



#### INTRODUCTION

## What we do and why we do it.

Welcome to our annual Corporate Responsibility report.

We are guided by our "North Star" – the beacon that illuminates our path forward. Driven by an unwavering commitment to show that outcomes which positively balance human-centric and planet-conscious design are the best measures of success, we firmly believe in the power of business to drive change. Our journey is not just about what we do; it's about why we do it.

This report demonstrates our progress against the baseline metrics established last year in our first edition. We've made immense strides in measuring our impact transparently and rigorously. We're proud that our report reflects the myriad of ways in which our firm can contribute to a better society and a thriving planet.

Here, you'll witness the tangible results of our dedication – the significant steps made across our five aspirations. Alongside this, our new governance structures and strategic mechanisms empower bottom-up initiatives, catalysing positive change throughout our organisation.

In 2023, we committed to focused action across our five aspirations, with particular emphasis on Diversity, Equity & Inclusion, Net Zero Carbon, and Innovation. Join us as we delve into the heart of our achievements, celebrating progress, and igniting inspiration for the journey ahead.





## Our 2023 headlines.

ASPIRATION #1
Championing
climate action

#### Integration of whole-life carbon approach

Last year, we began integrating a net-zero consultancy ethos into all our services and projects, successfully adopting a whole-life carbon approach in our processes, practices, and methodologies.

#### **Development of NZC tools**

We've created a suite of tools to generate accurate, easily digestible, and targeted data, enabling informed decisions, based on design intentions and actual performance data.

#### Industry recognition

Our goal is to empower our clients to future-proof their assets in line with top sustainability standards. Our dedication earned us the CIBSE Large Consultancy of the Year award in early 2024, with judges praising our climate action initiatives and net-zero engineering expertise.

CIBSE Large Consultancy of the Year

ASPIRATION #2
Creating and sharing value

#### Adopting a product mindset

We established a new governance structure, adopting a product mindset which directs our efforts towards creating a better understanding of our clients' needs and identifying key innovation opportunities. This directly connects innovation with project delivery to facilitate change at scale.

#### Building sector expertise

We brought together our sector specialists from core industries to deepen understanding of each sector's unique challenges, keeping our North Star at the centre of these discussions.

ASPIRATION #3
Delivering
social value

#### Delivering social value in projects

We launched our Social Value Toolkit, formalising our approach to delivering social value as part of our project delivery process. In the healthcare sector, we forged closer bonds with NHS Trust partners and expanded our influence beyond design to improve outcomes for people.

#### Supporting social causes

We generated £105,000 of social value for charitable causes, pro-bono projects, and sustainability programmes.



### Our 2024 headlines.



#### Increasing diversity

We developed our Diversity, Equity & Inclusion (DEI) strategy and expanded the lenses through which we understand diversity, issuing our first demographic survey. We have made slight improvements in the diversity of our organisation, both firmwide and within senior leadership.

#### **Embedding inclusivity**

In collaboration with our network groups, we worked to instil cultural change, producing DEI resources, adding pronouns in email signatures, hosting mentoring and networking events for women and gender minorities, and including material on inclusive behaviours in our leadership development programmes.



#### Improved environmental management

We implemented an environmental risk management strategy and governance structure, enabling us to collect better quality utilities data to inform decision making. The relocation of our Glasgow and Leeds offices resulted in significant energy efficiency improvements and improved sustainable transport connections.

#### Decarbonisation of our offices

We enhanced our carbon accounting processes to gain a more robust understanding of our key emissions sources, empowering targeted interventions for further reductions. We offset our residual emissions using verified international offsets, aligning to current best practice for Net Zero Carbon assets in operation including the World Green Building Council's Net Zero Carbon Buildings Commitment.

### Our 5-aspirations framework.

## Why.

Our Corporate Responsibility Framework is how we aim to deliver on our North Star, creating positive impact in all that we do. It's more than just a set of values – it's a blueprint for value creation, prioritising social and environmental outcomes as the metrics of our success. It showcases our dedication to making a meaningful difference and offers transparency and accountability to our stakeholders.

## How.

We are committed to annual reporting, viewing it as the key tool for understanding our impact and tracking our progress. Since releasing our first Corporate Responsibility report in 2023, we've used the insights gained to concentrate our efforts where they can have the greatest impact. This report details the actions taken and the progress achieved, serving as a testament of our dedication to transparency and continual improvement.

## What.

At the heart of our approach lie five core aspirations, which reflect our priorities to contribute to a sustainable future. Our aspirations are built upon a roadmap of 15 outcomes which we view as essential to achieving impact; they serve as our compass, leading us towards tangible actions that benefit both our planet and its people.

Our progress against our aspirations has far reaching impact on a global scale, through our contribution to achieving Tetra Tech's sustainability goals, including the 1 Billion People Challenge to positively impact people's lives.



## Our 5-aspirations framework.

ASPIRATION #1
Championing
climate action

Outcome 1.

Deliver our projects

to align with the Net Zero Carbon imperative

#### Outcome 2.

Put a climate-resilient and human-centric approach at the heart of our consultancy

#### Outcome 3.

Champion circular economy in the built environment

ASPIRATION #2

Creating and sharing value

#### Outcome 4.

Drive change in the built environment through radical collaboration and innovation

#### Outcome 5.

Engage with our supply chain to promote a regenerative economy

#### Outcome 6.

Embed good governance for long-term prosperity ASPIRATION #3

Delivering social value

Outcome 7.

Influence social value delivery in our projects

#### Outcome 8.

Build thriving communities within our offices and across our organisation

#### Outcome 9.

Maximise impact from community investment activities & partnerships

ASPIRATION #4
Empowering
our people

Outcome 10.

Create an equitable, diverse and inclusive community

#### Outcome 11.

Nurture health & wellbeing, promoting a culture of openness and support

## Outcome 12. Fulfil our unique potential

ASPIRATION #5
Leading climateresponsive
operations

Outcome 13.

Achieve Net Zero Carbon emissions across our operations

#### Outcome 14.

Operate as a climate-resilient business

#### Outcome 15.

Operate as a circular and regenerative business

### Governed with purpose.

Corporate Responsibility plays an integral part in our business operations and consultancy, with accountability for delivering on our aspirations ingrained at the highest levels of our leadership. Our Executive Team provides the strategic direction and oversight, aligning with our North Star and ensuring we deliver on our purpose.

Our Corporate Responsibility Steering Group plays a pivotal role in governing our Corporate Responsibility framework and activities. Comprising five senior leaders, including two members of the Executive Team, this group ensures a direct connection to toplevel decision-making processes and alignment with our business goals.

