

2023/24



# ESG REPORT

Beyond the bottom line

GERALD  
EDELMAN 



## ENVIROMENTAL

### Our goals



Reduce scope one and scope two GHG emissions by 42% by 2030 (2021 baseline year), and to measure and reduce scope three emissions



Achieve zero waste to landfill



Reduce water usage by 3.6% per office annually. In line with UN's science-based targets

### Scope one, two and three emissions

| Metric                          | FY2023    | FY2024    | Benchmark | Benchmark Achieved               | Benchmark Met |
|---------------------------------|-----------|-----------|-----------|----------------------------------|---------------|
| CO <sub>2</sub> e (Scope one)   | 23,090kg  | 23,090kg  | 24,690kg  | <div style="width: 107%;"></div> | 107%          |
| CO <sub>2</sub> e (Scope two)   | 1,970kg   | 3,410kg   | 2,110kg   | <div style="width: 62%;"></div>  | 62%           |
| CO <sub>2</sub> e (Scope three) | 399,800kg | 458,970kg | 427,620kg | <div style="width: 93%;"></div>  | 93%           |

### What is the benchmark?



- Paris Agreement to reduce CO<sub>2</sub>e emissions in line with the 1.5°C pathway, factoring in revenue growth.

#### Scope one emissions

- These are direct emissions from our business's operations, like burning fuel in leased vehicles, emissions from air conditioning units that use refrigerants or on-site generators.

#### Scope two emissions

- These are indirect emissions from purchased energy, like electricity or gas, that we use in our operations.

#### Scope three emissions

- These are indirect emissions from our entire value chain and includes our supplier emissions and employee commuting.

## Successes

### ★ We have exceeded the Paris Agreement benchmark for scope one emissions

Our actual emissions in 2024 were 23,090kg, significantly lower than the benchmark of 24,690kg. This achievement underscores our efforts to align our operations with the global goal of limiting global warming to 1.5 degrees Celsius.

### ★ Achieved our scope two emissions reduction goal

In 2022, we set a science-based target to reduce our scope one and two emissions by 42% using 2021 as the base line year. We have already beaten our target of reducing scope two emissions. This was achieved through switching to a renewable energy supplier for 73 Cornhill.

## Gerald Edelman's science-based targets reduction goals

| Scope                 | Base Year (2021) | Target Year (2026) | Reduction | Target Year (2031) | Reduction |
|-----------------------|------------------|--------------------|-----------|--------------------|-----------|
| Scope 1 emissions     | 15,400kg         | 12,200kg           | ↓ 21%     | 8,900kg            | ↓ 42%     |
| Scope 2 emissions     | 36,900kg         | 29,200kg           | ↓ 21%     | 21,400kg           | ↓ 42%     |
| Scope 1 + 2 emissions | 61,100kg         | 48,300kg           | ↓ 21%     | 35,400kg           | ↓ 42%     |

## Room for improvement

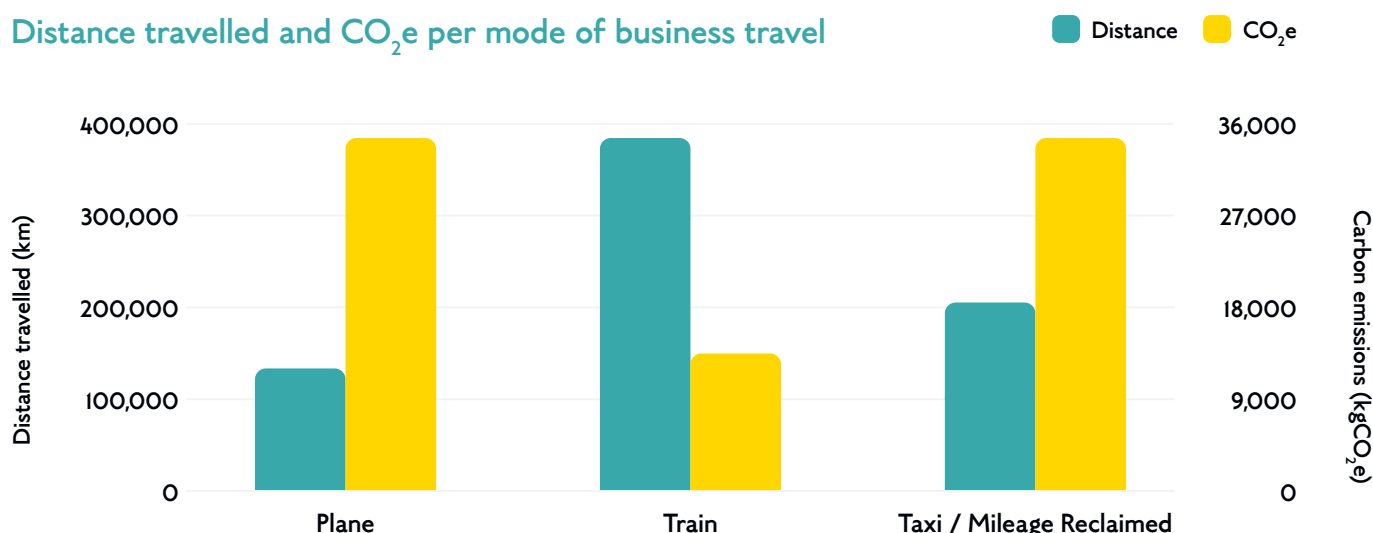
### ↑ Scope two emissions - consider renewable energy suppliers for 52 and 63 Cornhill

