



LRQA Independent Assurance Statement

Relating to Environmental Resources Management Limited's GHG Emissions, Assertion, Health & Safety Performance data and People Performance data for the April 1, 2022- March 31, 2023.

This Assurance Statement has been prepared for Environmental Resources Management Limited in accordance with our contract.

Terms of Engagement

LRQA was commissioned by Environmental Resources Management Limited (ERM) to provide independent assurance of its greenhouse gas (GHG) emissions inventory (GHG Assertion), Health & Safety Performance data and People Performance data for April 1, 2022- March 31, 2023, 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 ISO 14064 - Part 3 for greenhouse gas emissions. LRQA's verification procedure is based on current best practise and is in accordance with ISAE 3000 and ISAE 3410.

Our assurance engagement covered ERM's global operations and activities and specifically the following requirements:

- Verifying conformance with:
 - 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 data¹.
- Evaluating the accuracy and reliability of data and information for only the selected indicators listed below:
 - Natural gas, company owned cars, AC refrigerant gas loss - Direct (Scope 1)
 - Office space electricity, steam, and others - Energy Indirect (Scope 2) and
 - Other Indirect (Scope 3) GHG emissions verified by LRQA only include:
 - Category 1 -Purchased goods and services emissions
 - Category 2- Capital goods
 - Category 6- Business travel
 - Category 7- Employee commuting
 - Health & Safety Performance data
 - People Performance data

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

- Leased or owned office locations that are registered as encompassing less than 50 square meters/538 sq.feet due to de-minimis source
- Dedicated server hosting spaces
- Fuel combusted by non-ERM controlled vehicles
- Fuel utilised by subcontractors or clients on ERM project sites due to de-minimis source
- Fugitive emissions from vehicle AC due to de-minimis source
- Business travel emissions by water, subway, lighter rail, taxi and bus due to non-availability of data
- Emissions from waste due to de-minimis source
- Age related data excluded for turnover only in people performance.

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

¹ <http://www.ghgprotocol.org/>



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 summarized in Table 1, 2 & 3 below.

The opinion expressed is formed on the basis of a limited level of assurance² and at the materiality of the professional judgement of the verifier.

Table 1. Summary of ERM’s GHG Emissions for April 1, 2022- March 31, 2023

Scope of GHG emissions	Tonnes CO ₂ e*
Scope 1 GHG emissions	1,004
Scope 2 GHG emissions (Location-based)	1,725
Scope 2 GHG emissions (Market-based)	25
Scope 3 GHG emissions Category 1- Purchased Goods & Services	25,485
Scope 3 GHG emissions Category 2- Capital Goods	1,599
Scope 3 GHG emissions Category 6- Business Travel (internal)	2,277
Scope 3 GHG emissions Category 6- Business Travel (external)	6,198
Scope 3 GHG emissions Category 7- Employee Commuting	2,554
Total GHG emissions (Location-based)	40,842
Total GHG emissions (Market-based)	39,142
Note 1: Scope 2, Location-based and Scope 2, Market-based are defined in the WRI/WBCSD GHG Protocol Scope 2 Guidance, 2015	

*tCO₂e presented in the table are rounded figures

Table 2. Summary of ERM’s Health & Safety Performance data for April 1, 2022- March 31, 2023

Parameter	Value	Units
ERM Employees number of work hours in a year	12,844,538.00	No. of hours
Global DAWC Rate	0.06	No unit
Severity rate	0.89*	No unit
Total Recordable Incident Rate (TRIR)	0.22	No unit
No. of recordable incidents	14.00*	Number
Subcontractors’ injury and illness	71.00	Number

*Please refer to annex for details

² 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 lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.



Table 3. Summary of ERM’s People Performance data for April 1, 2022- March 31, 2023

Parameter	Value	Units
No of ERM employees	8,021.00	Number
New hires	2,271.00	Number
Voluntary turnover	1,335.00	
% of employees - age and gender		
Male	47.40	%
Female	49.10	%
Age under 30	27.60	%
Age 30-50	52.70	%
Age over 50	17.50	%
Not indicated or other	2.20	%

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 GHG emissions data, Health and Safety Performance data and People Performance data.
- Verifying historical GHG emissions data and records at an aggregated level for the reporting period April 1, 2022 - March 31, 2023.
- Sampling Ecometrica data submissions, Health & Safety Performance and People Performance data for the reporting period FY23.
- Verifying emission factors used with the source reference and confirming their appropriateness.
- Verifying underlying calculations and formulae for Health & Safety Performance 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.

Observations

Further observations and findings, made during the assurance engagement, are to:

- Obtain evidence of REC/REGO claim for Scope 2 for all applicable sites before an external verification.
- Develop a process to improve accuracy of GHG quantification by using actual data wherever possible to reduce the proportion of estimations for scope 3 categories; specifically, category 1- purchased goods and services and category 2- capital goods.
- Consider implementing restatement of emissions process in the following year once ERM obtain the actual data for March 2023.

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.

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

Signed

Dated: 31 May 2023

Sujatha Ramasamy
LRQA Lead Verifier

On behalf of LRQA
1 Trinity Park, Bickenhill Lane, Birmingham, UK.

LRQA reference: LRQ00004598

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Annex

Health and Safety Performance Data- Severity rate- By region for April 1, 2022- March 31, 2023

Region	Value
Asia Pacific	3.99
Europe, Middle East and Africa	0.85
Latin America	0.47
North America	0
Global Businesses	0
Group	0
Total	0.89

Health and Safety Performance Data- No of Recordable Incidents for April 1, 2022- March 31, 2023

No of recordable incidents FY23	Number
Caught ¹	0
Exertion ²	5
Exposure ³	3
Hit ⁴	3
Security/Violence ⁵	0
Slips, Trips & Falls ⁶	3
Total	14

1 Includes caught on, in or under

2 Includes ergonomic (office of field) and fatigue

3 Includes chemical and environmental exposures

4 Includes hit by and against

5 Includes aggression/threats towards personnel

6 Includes falls on stairs, falls on lower levels, falls from height, fall on same level and slip/trip from stairs.