Members of the Corporate Responsibility Steering Group:

- Ashley Bateson, Head of Sustainability
- **Diana Sanchez**. Head of FSG
- Erica Coombs-Prole, Director of People & Development
- James Ford, Climate Business Unit Lead & Executive Team member
- Sara Quaglieni, Director of Operations & Executive Team member



ASPIRATION #1 Championing climate action

Outcome 1. Deliver our projects to align with the Net Zero Carbon imperative

Outcome 2. Put a climate-resilient and human-centric approach at the heart of our consultancy

Outcome 3. Champion circular economy in the built environment



## Championing climate action.

#### Our new tools

In our mission to integrate a whole-life carbon approach into our consultancy, we made progress last year by creating a range of tools aligned with the latest industry guidance we are collaborating on. These tools are now available for our teams to utilise, allowing them to generate additional insights in whole-life carbon assessments, monitor the carbon performance of our major projects, and devise thorough decarbonisation strategies that cover the entire project lifecycle.

#### Net Zero Carbon Metrics Dashboard

## Using multiple metrics to capture data on carbon reduction interventions through the RIBA stages.

Implemented on all our design projects, the dashboard inspires our teams to strive for better net zero aligned outcomes across eight key metrics. The data generated is allowing us to analyse associated trends, gaps and opportunities which provide valuable insight to the ambition of our projects and enhances our ability to take more targeted action.

#### **Building performance tool**

## Capturing Energy Use Intensity (EUI) data from our projects across all building typologies.

Benchmarking performance between buildings with similar typologies and geographical locations ensuring deployment of performance-based, rather than compliance-based solutions, founded in a detailed understanding of how buildings perform in response to design interventions and operational strategies.

#### Sprout

#### A web-based whole life carbon assessment tool.

Responsive, real time early-stage evaluation of design options which can be run via optioneering with project teams. This creates a clearer picture of the impacts of various interventions at an earlier stage, enabling us to develop more tailored solutions.

#### **Updated Options Explorer**

## Evaluating whole life carbon and energy impacts of HVAC systems through 3D design visualisation.

Visually outlining options tailored to specific environments supports us to bridge the language gap between engineers, other specialists and clients, maximising the utilisation of whole life carbon data in various applications.



#### **Embodied carbon comparison tools**

## Toolset to analyse embodied carbon of ductwork systems, pipework systems and refrigerants.

Enabling increased efficiency of mechanical, electrical and public health engineering systems, selecting the most appropriate combination of components to create the best system for the project with a whole life carbon perspective.



#### LARGE CONSULTANCY OF THE YEAR

The judges said:

'Hoare Lea showed a clear direction towards net zero in its work, and a desire to take clients with them on this path. The testimonials given show the benefit and effectiveness of this approach.'

→ CIBSE Building Performance Awards 2024 winners





ASPIRATION #1



## Championing climate action.

## Integrating human centric lenses into climate resilience

We've delved into human-centric approaches, integrating insights from psychology and other social sciences into our design processes. In this way we aim to ensure that positive impact for people does not come second to net zero, but that we integrate the best of both, to create truly resilient places. This shift has earned us industry recognition and awards for our projects.

Our approach to human-centric design extends beyond technical specifications. It's about infusing personality into our designs, drawing on diverse expertise to create inclusive spaces that adapt to evolving community needs. We're just scratching the surface of this journey, collaborating with engineers and specialists across Hoare Lea and Tetra Tech, aiming to bridge the gap between building performance and human experience, aligning our work with people's needs.

Through our annual Designing the Future event, we showcase groundbreaking ideas. In 2023, we tackled topics like bias in design and the power of embracing discomfort for more impactful outcomes.

→ Designing the Future 2023

We've delved
into humancentric approaches,
integrating insights
from psychology and
other social sciences
into our design
processes.

#### SPOTLIGHT

## Here + Now, Reading. Winner of the BCO ESG Award 2023.

Pioneering workspaces set within the Thames Valley Park, with a range of facilities and diverse work and social spaces which encourage users to connect with people and nature, promoting health & wellbeing.

In addition to a low carbon design, targeting BREEAM Outstanding, Fitwel 3\* and RESET Air certifications aim to ensure that the highest standard of construction and optimal environment for wellbeing are achieved. RESET Air is an industry first, using live, sensor-driven performance data to monitor air quality parameters affecting long-term health and wellbeing. Set within an 80-acre nature reserve, those working in the buildings experience tranquillity, light and open space, easily reachable by rapid public transport connections.

We have taken an integrated approach to sustainability, placing wellbeing at the forefront through an emphasis on lighting and biophilia. The indoor environment reflects the tranquil outdoor spaces of the nature reserve, through strategic use of daylighting to create a connection between indoor and outdoor spaces, complemented by use of natural materials and planting. Both the interior and exterior lighting solutions are connected seamlessly throughout the campus, creating an organic and intuitive wayfinding experience.













ASPIRATION #2 Creating and sharing value

Outcome 4. Drive change in the built environment through radical collaboration and

innovation

Outcome 5. Engage with our supply

chain to promote a regenerative economy

Outcome 6. Embed good governance for long-term prosperity



## Creating and sharing value.

#### **Embedding innovation**

In 2023, we focused on embedded innovation throughout our business operations, empowering our teams to deliver tangible outcomes that align with our clients' needs and aspirations. We have prioritised developing a 'product mindset' investing resources and skills to better understand our clients' needs and collaborating to deepen understanding of each of our key sectors' unique challenges. Here's how we made a difference:

#### **Product and innovation**

We streamlined innovation across our business by establishing a governance structure that supports both large-scale and small-scale changes. This structure supports, connects and accelerates our Product & Innovation Team with project teams, technical specialism and management functions, allowing us to apply the latest thinking more effectively.

#### Value toolkit

We developed a practical toolkit to articulate and refine the value of our ideas and innovations. This toolkit ensures that our initiatives are closely aligned with the needs of our clients and our overarching goals, fostering creativity and tangible outcomes.

#### **Communities Framework**

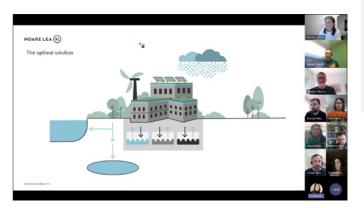
Implementing a firmwide Communities Framework has allowed us to focus on sector-specific expertise and innovation. These communities serve as platforms for collaboration, knowledge sharing, and idea development, empowering individuals to enhance their skills and drive innovation.