Despite reaching our science-based target, scope two emissions are above the Paris Agreement benchmark. 73 Cornhill now uses a 100% renewable energy supplier. However, we have leased new offices (63 and 52 Cornhill) with different energy commitments. These will be reviewed in 2024.

### ↑ Scope three emissions - core impact areas are purchased goods and services, business travel and employee commuting

We made a commitment to reduce scope three emissions. This commitment was made after our first carbon footprint report was produced, which was during covid when travel was limited. Therefore, our baseline year was not realistic. However, we still need to be mindful and in 2024, we will be reviewing how we can work more with our supply chain to reduce emissions from purchased goods and services and ensure our travel policy is communicated to the team and referred to when considering any travel.

## Distance travelled and CO<sub>2</sub>e per mode of business travel



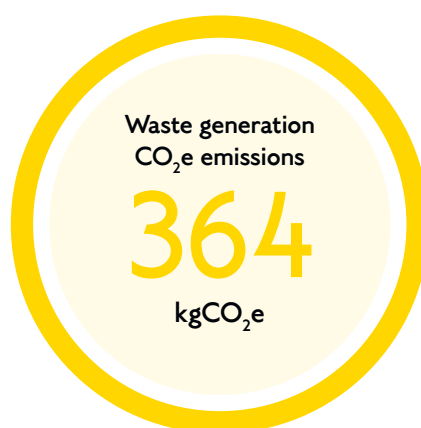
## Waste recycling

| Metric          | FY2023 | FY2024 | Benchmark | Benchmark Achieved               | Benchmark Met |
|-----------------|--------|--------|-----------|----------------------------------|---------------|
| Waste recycling | 100%   | 100%   | 65%       | <div style="width: 154%;"></div> | 154%          |

### What is the benchmark?



→ 65% of waste generated to be recycled.



### Successes

☆ Recycling rate: 61%

☆ Zero waste to landfill

Through our work with First Mile we now undertake mixed recycling, food recycling, specialist recycling and have achieved zero waste to landfill.

### Room for improvement

↑ Implementing recycling only stations

We are transitioning away from general rubbish bins and these will be removed. Instead, we will be adding more recycling bins on each floor.

↑ Promoting waste reduction

We will be providing educational resources and training to help the team learn about effective waste reduction strategies.

↑ Recycling paper towels

Recognising the significant amount of paper towels we use; we are looking into paper towel recycling.



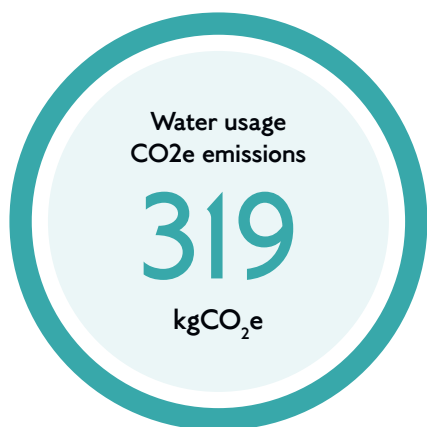
## Water usage

| Metric      | FY2023              | FY2024              | Benchmark           | Benchmark Achieved              | Benchmark Met |
|-------------|---------------------|---------------------|---------------------|---------------------------------|---------------|
| Water usage | 1,430m <sup>3</sup> | 1,800m <sup>3</sup> | 1,580m <sup>3</sup> | <div style="width: 88%;"></div> | 88%           |

### What is the benchmark?



→ UN target to reduce water usage by 25% by 2030.



