21), which delivered the Paris Agreement that was adopted by every country present and built on a groundswell of commitments and initiatives from business leaders, academia, civil society and nongovernmental organizations.

The challenge facing us is to deliver on the commitments made at these global events. We are actively working with clients at a strategic and operational level on how to build resilience in their supply chains and businesses, secure their energy needs and identify opportunities as the economy transitions to a lower emissions future.

**John Alexander**  
Chief Executive Officer



ERM CEO John Alexander

At the UN Sustainable Development Summit in September 2015, world leaders adopted the 2030 Agenda for Sustainable Development, which includes a set of 17 Sustainable Development Goals (SDGs) to end poverty, fight inequality and injustice, and tackle climate change by 2030.

ERM, along with many of our clients, identified linkages between the SDGs and our business strategy, and we have mapped our material issues against the relevant SDGs. The ERM Foundation also has aligned its priorities to selected SDGs and is working with other corporate foundations on opportunities for collaboration to make progress towards the SDGs.

## ERM Sustainability Report 2016

# Impact through client work

Sustainability at ERM is about the services we provide to our clients as well as our own impacts on communities and the environment.

We have focused on identifying material issues throughout our value chain, and measuring, and improving our performance in these areas. Our material sustainability issues include:

- Attracting, developing, rewarding and retaining employees
- Business conduct, ethics and compliance
- Climate change across our value chain
- Contributing to society and the environment
- Financial performance
- Health and safety
- Technical expertise and independence

## Our people

ERM is fundamentally a people-centered business. The attraction, development, reward and retention of our talented employees across the world is of the greatest importance to our ongoing success.

## Health and safety

We place an extraordinary focus on health and safety performance. We provide health and safety systems, processes, procedures, equipment and training for all ERM employees, enabling our work to be performed in a responsible manner. Every ERM employee and contractor is required to be an active participant in managing the safe execution of our work.

## Our performance

ERM operates with a number of important guiding principles and values. These important values remain the foundation of our culture and the engine that drives our sustainability performance.



At ERM, we view world-class health and safety performance as the most essential element of everything we do.

“I am excited to engage with ERM employees throughout the region as we continue our journey to improve our health and safety culture and programs.”

**José Dias**  
Sao Paulo, Brazil

## Building a community around innovation

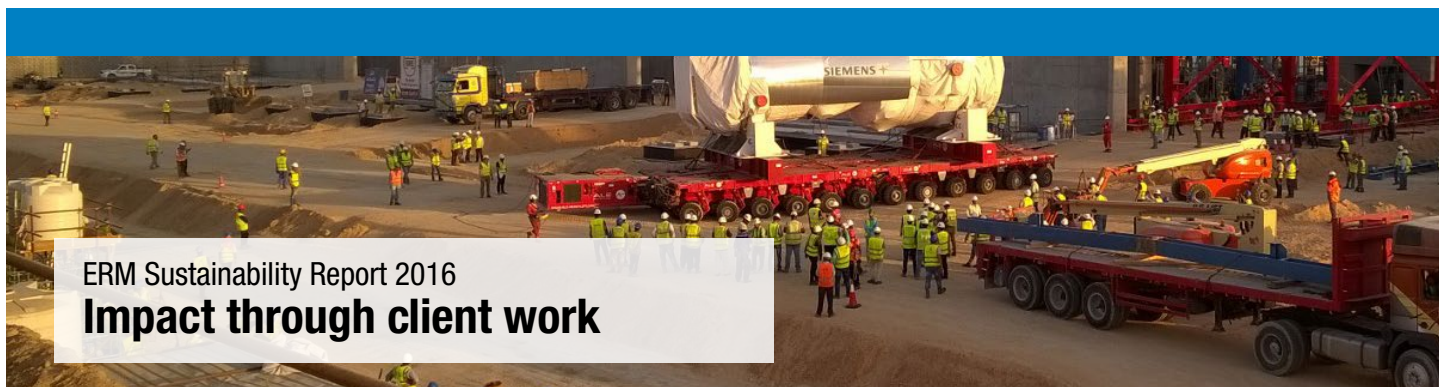
In October 2015, we inaugurated our first-ever global Innovation Tournament, to facilitate creative and technologically advanced ideas through developing solutions to sustainability challenges faced by our clients. Over 3,000 employees from all around the world participated in our inaugural Tournament.