#### Harnessing data science & Al

Pioneering a new frontier of precision engineering and sustainability, championed by our strategic investment in Data Science and Al. Evidence-based Agility is at the centre of our approach, driving improvements in our services and advancing our sustainability goals to propel us toward our Net Zero Carbon ambitions. Collaborating with our data science team, we developed a data analysis model to assist NHS Trusts in securing decarbonisation funding. This model has been successfully used in several funding applications.

#### A growing suite of data-driven tools

Having produced these tools, we are harnessing historical data and advanced machine learning to redefine energy efficiency benchmarks and enhance our design processes. We are using rapid prototyping, where deep-learning models are driving efficiency and speed. By integrating Microsoft Copilot, we're boosting operational performance and delivering real value to our clients, while fostering a culture of continuous learning and responsible use of AI.



Pollinate showcase event

#### SPOTLIGHT

#### Pollinate.

Pollinate is our flagship research and innovation programme. As we develop our product mindset, Pollinate provides the time, space, mentoring and expertise for all our people to collaborate and develop ideas into scalable, sector-oriented solutions that help solve our clients' biggest challenges.

Through three phases, Discovery, Development, Acceleration, we can collect many ideas, maximising diversity and enabling ideas to germinate before providing the infrastructure to develop those with the most potential, creating a prototype to be scaled across live applications. Through this incubation process, our intention is that great ideas emerge into game changing solutions that could shape the future of our industry.

Having progressed through Discovery and Development, we are proud to be supporting the first cohort of projects in the Acceleration phase in 2024, enabling projects to reach their potential and be applied in practice. In parallel, we're excited to extend exclusive office visits during 2024, providing a first-hand experience of Pollinate, introducing the programme to more people, and fostering engagement and team cohesion.

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## Creating and sharing value.

#### Influencing our industry

For the past year, we've continued to shape industry standards for sustainability in the built environment, sharing insights from our exemplary projects and sparking conversations on crucial climate challenges. Our contributions to key forums and events have fostered collaboration to develop innovative solutions for a more sustainable future.







Ruth actively contributes to decision making on a range of topics including CIBSE's relocation to new premises, bringing valuable knowledge to these discussions. She leads on the Voice strategic pillar, seeking to harness CIBSE's messaging to influence government, industry and the press to drive sustainable progress.



**TOM DEBOECK** is Chair of CIBSE South Wales and **POSY CURLESS** is Vice Treasurer of the Home Counties North West Committee.



Tom and Posy facilitate knowledge sharing and interdisciplinary dialogue through technical forums and networking events, often hosted at our offices. For example, discussions around the Building Safety Act have provided much needed upskilling on new standards, promoting safer building practices.



ASHLEY BATESON shared lessons learnt on the influence of culture in sustainable building design at the CIBSE Technical Symposium 2023.





**SAUL TYLER** is on the Technical Affairs Committee (TAC), defining the new BCO standards.

The TAC is a forum for new ideas and discussion to address technical challenges in the workplace sector. Saul co-authored the BCO Guide, adopted as the de facto industry standard for workplace design. The Guide has been updated in 2023, aiming to better match building specification to actual need, and ensure office buildings meet contemporary sustainability standards, particularly around carbon and energy use.



## **CATH MACPHERSON** and **THOM BONE** are Head Judges for the Regional BCO Awards.



The BCO Awards showcase the best examples of design and functionality in the workplace sector. The dedication and expertise of judges enables a rigorous process that ensures the awards provide a robust benchmark for excellence in workplaces. The programme recognises best practice across various topics including ESG, innovation, adaptability and staff retention.



## Creating and sharing value.

#### Influencing our industry



#### **UKGBC Resilience & Nature Programme**

In 2023 as part of the UKGBC's Resilience and Nature Programme, **Ashley Bateson**, **Robert Winch**, **Declan Wyrill**, **Owen Boswell** and **Olga Ortega** contributed to the development of various resources and publications:

Fact sheets, infographics, and <u>definitions</u> on biodiversity net gain to build industry knowledge and facilitate successful implementation of the 2024 policy mandate.

**Ecological Embodied Impacts:** Improving access to information on global ecological impacts of building materials beyond carbon emissions, setting out a best practice approach to avoid harm and maximise nature-positivity.

<u>Financing Biodiversity Net Gain</u>: Sets out funding avenues for industry projects, encouraging investment in nature positive development.

<u>Climate Resilience Roadmap</u>: Provides quantifiable metrics and science-based targets for climate resilience, identifying key actions for stakeholders across the industry to drive forwards local and national policy, and create a pathway for a climate-resilient built environment by 2050.



#### **UKGBC Advancing Net Zero**

Through our participation in the UKGBC's Advancing Net Zero Programme, we've been integral to some big industry-changing achievements, helping to shape guidance that will transform industry behaviours. Laurence Johnson, William Naismith, Charlotte Dutton, Ryan DeMello, Sanjoli Tuteja, and Will Belfield have contributed to the following publications:

Renewable Energy Procurement Part 2: Enabling organisations to align their energy procurement with their climate ambitions, while supporting the continued decarbonisation of the electricity supply.

**Embodied Carbon Modelling and Reporting:** Improving the transparency of embodied carbon assessments, helping the industry to accurately model and report on embodied carbon in construction.

**Carbon Offsetting and Pricing Guidance:** Delivering an approach to carbon offsetting and associated carbon pricing that supports the transition to net zero carbon buildings.

#### Balance scorecard and ethical project screening

2023 marked a significant stride in embedding Corporate Responsibility into our business operations and advancing towards robust governance practices.

We introduced a Balance Scorecard (BSC) tailored for our leadership-level job roles. Our expanded Scorecard now integrates metrics such as Diversity, Wellbeing, Development, and Net Zero Carbon alongside traditional financial measures, aligning responsible business practices with remuneration and reinforcing our commitment to prioritise people and the planet in how we define success.

We implemented a project screening process, led by an internal review panel comprising senior leaders, which scrutinises project enquiries from ethical, environmental, and reputational perspectives. By focusing on projects where we can add value whilst responsibly mitigating negative social impacts, we uphold our commitment to positively influencing both people and the planet through our endeavours.





ASPIRATION #3
Delivering
social value

Outcome 7.
Influence social value delivery in our projects

Outcome 8.
Build thriving
communities within
our offices and across
our organisation

Outcome 9.

Maximise impact from community investment activities & partnerships



## Delivering social value.

#### **Connecting social and environmental dimensions**

In 2023, we continued to promote and integrate a social value lens throughout our projects, expanding the notion of sustainability to encompass co-benefits and synergies across environmental and social dimensions. Our efforts were recognised and awarded by the BCO.

