



SUSTAINABILITY

2024





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ABOUT THIS REPORT

Through our Sustainability Report, Alvarez & Marsal Holdings, LLC (“A&M Holdings”; together with its subsidiaries, “A&M”) seeks to communicate to our stakeholders our approach to environmental stewardship, social advancement and strong governance. Like many of our clients, A&M’s approach to sustainability represents a journey and reflects our commitment to continuous improvement as we work to best serve our clients around the globe.

A&M aligns with frameworks including the Task Force on Climate-Related Financial Disclosures (TCFD) and the Sustainability Accounting Standards Board (SASB). A&M Holdings is also a signatory to the United Nations Global Compact and works to support the principles of the U.N. Sustainable Development Goals.

A&M maintains a decentralized and entrepreneurial structure that has been proven to lead to outstanding results and drive centers of excellence at the geographic, practice group and industry level. At the same time, the firm enforces major dimensions of culture, values and ethical standards at the firmwide and global level.



A&M's global headquarters are in Midtown New York where hundreds of A&M team members live, work and play



LEADERSHIP. **ACTION. RESULTS.™**

A&M is a world-class professional services firm that companies, investors and government entities around the world turn to for leadership, action and results. Privately held since our founding in 1983, A&M provides advisory, business performance improvement and turnaround management services for companies across industries and around the world. When conventional approaches are not enough to create transformation and drive change, clients seek our deep expertise and ability to deliver practical solutions to their unique problems.

Core Values

A&M has a legacy of delivering client value and helping employees evolve both professionally and personally. As we grow, the core values on which A&M was founded remain constant. Living by those principles and encouraging our employees to embrace different perspectives and get involved in the causes that are meaningful to them inside and out of the firm are what fuel the energy of our culture.



A&M Overview

For more than four decades, A&M has set the standard for helping organizations tackle complex business issues, boost operating performance and maximize stakeholder value.

OUR PEOPLE

Senior Leadership
1,000+ Managing Directors

OUR DIFFERENTIATORS

Integrated Full-Service Solutions
Senior-Led Team, Hands-On Approach
Strong Operational Heritage
Free from Audit-Based Conflict



Who We Serve	CORPORATIONS	PRIVATE EQUITY INVESTORS	DISTRESSED BORROWERS AND LENDERS	43% Of the Fortune Global 500
	LAW FIRMS	FIDUCIARIES	FOUNDATIONS AND NON-PROFITS	58 Of the Fortune 100
		GOVERNMENT AGENCIES		44 Of the FTSE 100
				167 Of the S&P 500
				26 of 30 Of Global SIFI Banks

AWARDS AND RECOGNITION

Consultancy Middle East 2023 – Top Forensic & Litigation Consulting Firm in the Middle East

Vault Consulting Survey 2024 – Top Consulting Firm Globally

Global Investigations Review – GIR 100 2023

Global Data Review – GDR 100 Top Data Firms 2023

TRI Awards 2023 – Woman of the Year (Jo Hewitt), Turnaround Practitioner of the Year (Omar Mirza), and Employer of the Year

Private Equity Wire European Awards 2024 – Best Deal Advisory Firm

Private Equity Wire European Awards 2023 – Best Deal Advisory Firm

RealDeals Private Equity Awards 2023 – Financial Due Diligence Provider of the Year

British Private Equity Awards 2023 – Financial Due Diligence Provider of the Year

Insider North West Dealmakers Awards 2023 – Turnaround Team of the Year

Insider Midlands Dealmakers Awards 2023 – Turnaround Team of the Year

IFT Annual Awards 2023 – Turnover Advisor of the Year

Financecommunity Awards 2023 – Restructuring Team of the Year

Vault Top Ranked 2024
Vault ranked A&M North America #3 in their Top 50 Consulting Firms in North America, up from #10 in 2023 based on responses from nearly 10,000 professionals. The firm also ranks for Overall Most Prestigious Consulting Firms.

