



Environmental Resources Management Limited

# Gender Pay Gap Report

March 2026

The gender pay data in this report has been validated by Korn Ferry



## INTRODUCTION



## FOREWORD

This report provides information regarding the gender pay gap within Environmental Resources Management Limited (our UK Company), reflecting the position on 5 April, 2025. The report also provides a summary analysis of some of the factors that contribute to the findings presented in this report.

As previously reported, we remain committed to building an inclusive culture across ERM. We launched a global strategy in 2018 that helps us adapt, educate and engage as a business, and build a company where everyone can bring their whole self to work. Our global strategy continues to evolve and our commitment to this continues.

Nicola Lee and Andrew Probert  
Business Unit Managing Partners, Northern Europe

## COMPANY BACKGROUND

ERM is the world's largest pure play sustainability consultancy. We work with the world's leading organizations, delivering innovative solutions and helping them to understand and manage their sustainability challenges. As at 5<sup>th</sup> April 2025, ERM employed over 7860 staff worldwide, with around 884 people employed by Environmental Resources Management Limited based in the UK. ERM has operated in the UK since 1971 and has been at the forefront of environmental and social consultancy. Our services to private and public sector clients offer a rare blend of technical and business management skills to help them understand and manage their environmental, health, safety, risk and social impacts. "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.

## GENDER PAY GAP LEGISLATION

The UK Government Equalities Office's Gender Pay Gap reporting regulations came into force in April 2017, and employers in the UK with 250 or more relevant employees are now required to publish mandatory information concerning gender pay. This report enables ERM to meet its obligations to publish our overall mean (average) and median gender pay gaps, gender bonus gaps, gender distribution within salary quartiles and bonus-received proportion.

The gender pay gap is a measure of the difference between men's and women's average earnings across the organisation irrespective of their role or seniority, and is expressed as a percentage of men's earnings. Organisations such as ERM that have more men in senior roles are likely to have a gender pay gap.

It is important to note that gender pay is different to equal pay. Equal pay is defined under the Equal Pay Act as work of equal value, or 'like' work which is the same or broadly similar and extends to the full terms and conditions of employment (i.e. basic pay, overtime rates, performance related benefits, hours of work, access to pension schemes, non-monetary terms, and annual leave entitlements).

This report provides data on ERM's gender pay gap as at 5 April, 2025.

## POPULATION

Environmental Resources Management Limited is the only UK employing entity that falls into scope, as it employs more than 250 employees. No other UK-based ERM companies are covered in this report.

The legislation specifies a 'snapshot date' that employers must use as the basis for their data reporting. It also provides specific definitions for determining which employees are relevant for reporting purposes (a detailed glossary of definitions and terms is included in the Appendix).

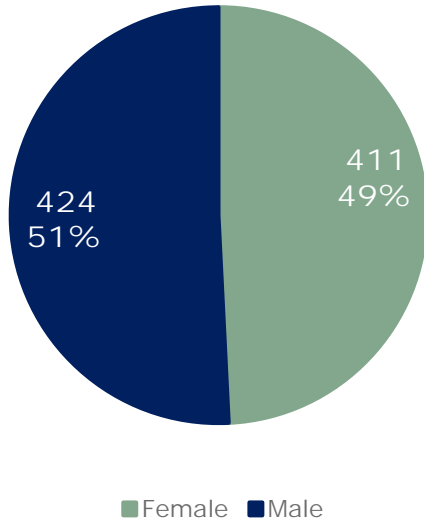
As at the snapshot date (5 April, 2025), 835 employees fell into the scope of 'full-pay relevant employees' with respect to the calculation of hourly pay, and 870 people were in scope for bonus pay calculations (bonuses paid in the 12 months prior to the snapshot date). The difference is due to some people being excluded from the hourly pay calculations as they were not considered as full-pay relevant employees as per the legislation (for example, those receiving reduced pay for absence, such as sabbatical, maternity or unpaid leave).

In alignment with current requirements for gender pay gap reporting, gender must be reported in a binary way, recognising only men and women. This means the gap does not take into account non-binary or other identities.

The data contained in this report has been reviewed and validated by a third party, Korn Ferry.