Through this approach we contributed to Tetra Tech's 1 Billion People Challenge, which measures the positive impact of projects on people's lives. Over the last year the total lives impacted through Tetra Tech's projects has reached 625 million people impacted, almost two-thirds of the way toward our target of improving 1 billion people's lives by 2030. More detail can be found here.

We also formalised our approach to generating added social and environmental value through projects, through our Social Value Toolkit. This centralised methodology enables tailored interventions and flexible commitments in the procurement process, adapting to the unique characteristics of each project and its stakeholders.

#### Social value in the healthcare sector

Our work in the healthcare sector holds profound potential for transforming lives. Adopting a holistic approach, we consistently focus on who are we designing for and why. In 2023, strategic collaborations allowed us to embed social value throughout the project lifecycle, creating a framework for positive social impact adaptable across sectors.

This journey inspired the inception of a Hoare Lea Healthcare Foundation, aimed at fostering deeper connections within the sector. By amplifying initiatives like NHS volunteering, skills development, and donations, we align these efforts with our projects and facilities. Our approach prioritizes engagement and co-creation with NHS Trust partners and local communities, addressing the needs of patients, families, and healthcare professionals, fostering tailored solutions that emphasise dignity, sustainability, and wellbeing.

#### SPOTLIGHT

#### EBRD 5 Bank Street, London. BCO Innovation Award 2023, Regional ESG Award 2023.

An exemplar of collaboration and co-creation with staff and stakeholders throughout the project, challenging the status quo in sustainability and DEI for the workplace sector.

The ecosystem of spaces offers staff a choice of spaces to connect, socialise, network and share ideas. Activity based work settings are tailored to the work style preferences and profile of each team. Biophilic design is woven through the spaces through forms and materials, and there are over 3,000 plants and trees throughout the building. Temperature and lighting control to cellular spaces, enabling individual control; sensitive rooms are included where adjustment is highly personalised.

Social value played an integral role in the construction, with a push for diversity and equality on site. A diverse range of KPIs were used to measure performance in construction, including employment, work experience and apprentices, mental health training, engagement with local schools and universities and charitable work and donations.

Post occupancy evaluation will be carried out addressing both building and human performance metrics to enhance conditions for people and planet.











## Delivering social value.

#### Charitable and volunteering initiatives.

We generated £105,000 of social value for charitable causes, pro-bono projects and sustainability programmes in 2023, including:

Sponsorship of UKGBC's Advancing Net Zero and Resilience & Nature Programmes, enabling significant progress in setting a pathway for a sustainable built environment.

Visiting local schools and colleges to host STEAM – Science, Technology, Engineering, Arts and Maths – workshops, provide careers advice and offer mentoring, and supporting work experience placements in our offices.

Time spent on Humanitarian Architecture projects with the charity Article 25, building resilient infrastructure which serves the needs of communities in areas highly vulnerable to physical climate risk.

#### **Fundraising activities**

Our employees have engaged in additional fundraising activities, raising more than £8,000 for the causes that are important to them. Some of the initiatives that took place in 2023 are:

Tomasz Rosinski made it 48.5km through his first ultramarathon from Brecon to Cardiff in support of the Disaster Emergency Committee Turkey-Syria Earthquake Appeal.

Our Bristol office hosted a tuck shop, summer barbeque and abseiling, and participated in the Great Bristol run to raise money for Southmead Hospital.

Our Plymouth office hosted charity parties and a net-zero-carbon-themed golf day in support of Keep Me Close, which provides accommodation and facilities for parents with children undergoing treatment at Plymouth's Neonatal Intensive Care Unit.

#### STEAM activities

This year 93 of our people have participated in a total of 97 STEAM (Science, Technology, Engineering, Arts, and Mathematics) events, with a variety of organisations and age groups.



#### SPOTLIGHT

#### Class of Your Own sponsorship.

We have had the privilege of supporting 'Class Of Your Own' (COYO), a social enterprise committed to delivering not just educational outcomes, but to igniting a passion for learning and innovation among young individuals.

In 2023 we supported COYO with a Virtual Work Experience programme that reached 100 learners from Nacro's centres across the UK. We additionally made a £20,000 contribution, which was expressly allocated to enable COYO to ensure their curriculum is universally accessible, including provision for those with Special Educational Needs (SEN).

This year we also participated in the 10th-anniversary celebration of COYO's 'Design, Engineer, Construct!' programme, where we heard personalised accounts from 30 young people about the transformative impact of their involvement in this STEM-focused learning initiative, including our very own Harry Wills.

#### SPOTLIGHT

## Article 25. New National Hospital, Montserrat.

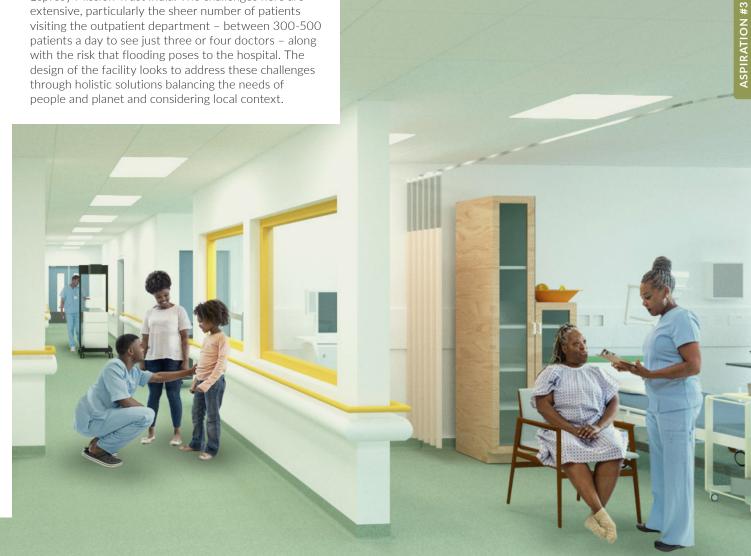
On the Caribbean Island of Montserrat, we have been helping develop a new national hospital. More than 29 years ago, Montserrat's hospital was destroyed by the volcanic eruption that buried the capital city in mud and ash and made half of the island uninhabitable. Work has now started to create a new facility, which will be built on the same site with a completely new, innovative design that is much more resilient. We will be managing the build to make sure it's completed on time and on spec.



**In Tanzania** we have been working with the charity Tír na nÓg Childrens Foundation CLG to design a new Children's Village in the Kilimaniaro region of northern Tanzania. The design responds to the climate by providing generous overhangs to protect from sun and heavy rains. Courtyards at the centre of the cottages enable cross ventilation to all the dorms and living

spaces. The butterfly roof of the dining block shades a series of external spaces and allows cross ventilation as well as dual or triple aspect internal spaces.