“  
We are working on obtaining more accurate data through our water supplier.”

### Room for improvement

↑ Water usage has increased by 65 kgCO<sub>2</sub>e










We need access to better data. Currently average water consumption per employee is used to calculate water consumption. This year we are working on obtaining more accurate data through our water supplier to give us a better understanding of our water usage.

*Through our work with First Mile we now undertake mixed recycling, food recycling, and specialist recycling*



## SOCIAL

### Social

| Metric            | FY2023 | FY2024 | Benchmark  | Benchmark Achieved   | Benchmark Met  |
|-------------------|--------|--------|------------|--|--|
| Employee Support  | £8,215 | £8,315 | £7,360     |  | 113%  |
| Employee Training | £967   | £860   | £651       |  | 132%  |
| Gender Diversity  | 45%    | 45%    | 45% to 55% |  | 100%  |
| Ethnic Diversity  | N/D    | N/D    | 44%        |  | 0%   |
| Gender Pay Gap    | 36%    | 34%    | -5% to 5%  |   | 15%  |
| Executive Pay Gap | 2.1x   | 2.2x   | 7 times    |  | 320%  |

### What is the benchmark?



- Employee Support: Employee support provided above local statutory requirements.
- Employee Training: Local market average spend on employee training.
- Gender Diversity: 50% of employees to be female or non-binary (±5%).
- Ethnic Diversity: Local ethnic diversity of working age individuals.
- Gender Pay Gap: Gender pay gap to be no greater than ±5%.
- Executive Pay Gap: Executive pay gap to be no greater than 7 times.

### Successes

- ☆ We invested £8,315 per employee on support initiatives (This includes healthcare, pensions, etc.)
- ☆ We have met the benchmark for investing in employee training  
On average we have invested £860 per employee on training. (This includes professional qualifications and soft skills training).
- ☆ We are proud to have a gender-diverse workforce
- ☆ We maintain a favourable executive pay ratio, well below industry standards at 2.2 times

## Room for improvement

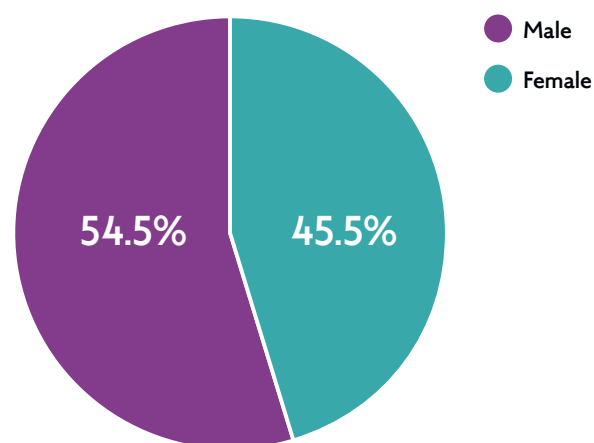
### ↑ Ethnic diversity

While we track ethnic diversity data in Mentor, we have limited information due to the optional nature of this field. To improve our understanding, we will be increasing our outreach to our team to obtain this data.

### ↑ Gender pay gap

Due to these results, we have investigated our gender pay gap and it has revealed that there is **no disparity between male and female salaries at any level**. While our historical composition has favoured male partners, this trend is shifting. We have ensured that all individuals on the same level receive equal compensation, regardless of gender.

## Gender diversity



“  
We have investigated our gender pay gap and it has revealed that there is no disparity between male and female salaries at any level.