Vault also ranks A&M EMEA #7 in its Top 25 Consulting Firms in the region, up from #10 in 2023. The firm has moved up in all Diversity categories and improved in almost all Quality of Life categories.

Finally, Vault ranks A&M APAC #5 in their Top 20 Consulting Firms in the region, up from #8 in 2023 and #2 for Selectivity, Compensation and Diversity for LGBTQ+ Individuals.

2023 Diversio Workplace Impact Award
A&M's Transaction Advisory Group (TAG) in the U.S. has been honored for the second year in a row as one of 15 global organizations to be recognized as the most equitable and engaged workplaces in 2023 by Diversio. This accolade is awarded to companies that demonstrate impactful diversity, equity, inclusion and belonging initiatives within their organizations, which not only shows significant internal impact but also holds the potential for replication in other organizations to foster wider inclusivity and equity. Selected from over 100 submissions, this achievement places the division among a distinguished group of organizations committed to driving and building a positive workplace.



A LETTER FROM OUR CEOs

Dear A&M Stakeholder:

As a global firm with four decades of experience improving businesses in every way that matters, we are pleased to present our inaugural A&M Sustainability Report, which showcases our achievements and engagement across the key areas of environmental, social and governance (ESG).

Unpacking the A&M Difference

We would first like you to know that A&M is a different type of advisory firm. When the two of us joined forces many years ago, it was with the intent of seamlessly linking operations, performance improvement and value creation to best help companies turn areas of stagnation into growth and achieve sustainable results. This ethos remains at the core of our firm. We are the consulting firm known for asking tough questions, listening well, digging in and rolling up our sleeves. We are fact-driven and action-oriented. We move our clients forward to where they need to be. We do so with a straightforward three-word mantra to drive client value: Leadership. Action. Results.

The first step in being a sustainable company, of course, is to sustain – something A&M has accomplished over a long span by performing quality work each day. While the average life of a company on the S&P 500 is approximately 20 years, A&M has more than doubled that amount of time.

We also are growing fast; our team has increased by an average of nearly 20% a year over the past five years, with global headcount more than tripling in the past decade. Most recently, we are pleased to have been recognized by Vault as a top consulting company in the world, ranking 3rd in the North America, 5th in Asia-Pacific and 7th in the European/Middle East/African regions. More important than rankings, though, is the consistently favorable feedback we receive from clients that note the substantial value that we have helped create.

Advancing the G, S and E within A&M

While governance is the last letter in ESG, it comes first at A&M. From the beginning, A&M has maintained a reputation for integrity, quality, professionalism and objectivity. We've done so by ensuring all personnel know, uphold and act in accordance with the firm's values and maintain the highest ethical standards in all that we do. This is an ever-constant strategic priority of A&M that is captured in our training and adherence to **The A&M Way: Code of Conduct** for all employees, along with our third-party code of conduct.

Within the social dimension, A&M is forcefully committed to the value of Inclusive Diversity and the benefits diverse teams bring to the firm, our clients and society. We cultivate best-in-class teams of skilled advisors, with a host of programs that target development, engagement and advancement within the firm. And the A&M team around the world is committed to "Giving Back," the umbrella name of our multiple initiatives, events, programs and volunteer opportunities that engage A&M in the communities in which we work, live and play.

A&M also is strongly advancing our environmental progress. We report out on all three scopes of our greenhouse gas emissions, have set a Net Zero target and are advancing a detailed decarbonization plan to guide our actions. We also are expanding our 'Green Team' participation at major offices around the world to carry forward environmental sensibilities and actions related to the environment.

Moving Forward with Leadership, Action and Results

Like many clients, A&M's sustainability initiatives are part of a journey of continuous improvement. In 2024, we joined the United Nations Global Compact, committed to Science-Based Target initiative and conducted a climate risk assessment. We also continually evaluate and refine our policies and approaches to meet the changing needs of our business, our clients and our employees.