In India we have been involved in the design and delivery of a new outpatient department for the Leprosy Mission Trust India. The challenges here are extensive, particularly the sheer number of patients visiting the outpatient department – between 300-500 patients a day to see just three or four doctors - along with the risk that flooding poses to the hospital. The design of the facility looks to address these challenges through holistic solutions balancing the needs of





ASPIRATION #4
Empowering
our people

Outcome 10.
Create an equitable, diverse and inclusive community

Outcome 11.

Nurture health & wellbeing, promoting a culture of openness and support

Outcome 12. Fulfil our unique potential

ASPIRATION #4

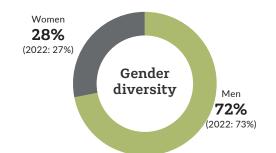


## Empowering our people.

#### **Diversity, Equity and Inclusion (DEI)**

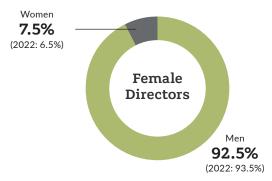
#### Performance

This year we have seen a slight increase in diversity, both firmwide and within senior leadership. While progress may be gradual, this positive shift in representation serves as a platform on which to build more rapidly in 2024. As we scale-up our actions, we are confident that more significant progress will be made towards our DEI goals.



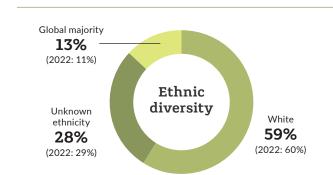
### +1%

Representation of women across the firm increased by 1% between 2022-2023



#### +1%

Representation of female Directors also shows a positive trend.



### +2%

Representation of global majority ethnicities across the firm increased. This shows both an increase in disclosure of ethnicity data, and in the ethnic balance of our organisation.

#### Pay gap

Our gender pay gap has reduced between 2022-2023. We have made year-on-year increases to the proportion of women represented within our upper pay quartiles in recent years (and within all four quartiles this year). This is crucial for continuing to reduce our gender pay gap.



For the first time, this year, our pay gap report includes an analysis of our ethnicity pay gap. Although ethnicity pay gap reporting is not a government requirement, we have taken this step because this data is also a key indicator of workplace inequity. Our ethnicity pay gap is currently based on comparing white and global majority ethnic groups.



Pay Gap Report 2023

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## Empowering our people.



#### Our targets and commitments

To drive meaningful change, we've formalised a strategy and updated our company policy on DEI to reflect our commitment to fostering a truly equitable future. Our strategy outlines a clear path towards an environment where underrepresented individuals and communities are not just included, but their knowledge and experience are actively valued, recognising and celebrating diversity, equity, and inclusion as vital elements for high performance.

In alignment with this vision, we've included a diversity target in our Balance Scorecard, used to evaluate the performance of senior leaders, and incorporated tailored learning materials on inclusive behaviours in our leadership development programmes.



#### Monitoring and better data

Understanding the diverse composition of our workforce and responding to emerging trends is essential for ensuring equitable access, experiences, and careers. To achieve this, we conducted a comprehensive firmwide demographic survey in late 2023 and are now monitoring recruitment, development, promotions, and retention activities across age, gender, ethnicity and disability, We will continue to expand DEI monitoring to encompass a broader range of identities.

#### **Activating change**

Our approach to recruitment has changed following a comprehensive review. We have developed more clearly defined and consistent recruitment processes, committing to open, competitive recruitment for all roles, embracing positive action methods, and eliminating the influence of nepotism on hiring decisions. Through this we aim to ensure we recruit the best people from the widest pool of talent. Similar improvements to our promotions process are also being implemented to increase transparency and rigour.

**Inclusive language** is a small but important component of inclusivity, and by extension, high performance. In 2023 we published the first edition of our inclusive language guide. This is a learning and reference tool that offers insight into the evolution of identity-related terminology, and the latest approaches to terminology and communication that can help maintain a welcoming and inclusive culture.

Our employee networks – ethnicity, families, gender, LGBTQ+ and neurodiversity - have grown in membership during 2023. Each providing a forum to connect, share experiences, influence how we operate, and engage with activities to improve inclusivity within our firm. Some of the initiatives our networks have worked on in 2023 include:



- Gender: A programme of regional in-person networking events for women and gender minorities. These events have showcased inspiring role models, invited discussion on driving gender equality, and provided a welcome opportunity for women and gender minorities around our business to forge connections.
- LGBTQ+: The move to adopt pronouns on email signatures in support of gender inclusion and allyship. To shine a light on the importance of displaying pronouns, two network members shared their personal experiences and perspectives on the topic. This led to more than two thirds of our people opting to have pronouns displayed on their email signatures.
- Neurodiversity: A dedicated intranet site that enables greater access to knowledge and practical resources for neurodivergent employees, line managers and all other colleagues on neurodivergence and neuro-inclusion. It features TED Talks, research papers, guidance on reasonable adjustments, and signposting to guidance on Access to Work. The network has also raised awareness of and access to assistive technologies.



## Empowering our people.

#### Working on wellbeing

We have embraced a growth mindset to create a facilitative and connected culture that encourages our leaders to continue to grow, learn and collaborate with people at all levels and from all disciplines across our firm. This approach recognises that leadership takes effort and a continued commitment to learning. We have focused our efforts on early careers and senior leadership development, and the creation of mechanisms to bring people together. To embed this concept and build a positive culture, we have engaged with top-down, bottom-up and cross-functional initiatives:

**Early Careers Strategy:** Focused on increasing the proportion of apprenticeships across our firm, widening recruitment to improve equitable access to opportunities, and creating a place when the next generation wants to work.

**Leadership Development Programme:** We are reviewing the impacts of our leadership programme and have created a mentorship scheme to support investment and retention of our strongest leaders and those who embrace the behaviours we value.

The Culture Project: Building a more positive culture through normalising behaviours that align to our values. Working with each of our offices to reflect and discuss our culture and understand the barriers and opportunities to make everyone's experience better, regardless of discipline or level.

**Viva Engage:** An internal online platform aiming to empower everyone to ask questions and share knowledge. Anyone in the firm can set up or contribute to a community to connect with others around topics we are passionate about, enabling new connections to be made.



London office culture project day

We recognise that health & wellbeing is topic of fundamental importance in our society, industry and organisation. In 2023 we conducted our employee engagement survey to gain a better insight into the wellbeing related challenges our people are facing and are working on addressing these through strategic direction and leadership intervention. We have also recruited specialist expertise that will support our focus on enabling imperfect leadership for improved wellbeing.