## EMPLOYEE DISTRIBUTION

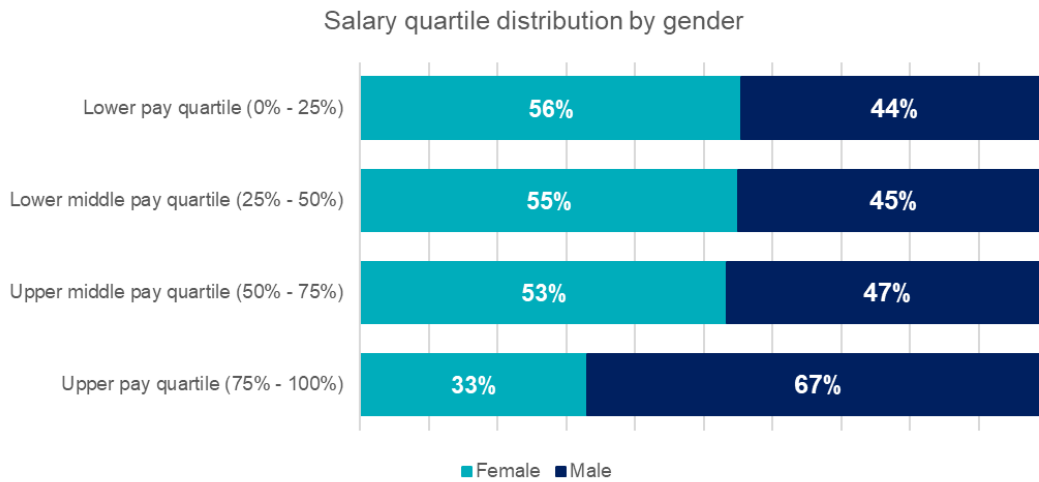
Full-pay relevant employee distribution



This section refers to the population included in the hourly pay gap calculation, referred to as full-pay relevant employees. The graphic above shows the overall gender distribution of full-pay relevant employees within Environmental Resources Management Limited.

Overall there is an equal distribution of females and male employees within the full-pay relevant sample. The number of males in the sample has remained the same as reported last year and the number of females increased, resulting in a reduction of male percentage distribution from 54% to 51% and an increase in female percentage distribution from 46% to 49%.

## HOURLY PAY – GENDER SPLIT BY SALARY QUANTILES

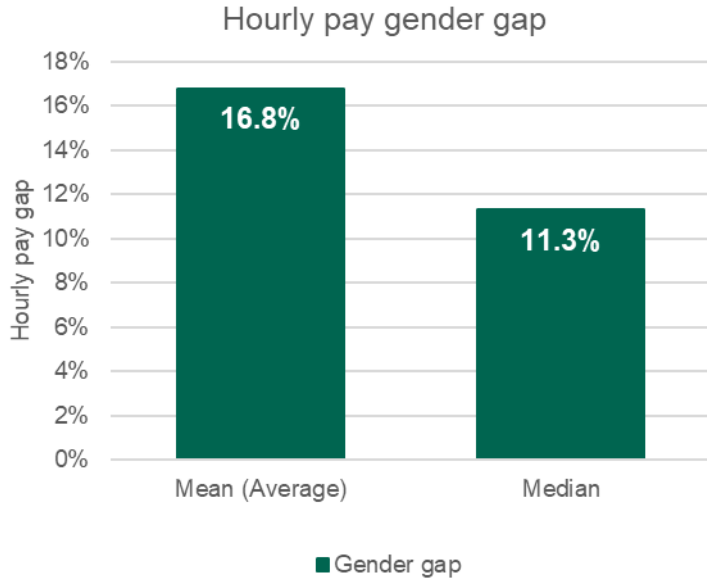


In order to understand ERM's gender pay gap, it is important to show the proportion of males and females in each pay quartile, presented in the charts above.

The overall picture of salary quartile distribution within ERM is consistent with previous years, with all but the upper pay quartile showing a higher representation of female than male. An increase in the number of females / reduction in males in the upper middle pay quartile sees female representation up from 46% to 53%. Female representation is also up from 28% to 33% at the upper pay quartile, but this upper quartile remains predominantly represented by male employees.

## HOURLY PAY GAP

The chart to the below shows the overall hourly pay rate gap for Environmental Resources Management Limited. It's important to note that this overall gap can be heavily driven by the distribution of gender within company levels.



The hourly pay gender gap mean (average) is lower than last year down from 19.7% to 16.8%. The median gender gap has also fallen from 16.4% to 11.3%. That the average is significantly higher than the median gender gap indicates a number of highly paid male outliers in the sample.