We leave you with an anecdote: One of our partners recently noted that she entered the business world years ago rather than taking a nonprofit path because she believed business offered the best opportunity to positively impact the most amount of people. That's well said. In fact, a leading trust barometer notes that the business world leads government, media, and NGOs on the combination of being ethical and competent. As a whole, we are confident that A&M adds unique and powerful societal benefits through our work with thousands of clients across corporations, private equity, non-profit organizations and government agencies.

Thank you for your ongoing interest in A&M. We look forward to keeping you apprised of our progress in sustainability, and welcome your questions and feedback as we progress.

Best Regards,

A handwritten signature in blue ink that reads "Antonio C. Alvarez II".

Tony Alvarez II
Co-Chief Executive Officer

A handwritten signature in blue ink that reads "Bryan P. Marsal".

Bryan Marsal
Co-Chief Executive Officer

OUR SUSTAINABILITY APPROACH

As with so many of our clients, our sustainability approach is a journey – one we are committed to taking with a spirit of continuous improvement. We are confident that our focus on the multiple dimensions of sustainability will contribute to a better society and enhance value both for our clients and our firm.



The United Nations Global Goals for Sustainability Development

United Nations Sustainability Goals

A&M's work supports the principles of the UN Sustainable Development Goals (SDGs) through everything we do and the clients we serve. The following reflects the SDGs most closely aligned with A&M's approach and where A&M can drive the most positive impact.

Goal 3 – Good Health and Well-Being: We recognize the profound foundational principle of the health and well-being of our employees. A&M aims to provide comprehensive programs that educate, engage and empower our employees to make decisions that support their overall health goals. We are proud of our culture of employee support, engagement, and fun, promoted through a balance between life at work, on the road and at home. We offer a number of resources to help employees live a strong and balanced life.

Goal 4 – Quality Education: A&M works closely with education clients to unlock the potential of students and lifelong learners by generating equitable and effective education processes, delivered with maximum

efficiency, empowered by the best in human and technological innovation. Our team of professionals works to stabilize and transform education organizations and reimagines education data analytics to advance equitable and comprehensive educations.

Goal 5 – Gender Equality: Inclusive diversity is ingrained in our culture and hiring practices. The recruitment, retention and advancement of women is a strategic priority of our organization and helps drive our approach to selecting talent and developing women into leaders. We support the advancement of women globally through mentorship, training and flexible work models that help women thrive professionally and personally. We offer several women groups to build strong internal networks and drive development.

Goal 7 – Affordable and Clean Energy: A&M's teams of energy, automotive, sustainability, incentives and corporate transformation experts help companies and investors navigate the energy transition toward a clean and affordable future. We leverage our capabilities and expertise to help clients improve efficiencies, advance clean energy and seek out synergistic opportunities to improve overall performance.



Goal 8 – Decent Work and Economic Growth: A&M provides global leadership, problem solving and value creation for companies across industries and around the world. Through our consulting services, A&M helps clients optimize their operations, enhance efficiency, and navigate economic uncertainties. By aiding companies in achieving financial stability and sustainable growth, A&M contributes to the creation of quality employment opportunities and sustainable businesses.

Goal 10 – Reduced Inequalities: A&M’s strong focus on inclusive diversity also leads to our recognition of the priority among our clients and society at large. This enhances A&M’s strong corporate culture that is grounded in respect, openness, motivation and teamwork.

Goal 11 – Sustainable Cities and Communities: Through A&M’s ESG, Energy, Public Sector and Sovereign Services practice groups, we are committed to improving the sustainability and efficiency of cities and communities across the world. Our team has worked with a variety of public entities to improve transportation and economic development. We are also committed to volunteering and philanthropy initiatives through our global “Giving Back” programs.