Gerald Edelman team at 73 Cornhill



## Supply Chain ESG

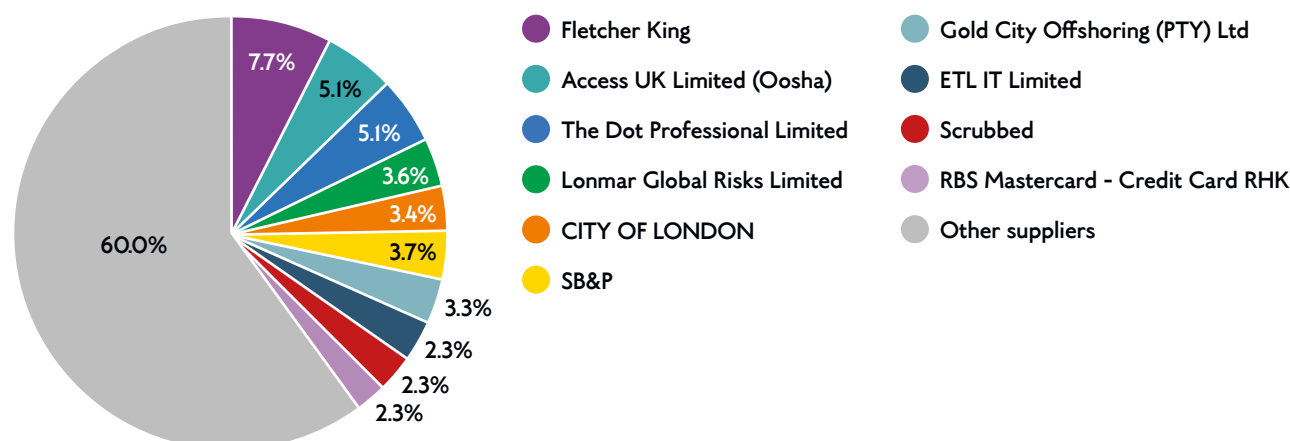
| Metric           | FY2023 | FY2024 | Benchmark | Benchmark Achieved              | Benchmark Met |
|------------------|--------|--------|-----------|---------------------------------|---------------|
| Supply Chain ESG | 32%    | 33%    | 100%      | <div style="width: 33%;"></div> | 33%           |

### What is the benchmark?



→ 100% of material suppliers to be assessed for ESG performance.

### CO<sub>2</sub>e by supplier



### Successes

☆ Last year, we implemented a supplier due diligence process for key suppliers, those with annual spend exceeding £20,000

Prior to this, we had no ESG assessment in place. As a result, we now assess 33% of our key suppliers for ESG factors.

### Room for improvement

↑ In 2024, we are expanding our supplier due diligence process to include those with annual spend exceeding £10,000

Our goal is to assess all of our suppliers for their ESG practices.



## Customer complaints

| Metric              | FY2023 | FY2024 | Benchmark | Benchmark Achieved             | Benchmark Met                          |
|---------------------|--------|--------|-----------|--------------------------------|--|
| Customer complaints | 0%     | 0%     | 8%        | <div style="width: 0%;"></div> | ∞% <input checked="" type="checkbox"/> |

### What is the benchmark?



→ Customer complaints to be lower than local market average.

### Successes

- ☆ In the 2023-2024 fiscal year, we received six customer complaints, representing a rate of 0.052789%  
Customer complaints we record are those escalated and formally recorded by the Operational Management Board.

### Room for improvement










- ↑ To ensure continuous improvement, we send out client feedback forms twice a year to collect valuable input from clients and address any concerns

*Leo French, R&D Manager*



# GOVERNANCE

## Governance

| Metric                      | FY2023 | FY2024 | Benchmark  | Benchmark Achieved   | Benchmark Met  |
|-----------------------------|--------|--------|------------|--|--|
| Board Gender Diversity      | 33%    | 33%    | 45% to 55% |  | 74%  |
| Tax Interventions           | 0      | 0      | 0          |  | 100%  |
| Management of Personal Data | Yes    | Yes    | Yes        |  | 100%  |
| Anti-Slavery Policy         | No     | No     | Yes        |   | 0%   |
| Whistleblower Policy        | Yes    | Yes    | Yes        |  | 100%  |
| Net Zero Plan               | No     | Yes    | Yes        |  | 100%  |
| Biodiversity Plan           | No     | No     | Yes        |   | 0%   |

## What is the benchmark?

- Board Gender Diversity: 50% of Board members to be female.
- Tax Interventions: Nil prompted disclosures from tax authorities.
- Management of Personal Data: Existence of a GDPR log.
- Anti-Slavery and Whistleblower Policies: Existence of policies.
- Net Zero Plan and Biodiversity Plan: Existence of plans.

## Successes




- ☆ Our Board is now more diverse than ever before
- ☆ We have a whistleblower policy in place
- ☆ Our Net Zero Plan aligns with Science Based Targets and is actively supported by our Sustainability Committee

## Room for improvement

- ↑ Implement a formal anti-slavery policy to strengthen our commitment to ethical business practices
- ↑ Develop a comprehensive biodiversity plan to address our environmental impact and support sustainable practices



Contact us

 73 Cornhill, London, EC3V 3QQ  +44 (0)20 7299 1400  [hello@geraldedelman.com](mailto:hello@geraldedelman.com)

