



ERM Modern Slavery Statement 2022

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Note: This Statement is made pursuant to section 54(i) of the UK Modern Slavery Act 2015 and constitutes the Modern Slavery Statement 2022 for The ERM International Group Ltd and all of its global subsidiaries. The complete list of ERM subsidiaries as at 31 March 2022 (which includes ERM Worldwide Group Limited, Environmental Resources Management Limited, and ERM-Europe Limited) can be found [here](#).

This Statement should be read in conjunction with our previous UK Modern Slavery Statements and our Human Rights, Modern Slavery and Child Labor Policy. ERM continues to be a strong supporter of ethical business conduct in our operations and supply chains and in the international efforts to abolish all forms of modern slavery. Below we describe the specific actions we have taken in the past fiscal year ending 31 March 2022 and note plans for the next fiscal year.

1.0 Summary of actions

In the fiscal year ending 31 March 2022, the specific actions taken to progress our efforts are as follows:

- International anti-money laundering compliance and trade sanctions requirements are key to an international system to combat the money laundering and humanitarian abuses of the modern slavery trade. Accordingly, we made significant updates to our internal anti-money laundering and trade sanction systems, including additional data capabilities about location risk. By improving oversight of our operational risk, and especially pipeline opportunity risk, we can address modern slavery risk more effectively. We believe that improving data collection and communication throughout our organization is particularly important due to the fast pace of much of our work, the quick decision-making that this pace entails, and the corresponding risk measures that must be implemented. These improvements have been particularly important as our people start to return to business-related travel and field work post-pandemic.
- Due to the fact that many of our employees continued to work from home due to the pandemic, we have maintained internal awareness of our Ethics Helpline. We also updated the Ethics Helpline system for better global coverage and reporting. As noted previously, our reporting system was implemented in calendar year 2018 and is a multi-lingual service hosted by a third party provider and is available 24 hours a day, 365 days a year by phone or web portal. With this system, concerns about our business operations (including modern slavery and any other form of unethical business conduct) can be reported completely anonymously and without fear of retaliation.
- We implemented our **Supplier Code of Business Conduct & Ethics** (“Supplier Code”), which was completed last year. This includes specific clauses around human rights and modern slavery. It has been rolled out to subcontractors and third party suppliers. As part of this effort, we updated our Terms and Conditions as part of our supply chain process. Our contractual updates bind suppliers to our Supplier Code and therefore provide explicit expectations and requirements in respect of combatting modern slavery risks.
- We have published a new global Sustainable Procurement Policy, which prioritizes suppliers that have a public commitment in place to prohibit slavery in all its forms.
- We see continual improvement as key to our supply chain approach, and we continued to update procedures, systems, and data analytics capabilities related to our supply chain so that those improvements and information can support our efforts to identify and abolish all forms of modern slavery along our supply chain.
- Given the links between diversity, equity, equality and inclusion (DE&I) and modern slavery, we believe it is also relevant to report that we have an Executive Committee Sponsor, and have appointed regional DE&I Leads for each of ERM’s four regions. This is in addition to a Global Head of DE&I. We also appointed an Executive Sponsor for Race as part of our commitment to the Race at Work Charter.
- In addition to our work for clients on modern slavery matters, ERM participated in a number of external engagements and strategic international partnerships related to modern slavery in the last year. Examples include: active membership of the Working Group on Modern Slavery in the UN Global Compact.



2.0 Our business

ERM is a leading global provider of sustainability consultancy services, including environmental, health, safety, risk, social and human rights consulting. We have more than 170 offices in over 40 countries and territories. We provide services to clients in many locations and in all types of industries, with a focus on sustainability across all industry sectors.

The Board of Directors and Executive Committee are ERM's highest governing bodies. Our operational and governance structure is further detailed on our corporate website. While our business is structured on a corporate model and is not a partnership in the legal sense, we use the term "Partner" to designate our top executives and leaders. Our Partners lead ERM, and at any given time, we have between over 7,000 people working on projects for clients around the world. We provide both office-based services and on-site work all over the world. Our work takes us to manufacturing plants, construction sites, mine sites, offshore and onshore rigs, agricultural and rural areas.

While all ERM Partners are responsible for risk management across the ERM operations and projects which they manage, the Group General Counsel and the legal team provide overall advice and analysis in respect of ERM's compliance with applicable laws and regulations (including the UK Modern Slavery Act) and internal policies and procedures (including [ERM's Code of Business Conduct & Ethics](#) and our [Human Rights, Modern Slavery and Child Labour Policy](#) and oversee any investigation as appropriate. The Group General Counsel reports to the Group Chief Executive, who is ultimately accountable to the Board of Directors for the Group's management of its risks and compliance in general.