Goal 12 – Responsible Consumption and Production: A&M has implemented in-office practices aimed at promoting responsible consumption, including water filtration stations and reusable plates/silverware in multiple offices to reduce consumption of single-use plastics. We promote recycling and have numerous

employee-led Green Team employee resource groups (ERGs) to further promote these efforts.

Goal 13 – Climate Action: A&M employs strategic actions to reduce the environmental impact of our business activities. We are committed to achieving Net Zero greenhouse gas emissions by 2050 across our value chain and validating our emissions targets with the Scienced Based Targets Initiative (SBTi). In parallel with reducing our energy and emissions footprint, we also seek to limit our waste contributions, water consumption and biodiversity impact.

Goal 16 – Peace, Justice and Strong Institutions: The values of integrity and objectivity are foundational to A&M’s approach and success. Our ESG Advisory Services team supports clients to develop strong governance institutions, such as Anti-Corruption/ Bribery statements, Anti-Human Trafficking policies and steering committees to evaluate company performance. In addition, our Public Sector and Sovereign Services teams support local, state and national governments and non-profit organizations to develop platforms and programs that help to reduce child mortality, uplift impoverished communities and increase funding for grassroots organizations.

Goal 17 – Partnership for the Goals: A&M recognizes the importance of furthering the goals and initiatives laid out by the U.N. SDGs. To further the message and spread of the goals, we have committed to the U.N. Global Compact and will continue to evaluate alignment with other foundational frameworks and initiatives.



United Nations Global Compact

The U.N. Global Compact (UNGC) supports companies as they align practices for a sustainable and inclusive future and serves as a reference point for action and leadership within a growing global corporate sustainability movement. The Compact is made up of Ten Principles which cover human rights, labor rights, the environment and anti-corruption. Aligning companies take action and publicly announce their commitment to the UNGC to signify their dedication to being a part of the drive toward a more sustainable future for all.

A&M is proud to be a U.N. Global Compact member and is committed to engage in collaborative projects that advance the broader development goals of the United Nations. We are committed to reporting on progress every calendar year to detail our implementation of the Ten Principles.



A&M ESG Advisory Services

A&M has specialized ESG teams across five continents that serve as a one-stop shop for comprehensive and integrated ESG solutions. We pride ourselves in our unique strategy of combining the technical capabilities of an environmental services firm, the business advisory expertise of a management consulting firm and the financial knowledge of an accounting firm. We have integrated service offerings across multiple practice groups and industry verticals that offer insight into the interconnection of risk and opportunity across the business, leading to tangible value creation and preservation and risk mitigation strategies. We are a highly technical, boots-on-the-ground, hands-on practice that is adept at using a business lens to translate technical risks into business insights.

A&M ESG Advisory Services supports funds and companies as they look to:

Develop strategies and tools to mitigate ESG-related risk.

Drive improved business valuation and return on investment.

Preserve revenues.

Unleash lower costs and interest expense or increase tax incentives.

Unlock new markets and opportunities.

Grow through acquisitions or realize value through divestitures.

Our services include:

Transaction Advisory

- » **Pre-acquisition screening:** A high-level review prior to submitting a binding offer that seeks to identify environment, health and safety (EHS) and ESG risks and opportunities that could be material to the transaction.
- » **Environmental health and safety due diligence (EDD):** Seeks to identify and quantify known and potentially material EHS liabilities that may impact business value and future business plans or concern stakeholders.
- » **ESG due diligence:** A comprehensive evaluation of the company’s current programs, policies, commitments, disclosures and maturity in connection with material ESG topics applicable to the business.
- » **Value creation and critical path planning:** Prepare roadmap of identified EHS/ESG value creation actions and risk mitigation strategies with implementation timeline.
- » **Consolidation, divestiture, sell-side planning and due diligence:** Assist company in preparation for future buyer diligence, prioritizing ESG opportunities and risk mitigation measures.
- » **Initial Public Offering (IPO) and debt-raising planning and positioning:** Develop and leverage a company’s ESG strategy to prepare for public market scrutiny and rationalize highest valuation.