As we work through this period of change, we have introduced additional development programmes to support open discussions and creation of strong networks. These programmes are intended as a support for the integration of wellbeing as a pillar of our culture, not as a substitute for it. They provide a space which enables everyone to build strong networks and openly discuss challenging issues that are often hidden from view.

We continually review our employee benefits to ensure that our employees can access suitable support for their wellbeing. We have received positive feedback from employees who have used the services such as the online GP consultations, counselling and CBT sessions and physiotherapy sessions available. We recognise there is always more to be done and one of our priorities for the year ahead is to ensure that we provide better mental health support systems.



#### **SPOTLIGHT**

## Tetra Tech Active. Boosting wellbeing across the UK in 2023.

In June 2023, Tetra Tech UK launched a six-week wellbeing challenge to enhance physical and mental health while connecting colleagues. Tetra Tech Active encouraged teams of up to eight to record fitness activities – walking, cycling, rowing, paddleboarding, and even bouncing on a bouncy castle – for points and leadership board rankings.

The challenge included weekly competitions for tech prizes and vouchers in photography, crafts, cooking, and mental health practices like yoga, meditation, reading, and enjoying nature. This inclusive initiative allowed everyone to participate, regardless of fitness level.

## Over six weeks, 680 participants across 106 teams logged:

- 130,480 km: 3.5 times the Earth's circumference
- 29,590 activities: an average of 43 per person

POSITIVE IMPACT HOARE LEA 2024 CR REPORT



March 2023 saw 106 members of our early careers'

Conservation Volunteers. Spread across three regional events, these efforts were not just about lending hands to the earth, they were also about sowing seeds

cohort dedicating a day to volunteer with The

of personal and collective development.

reserve and community haven, supporting with ongoing maintenance activities. In the Southwest, we created wildflower meadows, removing invasive species and standing as guardians of biodiversity. Despite the rain, the Central and North region's commitment didn't waver as 450 trees took root, a testament to resilience and the shared goal of greening our future.

In London's Stave Hill Ecology Park, the Southeast group worked to enhance the site's value as a nature

These away days provided ground for our early careers community to grow – in knowledge, confidence, and connections. Each drop of rain and each new sprout became part of our collective story, one of shared achievement and the nurturing of networks that will flourish for years to come.



ASPIRATION #5
Leading climate
-responsive
operations

Outcome 13.
Achieve Net Zero Carbon emissions across our operations

Outcome 14.
Operate as a climate-resilient business

Outcome 15.
Operate as a circular and regenerative business

25

## Leading climate-responsive operations.

#### **Our carbon footprint**

We have significantly improved our carbon accounting processes, enabling us to form a more robust picture of our key emissions sources and driven targeted interventions.

While 2022-2023 saw an increase of  $133~tCO_2e$  in our absolute emissions, it marks a positive stride towards greater transparency and accountability in our reporting. Committed to continuous improvement, we've made significant enhancements to our data capture processes since establishing our Greenhouse Gas (GHG) protocol-aligned baseline in 2022. These improvements have led to a more accurate and comprehensive understanding of our emissions, allowing us to identify previously unaccounted-for emissions. This improvement in our reporting is one key reason for the increase.

Another notable contributor to the emission increase is the 9% growth in full-time employees during 2022-2023, impacting our overall expenditure on purchased goods and services as well as commuting emissions. Encouragingly, when assessing emissions intensity per employee, we observe a decrease from  $2.76tCO_2e$  in 2022 to  $2.64tCO_2e$  in 2023, indicating progress.

We remain aligned to the World Green Building Council's Net Zero Carbon Buildings Commitment, responsibly offsetting our carbon emissions associated with our buildings, using verified international offsets. This is aligned to current best practice for Net Zero Carbon assets in operation.

		21/22	22/23	Change
		BASE YEAR		<u> </u>
			tCO₂e	
Scope 1	Fuel	55	60	5
Direct sources	Fleet emissions (petrol and diesel cars)	16	14	-2
	Refrigerants	31	34	3
Total scope 1		102	108	6
Scope 2	Electricity	182	197	15
Indirect sources	Fleet emissions (electric cars)	4	8	4
	District heat	8	9	1
Total scope 2		194	214	
Scope 3	Purchase goods and services	1,639	1,737	98
Upstream & downstream sources	Waste	7	1	-6
downstream sources	Fuel (impacts from extraction, transmission	92	85	-7
	Business travel	280	245	-35
	Commuting	637	694	57
Total scope 3		2,655	2,762	107
Total: All emission	s	2,951	3,084	133

## Leading climate-responsive operations.

#### Our offices

The opening of a new office in Reading has contributed an increase in our Scope 1 & 2 emissions this year. However, several offices have experienced reductions in electricity and gas consumption. Notably, our Glasgow and Leeds offices underwent relocation, and with an all-electric, naturally ventilated space in Glasgow and a heat network connection in Leeds, both observed significant improvements in their emissions profile.

Additionally, we have begun reviewing all our offices' energy procurement in line with the UKGBC Energy Procurement guidance which we contributed towards. We are putting together a plan to improve alignment when contracts are next renewed.

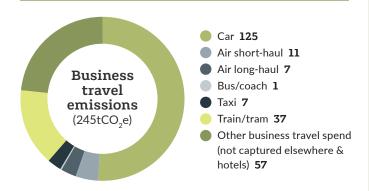
#### Decarbonising car travel

We've made strides in refining our calculation methodologies, particularly in reporting business travel. Previously relying on expenditure data, our updated reporting system now utilises actual distance travelled in each vehicle type, providing a more precise emission picture.

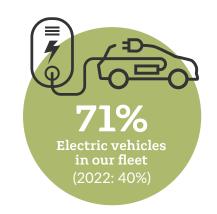
Our electric vehicle salary sacrifice scheme supports carbon saving from car travel. In 2023 uptake of the scheme rose to 71% electric vehicles in our fleet (including company cars, salary sacrifice and long term leased vehicles), up from 40% at the beginning of 2023. This represents a carbon emission reduction of 29 tonnes<sup>1</sup>, through a combination of business travel and personal use of employee vehicles leased through the scheme.

#### Targets to meet

As we look ahead to 2024, we are committed to expanding our decarbonisation strategy to encompass all three emission Scopes. This entails a primary emphasis on decarbonising our value chain through a two-step approach. Firstly.



we will strive to enhance our understanding by acquiring higher-quality data on our value chain to inform decisionmaking processes. Secondly, we will use this information to develop an engagement strategy aimed at guiding our supply chain partners to support us in achieving our sustainability obiectives.



