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# Independent assurance statement

## **About this statement**

Shine was asked by ERM to provide independent assurance of ERM's Sustainability Report 2015. We have undertaken to provide a moderate level type 1 assurance statement in accordance with the AA1000 Assurance Standard (2008), covering our evaluation of ERM's adherence to the AA1000 AccountAbility Principles Standard (2008) and the Global Reporting Initiative G4 Principles for Defining Report Content and Boundaries Protocol.

This statement is provided for ERM's management, as well as ERM's stakeholders and report readers. We have no other financial relationship with ERM. Information about our qualifications and relationships can be found at [www.shinesustainability.com](http://www.shinesustainability.com).

## **Responsibilities**

ERM has sole responsibility for the preparation of the report and its contents. We were not involved in the preparation of any part of the report; however, we did review and provide feedback on pre-publication drafts and supporting materials. We have not undertaken to evaluate the reliability of data or reported claims, for which ERM has conducted its own internal assurance.

## **How we formed our opinion**

We undertook the following activities to produce this statement:

- We reviewed ERM's processes for determining material issues, including, among others, results of research into key client sustainability issues and impacts, competitor analysis, commitments under the Sustainable Development Goals, thought-leader feedback, interviews with senior management and analysis of existing key performance indicators.
- We conducted selected interviews with members of ERM's Executive Committee, Sustainability Council and key staff involved in the determination of ERM's sustainability report content and KPI development, as well as its strategic approach to sustainability impacts and ambition.
- We reviewed drafts of this Sustainability Report and documentation describing ERM's approach to materiality and stakeholder engagement; and discussed their content with ERM senior management involved in their creation.



### Findings and opinion

On the basis of the work we did as described above, it is our opinion that this report demonstrates that ERM has:

- Implemented an appropriate process of stakeholder participation
- Developed its understanding of material sustainability impacts with regard to their sustainability context and views of stakeholders
- The ability to respond to stakeholders’ inputs and concerns about sustainability
- A procedure in place to manage its material sustainability impacts robustly, with the aim of continuous improvement of its performance
- Made extensive use of the GRI G4 reporting Guidelines in determining and presenting report content
- Provided a reasonable and balanced presentation of performance, based on the overall selection of content in the report.

### Observations

Sustainability reporting involves an ongoing process of improvement. We provide the following observations with respect to the specific criteria we used in this assurance engagement:

<b>Inclusivity</b>	<p>ERM clearly describes its primary accountability to key stakeholders in terms of its ability to deliver advice and insight to clients based on sound science and robust technical process. It maintains an ongoing commitment to international-level dialogue and development of technical expertise related to key sustainability impacts.</p> <p><b>We would encourage ERM to articulate further its accountability to external stakeholders, including relevant international organisations, NGOs and local communities who are concerned in the global sustainability agenda and the impacts of ERM’s clients – locally and globally.</b> This is especially significant with respect to clients involved in controversial projects, or industries tackling long-term sustainability challenges.</p>
<b>Materiality</b>	<p>ERM has a clear and well-integrated process of materiality determination, taking in multiple stakeholder inputs – clients, employees, thought-leaders, contractors and others – over several years. Significantly, ERM has identified its influence and impact through client work as a significant material issue, though the company’s ability to measure this influence is not yet</p>



	<p>well advanced.</p> <p><b>We encourage ERM to continue developing its ability to link the impact of its client work to ERM’s performance ambition on its material issues</b>, including the expressed goal of scaling-up sustainability and harnessing the transformative power of business, as part of the business contribution to the Post-2015 Development Agenda.</p>
<b>Responsiveness</b>	<p>ERM has clearly documented the actions it has taken in response to specific stakeholder views and inputs.</p> <p><b>We encourage ERM to describe more fully how it approaches responsiveness in light of the relative weight assigned to stakeholders</b> – such as key global clients – in assessing material impacts, and the steps taken to ensure appropriate balance across different interest groups.</p>

A separate Management Report provides further observations and feedback with respect to specific identified material aspects. These include **Economic performance and market presence; Indirect economic impacts; Procurement practices; Environmental performance management; Service-level impacts; Supplier environmental assessment; Labour practices; Health and safety; Human rights and Impacts on Society.**

Shine Sustainability  
 London  
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