Strategy & Implementation

- » **ESG materiality assessments:** Determine issues that are significant to financial value and societal impact.
- » **ESG strategy workplans:** Develop ESG roadmaps, strategy recommendations, goals and key performance indicators (KPIs) to activate a company’s ESG function.
- » **Deep environmental assessment:** Identify material environmental matters and take action to mitigate risk.



- » **Process safety management:** Evaluate and control hazards in the operating process.
- » **Diversity, equity and inclusion (DEI):** Align DEI initiatives with broader strategic priorities.
- » **Ethical and sustainable sourcing:** Determine supply chain ESG risk and management plans.
- » **ESG governance planning:** Develop optimal ESG charters and policies, a responsible, accountable, consulted and informed (RACI) matrix, process flows and oversight.
- » **ESG reporting and disclosure development:** Build a compelling narrative to highlight priorities, performance and commitments.
- » **ESG ratings assistance:** Understand ratings coverage, target what matters and get credit for disclosure and performance.

- » **Stakeholder engagement actions:** Reach key stakeholders with targeted messaging and positioning.

Decarbonization & Climate Risk

- » **Assessment of Scope 1 and Scope 2 emissions:** Scope 1 (direct) and Scope 2 (company use indirect) emissions calculations help a company understand what the largest sources of greenhouse gas (GHG) emissions are across their operational footprint.
- » **Assessment of Scope 3 emissions:** Scope 3 emissions (indirect) measure a company’s GHG emissions along its value chain, including suppliers and customers.



- » **Carbon reduction strategy and Science Based Target initiative (SBTi) alignment:** Identify a realistic emissions reduction target and strategy that balances a company's ability to influence change with stakeholder expectations and support certification from SBTi if desired.
- » **Carbon reduction roadmap:** Develop carbon reduction strategies and emissions reduction pathways across the value chain.
- » **Decarbonization initiatives and end-to-end support:** Provide detailed implementation and ongoing support to management teams as they pursue decarbonization strategies within their company.
- » **Task Force on Climate-related Financial Disclosures (TCFD) analysis and climate risk implementation:** Apply TCFD recommendations and conduct scenario analysis to incorporate climate risks and opportunities into business operations.
- » **Carbon Disclosure Project (CDP) survey support:** Assist companies in responding in the most complete and value-added manner to the increasingly important CDP questionnaires.

Our Material Focus Areas

Our success is closely tied to our ability to understand and respond to the changing needs and expectations of our clients, employees, stakeholders and communities. We understand that compliance, ethics, cybersecurity/data privacy, carbon and climate and diversity, equity and inclusion are all material topics to our business operations. We are committed to best serving our client base through careful consideration of these topics and will continue to evolve our approach as needs and expectations shift.

We understand the importance that good governance carries in our line of business, and we have processes and procedures in place to ensure everyone who represents A&M upholds the highest standards of ethics. For more information on our ethics, compliance and cybersecurity procedures, see our Governance Approach section (page 44). Our Environmental Approach (page 18) and our Social Approach (page 26) sections detail our management approach to carbon and climate, and diversity, equity and inclusion.

SPOTLIGHT ON SUSTAINABILITY ENERGY SERVICES COMPANY SOUGHT SUSTAINABLE PRODUCT STRATEGY

The Challenge

A leading oilfield services company sought support in developing and implementing strategies around a sustainable line of products and services. The distributor desired greater information and executable customer strategies regarding the sustainability attributes of their steel products.

A&M's Role

A&M evaluated the superiority of the company's offerings from a greenhouse gas emissions perspective, determining that its steel piping had a 75 percent lower carbon footprint than typical original steel products.

A&M also implemented a detailed "voice of the customer" set of interviews to carefully understand customer preferences and willingness to spend on sustainable products and services.