#### **SPOTLIGHT**

#### Offsetting.

As part of our declaration of our commitment to carbon offsetting as a bridge to net zero, we have aligned with UKGBC guidance to set a rigorous internal carbon price. We have set our carbon price at of £95/tCO<sub>2</sub>e. We have created an annual transition fund to support this, comprising two parts:

- payments for international offsets
- investment in a UK community-based carbon reduction project

During 2023 we supported the Nicaforest High Impact Reforestation Program, which not only sequesters carbon but also revitalises ecosystems, supports biodiversity, and enriches local communities through a Shared Benefit Scheme. The project converts degraded lands into vibrant forests that increase biodiversity and local economies while offsetting substantial amounts of CO<sub>2</sub>.

In the UK, we supported the Redcatch Community Garden in Bristol to decarbonise their site and operate more efficiently. We will be providing free advice on energy efficiency, building design and on-site renewable energy generation, and funding measures to support reduction in both operational costs and carbon emissions. Redcatch Community Garden also provides benefit to people, creating a social and educational space that supports health & wellbeing, as well as working with local schools to provide free meals and activities for eligible children.



## Leading climate-responsive operations.

#### Advancing environmental management.

In 2023, we focused on elevating the performance of our offices through enhanced governance, monitoring, and strategic operational interventions. This encompasses the deployment of a centralised environmental risk management system, a refined governance structure for day-to-day environmental management, and the rollout of our Workplace Strategy.

#### Risk management

Our Environmental Risk Management system now consolidates environmental risks within our operations, facilitating ongoing monitoring and automation of key risk areas. This centralised approach offers clear visibility to our Executive Team, fostering a proactive stance towards strategic risk mitigation and potential value generation. Each environmental risk is directly linked to firmwide objectives, with an accountable Executive Team member, reinforcing our culture of responsibility and commitment to environmental improvement.

#### A localised approach

Through a regional governance structure, we've empowered local teams with the responsibility to drive environmental initiatives. Collaborating closely with office managers and landlords, these teams work to optimise office waste management and water usage. This approach has enhanced our monitoring processes, leading to more accurate data and a more robust Scope 3 carbon accounting in 2024. Waste audits have provided detailed insights into waste types, facilitating evidence-based decisions for waste reduction initiatives.

#### SPOTLIGHT

### Glasgow office relocation.

In Summer 2022, the Glasgow team secured a workspace floor at McLellan Works, marking a pivotal moment in their growth journey. With a vision for a modern, hybrid workspace, we designed an office tailored to support flexible work arrangements, foster collaboration, and promote staff cohesion.

The space itself boasted a proud heritage, having undergone a comprehensive refurbishment that retained its iconic features while embracing a forward-thinking approach to work environments. With sustainability as a guiding principle, the reuse of the existing building materials was a standout feature, aligning with our commitment to responsible practices in commercial fit-outs. The office is entirely electric and naturally ventilated throughout, reducing the need for air conditioning.



#### **Workplace Strategy**

With a deeper understanding of our offices' environmental performance, we've initiated a review and relocation process to enhance overall sustainability. Utilising predefined criteria such as public transport accessibility, building energy performance, and waste management, our relocation decisions prioritise sustainability. Following relocations to

more sustainable and connected buildings, our Glasgow and Leeds offices have recorded significant reductions in energy and water usage, improved data accessibility and landlord communications, enhanced connectivity, and healthier environments for occupants.



In advancing our responsible business journey, each year we define a set of focus areas and specific commitments to drive our actions and progress. This ensures that both our operations and consultancy work align with our overarching aspirations.



#### Monitoring impact

In the coming year, our commitment is to deepen our expertise and expand our impact on achieving Net Zero Carbon. Having launched a range of tools to track design intent and in-use performance, our focus shifts to integrating them seamlessly into our projects to drive widespread adoption. We'll actively monitor this integration by assessing our projects using the NZC metrics tool during the design phase and using the insights gained to guide our future endeavours. Every project initiated in the 2023/24 fiscal year will undergo this evaluation process to ensure our continued progress.

#### Influencing industry standards

Furthermore, we will advocate for the adoption of the new UK Net Zero Carbon Building Standard across our projects and among our clients. Our goal is to leverage our influence and expertise to drive the industry towards alignment with these standards. We'll strive to elevate our clients' ambitions towards best practices for net zero, so buildings meet the performance required to align to a 1.5°C trajectory.



#### Sustainable investments

We will focus our efforts to enhance the transparency and sustainability of investment options available to our pension funds. To achieve this goal, we will collaborate closely with pension providers to improve the accessibility of higher ESG-rated investment choices. This involves not only providing clear and comprehensive information about existing investment options but also expanding the range of higher ESG-rated investment opportunities available to us. This collaborative effort will empower each one of us to make informed decisions and contribute to positive social and environmental impact through our investment's choices.



#### Measuring social value

We will roll out more widely our organisational social value approach to projects, focussing on how this is enacted in the key sectors we work in.

#### Volunteering and charities strategy

Also, we will enact our new volunteering and charities strategy, choosing charities to partner with where our expert contribution can be most effective at balancing the needs of people and planet. We will continue to evolve our processes to capture the contribution we are making in time and money to measure our impact.



## Moving forward.



#### **Understanding wellbeing**

This year, we will make wellbeing our focus, seeking to understand the root cause of wellbeing issues, promote leadership behaviours around transparency and proactive early intervention, and collaborate with industry partners to shine a light on the issues across the industry.

#### **Enabling inclusivity**

Also, we will continue to evolve our and make progress on our DE&I efforts, continue the focus on making leadership to be more inclusive and diverse aligned to our strategy. In addition, through increasing the visible advocacy of our leaders and delivering DE&I development to all our people we will continue to create a more inclusive environment, where we are each recognised for our strengths and supported with our challenges. We will explore the impact of this in our employee engagement survey.



#### Reducing our carbon emissions

We commit (in alignment with Tetra Tech) to reduce absolute Scope 1 and 2 greenhouse gas emissions by 50% by 2030 from a 2021 base year. This includes strategic office relocations to lower carbon environments and enhanced working conditions. We also seek to eliminate fossil fuels from the buildings we occupy and incorporate the energy efficiency recommendations of the energy survey assessments that have been undertaken for our offices.

We also commit to reduce absolute Scope 3 greenhouse gas emissions by 50% within the same timeframe. We further commit that 60% of our suppliers (by spend), covering purchased goods and services, will have science-based targets by 2027.

#### **Setting targets**

Additionally, we will establish robust governance mechanisms to ensure transparency and accountability in achieving our set targets. We will develop a carbon reduction plan with annual reduction targets in line with a science-based pathway.