ERM has appointed a new Global Head of Risk who will focus on companywide risk management which includes Modern Slavery risks. Their role will include managing our Enterprise Risk Framework and enhancing, as appropriate, our risk management tools, programs, practices and policies.

Additional support in respect of the Group's efforts to manage its Modern Slavery risks and compliance is also provided by ERM's Sustainability team and our Chief Compliance Officer. The remuneration of the Group General Counsel and the Group Chief Executive is set by the Board (through its Remuneration Committee) based against goals and targets which include, inter alia, ensuring compliance and effective risk management. The Group also publishes supporting data in its annual [Sustainability Report](#).

As part of our work, we also act as advisors to multi-national corporations on all issues related to climate change, human rights, UN Global Compact initiatives, OECD standards, and the Sustainable Development Goals (SDGs). ERM has seen a significant increase in the work we do with our clients to help them understand where risks of human rights abuses may appear in their operations or supply chains, how they can improve their performance to avoid these risks from occurring, and/or how they might remedy any cases if discovered.

As part of our charitable work with the ERM Foundation supporting the SDGs, we are actively involved in initiatives aimed at eliminating the economic disempowerment that drives modern slavery. For more information, see our [ERM Foundation Annual Review 2022](#).

3.0 Our supply chain

Because ERM is a services company and not a products company, we focus our modern slavery efforts on subcontracted services as they are our primary supply chain. As noted in our description above of what we accomplished this fiscal year, management of our subcontractors continues to be our key supply chain focus.

We acknowledge the challenges of respecting human rights throughout our supply chain and are committed to working with our suppliers and business partners to adopt and follow principles and standards similar to ERM's, both via our Supplier Code, our Sustainable Procurement Policy and our screening processes.

4.0 Our policies

[Our Human Rights, Modern Slavery and Child Labour Policy](#) is in line with the terminology of the Modern Slavery Act. Accordingly, our policy prohibits the use of child or forced labor in our business and any involvement by ERM with organizations that support prohibited labor practices or human trafficking. This policy works in conjunction with ERM's [Purpose and Values](#) and [Code of Business Conduct and Ethics](#).

ERM's [Sustainability Policy](#) and [Sustainability Approach](#) articulate our commitments to sustainability, and ERM became a signatory of the UN Global Compact in 2011. As part of our ongoing support for the protection of international human rights, we have continued to use our UN commitment and other international developments as a basis to improve our policies, procedures, and approach to business.



Our policy framework and corporate governance disclosures are mapped in [ERM's 2022 Sustainability Report to the Global Reporting Initiative \(GRI\) Index](#) and also to the [Ten Principles of the UN Global Compact](#), which include points on anti-corruption and human rights, along with further details of operational and governance structure.

Our commitment to continued improvement of our supply chain was noted earlier in reference to our new Subcontractor Management Policy, new centralized subcontractor auditing procedure, and our new Supplier Code. Our Partners use our purpose, values, policies, and internal governance arrangements to lead an ERM culture based on sustainability principles, including fair labor and human rights.

Our ability to attract, develop, reward and retain talented employees is central to our business strategy and vital to our future. The values contained in ERM's corporate strategy, including 'caring for our people', underline the absolute priority that we have always maintained for the safety and health of our employees, as well as our strong focus on the growth and development of our employees. ERM strives to provide a work environment where all employees have an equal opportunity to reach their full potential and contribute to our success.

5.0 Our next steps for the fiscal year ending 31 March 2023

We will provide details on progress made and our performance in next year's statement. We will also provide a refresher training on modern slavery to our top leadership and begin to report on modern slavery training statistics. We will update both our project risk review system and our travel approval system as to modern slavery risk. We will also perform {at least one} geographical modern slavery risk assessment and report on those findings. As part of our DE&I program, we will identify DE&I goals that support our efforts against modern slavery.

Further, as is our normal practice, we will maintain and enhance where possible our participation in international forums regarding human rights, and continue to promote and support further efforts to reduce the risk of modern slavery.

We reaffirm and recommit to our goal as stated for the last three years: ERM is committed to the goal of respect for human rights and a world free of slavery, and in furtherance of this goal, we will make efforts that extend beyond our own immediate organizational interests. Not only will we continue to set internal goals, we will also participate in building external standards and providing education so that momentum not only builds in our sphere of business influence but beyond, fully aligned with our purpose of shaping a more sustainable future with the world's leading organizations.

Signed on behalf of the Board of Directors and Executive Committee:

Thomas Reichert
Group Chief Executive

Signed: 21 June 2022 for the financial year 2022 (1 April 2021 to 31 March 2022) for The ERM International Group Ltd and its global subsidiaries.