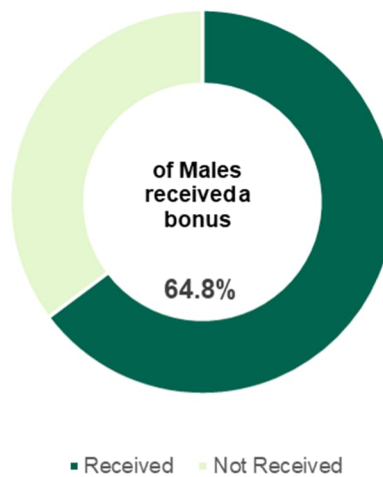
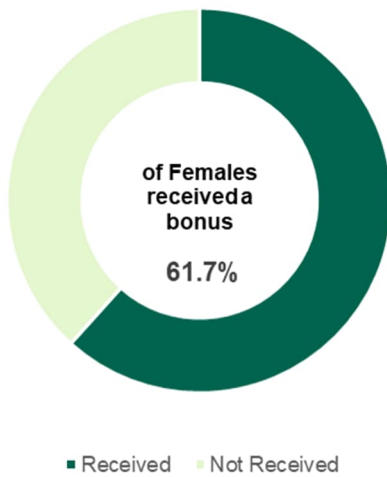
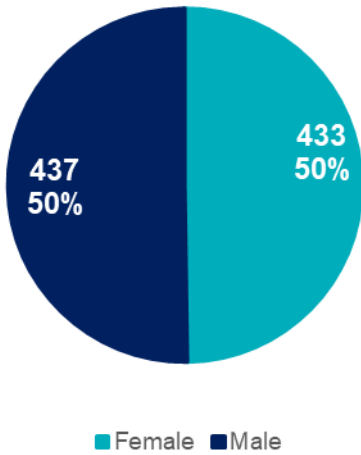
The overall gender pay gap at ERM is predominantly due to the disproportionate number of males to females in the CL5 and Partner levels. ERM will continue to observe a gap until female representation is increased within these grades.

## BONUS PAY GAP

### PERCENTAGE OF MALES AND FEMALES RECEIVING A BONUS

Only jobs which received a bonus have been included in the Bonus gap analysis. The charts below shows the proportion of males and females receiving a bonus payment.

Relevant employee distribution



When comparing the proportion of males and females who received a bonus the difference is minimal (as it was last year) and indicates no systemic gender bias when awarding bonus payouts.

## BONUS PAY GAP

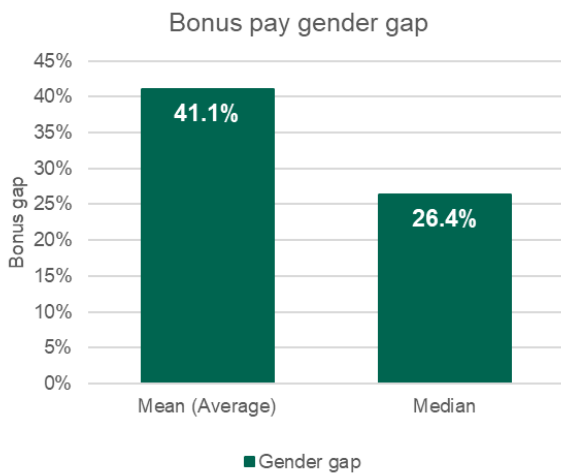
The chart below shows the overall bonus pay gap. It is important to note that this overall gap can be heavily driven by the distribution of gender within company levels and employee performance.

Bonus pay mean is consistent with the previous year but the median lower this year for both female and male employees. The number of employees receiving a bonus this previous year is significantly higher (than last year) with both female and male bonus received at approximately 60% of employees receiving.

The overall bonus gap on average has increased slightly from 39% to 41.1% and median has fallen slightly from 26.8% to 26.4%.

The gap is again heavily driven by the distribution of gender throughout the career levels, with more senior grades (CL5 - Consulting/Associate/Technical Director roles and Partner roles) driving the higher average for Male staff.

Other reasons that can lead to bonus differentials in ERM include date of hire, which impacts bonus eligibility, salary sacrifice into pensions and part-time working.



## CONCLUSIONS & COMMITMENTS

### CONCLUSIONS

The key conclusions of this report are:

- ERM continues to have a pay gap (for hourly and bonus pay) in its eligible UK business.
- The overall gender gap for hourly pay at ERM has continued to narrow, with the mean gap decreasing to 16.8% and the median gap reducing to 11.3%. This represents a year-on-year improvement and places ERM's median gender pay gap below the latest UK all-employee benchmark. While progress is evident, a material gap remains, indicating that further action is required to sustain and accelerate improvement.
- The overall hourly pay gender gap continues to be driven primarily by workforce composition, particularly the disproportionate representation of male employees in the higher-paid CL5 and Partner levels. Overall gender representation across the organisation is now broadly balanced; however, structural imbalances persist at senior grades.
- Salary quartile analysis shows that females are well represented across the lower and middle pay quartiles, while the upper pay quartile remains predominantly male. Female representation in the upper quartile has increased to 33%, demonstrating positive movement, although this level continues to be an area of focus.
- Analysis of pay within grades indicates that several grades exceed the Equality and Human Rights Commission's 3% threshold on either a mean or median basis. The presence of gaps in both directions suggests that these differences are not indicative of systemic bias, but rather reflect pay variance within grades. Grades with both significant gaps and robust sample sizes should remain a priority for further investigation.
- The gender bonus pay gap remains more pronounced than the hourly pay gap. The mean bonus gap stands at 41.1%, with a median gap of 26.4%. Bonus outcomes continue to be influenced by grade distribution and the concentration of male employees in senior roles with higher incentive opportunity. The proportion of male and female employees receiving a bonus remains broadly comparable, indicating no systemic bias in bonus eligibility.