# Appendix 1: KPIs and performance.

The below table shows our performance across our 15 outcomes.

For outcomes 1-8 performance is presented in the form of qualitative information, which is linked to the corresponding pages in this report and previous reports.

For outcomes 9-15 performance is presented in the form of quantitative data and the change from 2022 to 2023. For some KPIs we did not have any data in 2022, but as a result of improved reporting processes we have been able to assess performance more comprehensively in 2023.

Metric	2022	2023	% change
Outcome 1. Deliver our projects to align with the Net Zero Carbon imperative			
Approach to net zero carbon in projects	See 2023 report page 5	See report pages 7, 8	N/A
Outcome 2. Put a climate-resilient and human-centric approach at the heart of our	consultancy		
oach to climate resilience and nature in projects See 2023 report page 7		See report page 9	N/A
Approach to human centric design in project			
Outcome 3. Champion circular economy in the built environment			
Approach to circular economy in projects	See 2023 report page 8	See report pages 7, 8	N/A
Outcome 4. Drive change in the built environment through radical collaboration &	innovation		
Industry engagement initiatives	See 2023 report pages 11, 12	See report pages 12, 13	N/A
Innovation projects/initiatives	See 2023 report page 13	See report page 11	N/A
Outcome 5. Engage with our supply chain to promote a regenerative economy			
Local procurement policy	See 2023 report page 14	No change	N/A
Outcome 6. Embed good governance for long-term prosperity			
Governance structure	See 2023 report page 15	See report pages 5, 13	N/A
Outcome 7. Influence social value delivery in our projects			
Social value policy	See 2023 report page 18	See report page 15	N/A



# Appendix 2: KPIs and performance.

Metric	2022	2023	% change
Outcome 8. Build thriving communities within our offices and across our organisation	1		
Social cohesion initiatives	See 2023 report pages 20, 21	See report pages 22, 23	N/A
Outcome 9. Maximise impact from community investment activities & partnerships			
Financial (£) and in-kind donations to VCSE organisations/ initiatives/ pro bono work	£38,112 (includes employee donation to DEC or Ukraine)	£104,066 (includes contributions from additional sources not captured in 2023)	↑ 173%
STEAM events (number, type of event/ type of organisation).	No data	By type of organisation Primary: 16 Secondary: 39 Post 16: 38 Charity: 1 Industry event: 3  By type of event Careers event: 45 Presentation / Lecture: 12 Activity / Event participation: 20 Tutoring/mentoring: 14 Work experience: 6	N/A
Time dedicated to STEAM activities	No data	Total participants: 93 Total hours: 713	N/A
Outcome 10. Create an equitable, diverse and inclusive community			
Employee gender diversity	27% Female 73% Male	28% Female 72% Male	↑ 1% Female ↓ 1% Male
Diversity at Director Level	6.5% Female 93.5% Male	7.5% Female 92.5% Male	↑ 1% Female ↓ 1% Male



# Appendix 2: KPIs and performance.

Metric	2022	2023	% change
Employee ethnic diversity	11% Global majority ethnicity 60% White 29% Prefer not to say	13% Global majority ethnicity 59% White 28% Prefer not to say	↑ 2% Global majority ↓ 1% White ↓ 1% Prefer not to say
Mean gender and bonus pay gap Median gender and bonus pay gap Percentage of women eligible for a bonus Percentage of men eligible for a bonus Mean ethnicity and bonus pay gap Median ethnicity and bonus pay gap	26.4% Mean gender pay gap 26.2% Median gender pay gap 23.7% of women eligible for a bonus 42.4% of men eligible for a bonus N/A N/A	23.2% Mean gender pay gap 25.5% Median gender pay gap 30.7% of women eligible for a bonus 45.2% of men eligible for a bonus 26.9% Mean ethnicity pay gap 27.4% Median ethnicity pay gap	↓ 12.12 percentage points     ↓ 2.67 percentage points     ↑ 29.54 percentage points     ↑ 6.60 percentage points     N/A     N/A
Outcome 11. Nurture health & wellbeing, promoting a culture of openness and	support		
Health and wellbeing initiatives	See 2023 report pages 27, 28	See report page 22	N/A
Outcome 12. Fulfil our unique potential  Professional and personal development initiatives	See 2023 report page 29	See report pages 22, 23	N/A
Average completion rate for professional and personal development training programmes / initiatives	77%	83%	↑ 7%
Initiatives that recognise our people	See 2023 report page 30	See report pages 22, 23	N/A
No. of apprenticeship opportunities provided (% total employment)	Not reported	Existing apprentices (Dec 2023): 2.6% (32) New apprenticeship starts (during 2023): 1.1% (13) Apprenticeship completions (during 2023): 0.3% (4)	N/A
Outcome 13. Achieve Net Zero Carbon emissions across our operations			
Average energy use intensity for our offices	150 kWh/m <sup>2*</sup>	147kWh/m <sup>2*</sup>	↓ 2%
% of offices on a high quality renewable energy tariff (excluding satellite offices)	36%	91%	↑ 60%

<sup>\*</sup> We have corrected this figure for 2022 based on an improved methodology, to ensure comparability between performance in 2022 and 2023.



# Appendix 2: KPIs and performance.

Metric	2022	2023	% change
GHG Scope 1, 2 & 3	Scope 1: 102 tCO <sub>2</sub> e Scope 2: 194 tCO <sub>2</sub> e Scope 3: 2,655 tCO <sub>2</sub> e Total: 2,951tCO <sub>2</sub> e GHG emissions per employee (scope 1, 2 & 3): 2.76tCO <sub>2</sub> e	Scope 1: 108 tCO <sub>2</sub> e Scope 2: 214 tCO <sub>2</sub> e Scope 3: 2,762 tCO <sub>2</sub> e Total: 3084tCO <sub>2</sub> e GHG emissions per employee (scope 1, 2 & 3): 2.64tCO <sub>2</sub> e	Scope 1: ↑6% Scope 2: ↑10% Scope 3: ↑4% Total: ↑5% GHG emissions per employee (scope 1, 2 & 3) ↓4%
Outcome 14. Operate as a climate-resilient business			
% of offices that have been certified using a recognised environmental and/or climate standard	100% certified with ISO14001:2015 100% certified with ISO9001:2015 100% certified with ISO45001:2018 33% BREEAM certified	100% certified with ISO14001:2015 100% certified with ISO9001:2015 100% certified with ISO45001:2018 33% BREEAM certified	No change
Outcome 15. Operate as a circular and regenerative business			
Approach to circularity	See 2023 report page 35	See report page 27	N/A