## Highlighting human rights issues impacting business

ERM held a roundtable at our Washington D.C. office entitled, “Trends in Business in 2016 Affecting Human Rights.” The discussion included many human rights leaders from various North American entities, including international financial institutions, leading human rights NGOs and private corporations.





## ERM Sustainability Report 2016 Impact through client work

### We understand the sustainability challenges of our clients and work together to deliver cost-effective solutions.

The greatest business impact we can have is through helping our clients develop solutions to sustainability challenges, now and into the future. We support clients in managing risk in areas including accelerating energy transition, ongoing resource constraints and ever-increasing regulatory requirements.



“As companies transition to energy sources with lower emissions, ERM has had many great opportunities to assist our clients on their paths forward. We help our clients develop and assess potential compliance strategies, based on robust technical assessments and practical options to meet new regulatory requirements.”

**Lisa Campbell**  
Raleigh, North Carolina, US

#### ERM reports key environmental risks for clients in India

To help clients understand the environmental risks presented by rapid growth in India, ERM conducted a survey to contribute discussion on how businesses can manage a lack of regulatory compliance, environmental degradation, resource shortages, and other pertinent issues.



#### Innovative approaches to water management

Treated reclaimed produced water can serve as an important way to augment water supply in drought-stricken areas. In a recent ERM study, we combined risk assessment methodologies and thresholds to establish health-based benchmarks to assess reclaimed water for long-term use in agricultural irrigation.



#### Supporting clients affected by chemical blast in Tianjin, China

A number of multinational companies requested assistance from ERM following a series of chemical explosions in Tianjin, China. A special ERM task force was created to manage demands, coordinate ERM resources and ensure an integrated approach to our clients' requests. ERM's work in the immediate aftermath helped our clients ensure the safety of their employees and operational continuity.

#### Life cycle analysis and sustainable packaging at AstraZeneca

In 2015, AstraZeneca selected five products that represented their portfolio, and engaged ERM to conduct a full life cycle analysis for each product focused on five key impact areas – climate change, water depletion, ecotoxicity, ozone depletion and resource depletion. The results of these assessments are helping AstraZeneca focus efforts to reduce its environmental impact.



## ERM Sustainability Report 2016 Contributing to society

ERM is making a tangible contribution through our thought leadership activities and our support for sustainable development.

The ERM Foundation was established in 1995 and, over the past two decades, has given more than \$3 million in grants to around 250 organizations in five continents. An additional 10,000 hours of technical *pro bono* support has been provided to not-for-profit organizations and social enterprises globally.

Throughout FY16, ERM played an active part in thought leadership on global, national and local sustainability platforms. From managing non-technical risks to safeguarding human rights, we shared technical insights and best practices on a range of subject matters that will help organizations respond to the world's sustainability challenges now and in the future.



### Contributing to the Sustainable Development Goals: empowering women and girls

In response to the launch of the SDGs in September 2015, the ERM Foundation finalized its process to align its activities with selected SDGs and targets. As part of this process, we have adopted “empowering women and girls” as a new priority area.



### Measuring the impacts of sustainability reporting in Hispanic America

GRI engaged ERM to identify and examine the sustainability reporting practices of small- and medium-sized and multinational enterprises in Colombia and Peru to determine the impacts of these practices. ERM developed case studies that illustrated the benefits generated by the use of GRI Guidelines.

Our employees create the unique culture of ERM, where everyone has equal opportunity to contribute to ERM's success. “The Aspire Program has been an amazing opportunity for me to meet and collaborate with colleagues across the region and beyond, allowing me to appreciate ERM's global reach and capabilities.”

**Wanjiku Githinji**  
Nairobi, Kenya



### For more information, read our reports:

2016 ERM Sustainability Report: [www.erm.com/sustainabilityreport2016](http://www.erm.com/sustainabilityreport2016)

2016 ERM Foundation Report: [www.erm.com/en/about-us/erm-foundation](http://www.erm.com/en/about-us/erm-foundation)



We welcome feedback on this report. Please submit any questions or comments to [sustainability@erm.com](mailto:sustainability@erm.com).