## UK COMMITMENTS

ERM is committed to addressing the gender pay gap and has a global commitment to diversity and inclusion, as well as specific actions we are taking within our UK business.

Key to closing our gender pay gap is ensuring we have increasingly more women in senior leadership roles. We need to encourage and support the demographic changes we need to see at our more senior levels. We have a series of commitments to push this agenda forward as follows:

- Continue to evolve approach in creating a more gender balanced leadership pipeline for CL5 roles and ERM's 'Path to Partner Programme'.
- Continue to improve and test processes to ensure they are free from gender bias and encourage hiring managers to review a diverse range of candidates, ensuring representation across hiring panels where possible.
- Structured skills and competency-based interview training for hiring managers rolled out globally, with a strong focus on the impact of unconscious bias.
- Continue to set industry specific long-term targets to ensure we are striving to achieve a more equitable and diverse workforce that represents the communities in which we operate.
- Continue to set maximum levels of acceptable attrition to retain under-represented talent Understand attrition trends by gender to determine support required.
- Focus on developing and promoting female employees from within the organization, both through participation in globally-led development programmes, as well as UK-specific talent development initiatives. Which in turn enables a strategic target of achieving gender balance across all management levels.
- Continue to support and promote modern working practices in order to attract and retain females at all levels. Examples are to continue to support, advertise and empower through our employee resource groups (ERGs). We will ensure that we remain equitable by providing tools that the multi-generational workforce will find relevant such as menopause support.
- Continue to develop ERM's reward infrastructure, using externally sourced salary benchmarking data to ensure continued fair and equitable pay across roles and levels.
- Maintain our keen focus on balance during each pay review and address any gaps, as required.

ERM's UK gender pay gap will continue to be monitored and published in coming years and we will hold ourselves to account to ensure that:

We make a concerted effort to create more diversity at partner level, by focusing on our path to partnership promotion pipeline and sourcing of external candidates.

Our recruitment practices are free from bias, utilising inclusive language through training and inclusive leadership at scale from a top-down approach.

Our talent management and recruitment processes are inclusive and aim to reflect the diversity of existing employees and the geographical talent markets in which we source candidates.

## Definitions

### Snapshot date

Gender pay gap calculations are based on figures drawn from a specific date each year called the 'snapshot date', which is 5 April. The reference period for this report is the 12-month period preceding April 2022.

### Relevant and full-pay relevant employees

- All employees employed by Environmental Resources Management Limited on the snapshot date are referred to as 'relevant employees'.
- All employees who were paid their usual full pay in their pay period that included the snapshot date are referred to as 'full-pay relevant employees'.

### Ordinary pay

Ordinary pay includes any monetary payment such as:

- Basic pay
- Allowances (such as overseas allowance payments)
- Pay for leave.

Gross figures are used:

- Before tax and any deductions for employee pension contributions
- After any deductions for salary sacrifice.

### Bonus Pay

Bonuses include any rewards related to:

- Annual performance bonus
- Ad hoc bonuses, including referral bonuses, global recognition, thank you and service excellence awards.

\*These definitions draw upon information provided on the GOV.uk gender pay website. For further details on the methodology used refer to [www.gov.uk/guidance/gender-pay-gap-reporting-overview](http://www.gov.uk/guidance/gender-pay-gap-reporting-overview)

### Hourly pay rate

- Add together each employee's ordinary pay and any bonus pay
- Divide the total by the 'appropriate multiplier' – this gives you the employee's average weekly pay
- The specific 'appropriate multiplier' for monthly pay periods is 4.35 (30.44 days divided by 7)
- Divide the result for each employee by the number of their weekly working hours – this gives you the employee's average hourly pay rate.

### Mean (Average)

The arithmetic mean obtained by adding several quantities together and dividing the sum by the number of quantities.

## Median

50th percentile, which divides the upper 50% from the lower 50% of data.

## Proportion of males and females receiving a bonus payment

Number of male relevant employees who received a bonus divided by the total number of male relevant employees. Number of female relevant employees who received a bonus divided by the total number of female relevant employees.

## Salary Quartiles

The proportion of male and female full-pay relevant employees in four pay bands.

- Full-pay relevant employees are ranked from highest to lowest paid
- Divided into four equal parts ('quartiles')
- The percentage of men and women is calculated in each of the four parts.

\*These definitions draw upon information provided on the GOV.uk gender pay website. For further details on the methodology used refer to [www.gov.uk/guidance/gender-pay-gap-reporting-overview](http://www.gov.uk/guidance/gender-pay-gap-reporting-overview)



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