From these interviews, we compiled a detailed analysis report and advised on the Client's future ESG strategy, prepared an initial roadmap to elevate strategy and built the case for sustainable product offerings to effectively engage its customer base.

We then implemented a comprehensive rebranding and customer repositioning initiative while also developing foundational internal ESG policies, programs and reporting.

Outcomes

\$100M

**ESG-Friendly
Revenue Stream
Identified**

A&M's work demonstrated the company's customers are willing to pay a 5 to 10% premium for sustainable products/services and supported the company in a robust articulation and buildout of its sustainable products and services, leading to the CEO crediting A&M for helping to identify a \$100 million ESG-friendly revenue stream.

Q & A

SPOTLIGHT ON SUSTAINABILITY: A&M'S GLOBAL TRANSACTION ADVISORY GROUP INTERVIEW WITH GLOBAL PRACTICE LEADER PAUL AVERSANO

A&M continues to progress in its sustainability approach and achievements as noted in this report, and our entrepreneurial nature also translates into related pockets of excellence in sustainability.

Paul Aversano, Managing Director and Global Practice Leader of A&M's Global Transaction Advisory Group (Global TAG), has helped lead the firm's expansion in the sustainability space. We sat down with Paul and asked him to share his insights on pressures, trends and best practices in sustainability.

Paul, you were an early supporter – and driver – of establishing ESG as a service for clients. What were the first signs that this was an area of need?

In Global TAG, we support thousands of transactions a year – that is not a hyperbole. In 2023 alone, we worked with over 500 clients in the private equity space. With the nature of our work, we see and sense client needs, not just within the immediate deal we're focused on, but from a holistic lens.

Several years ago, it became clear to me based on my own perspective, and feedback from a number of our clients, that there was increased pressure from investors to manage and report on non-financial data – or what some might call pre-financial data. It's what we now refer to as ESG.

To me, it was a problem that had a clear solution. We needed to provide this service to meet a growing client need.

And those instincts proved correct.

Yes they did. This is proving out more and more: Non-financial data is strongly correlated with financial returns over time for funds, portfolio companies and corporates. We've also seen regulatory, client and employee pressures rise to meet some of the same levels of demand that investors have been requiring.

Having insight into that data, management and related risks is good business, sure – but the main driver is this: We're working in the best interest of our clients with these services.

Those sustainability pressures still seem strong despite some of pushback in the U.S. around ESG.

Yes, ESG implementation is an active and timely topic for companies in the U.S. and around the world. Even very recent research shows that, as a priority for CEOs, sustainability is on par with or greater than AI, inflation or client experience. It continues to sit well above any "check the box" activity.

We're here to help clients tangibly increase EBITDA and valuations, and ESG is part of that service equation.

Where do clients require the most sustainability counsel today?

Across A&M – and particularly in Global TAG – we focus on ways sustainability drives tangible business value – reducing risk, raising revenue, lowering costs, increasing returns.

We see considerable client need within the "E" part of ESG – environmental due diligence, decarbonization, environmental performance, and climate risk/resiliency. But we also look at the "S" and "G" pieces – process safety management, sustainable sourcing, stakeholder engagement, enterprise risk management.



Paul Aversano with the A&M Summer Leadership Academy Group

Even with ESG being a relatively new concept, you have made good headway in sustainability across the practice group. Can you offer some examples?

Sure. Like all of A&M – and our clients – we are on a journey of continuous improvement in ESG, and we're pleased by some early achievements. For instance, inclusive diversity is a major priority and a core value of the firm. For the second year in a row in the U.S., we have been honored as one of 15 global organizations with the most equitable and engaged workplaces by Diversio, recognizing the work of our Equity Change Committee. Those honors add to other accolades of the firm, such as the recent Vault recognition of A&M as one of the top global consulting firms in the world.

We're also particular and robust in how we recruit, mentor, develop and retain staff – with a specific lens on inclusive diversity, which has directly contributed to our global retention rate of 92 percent. That's far above the 80 to 85 percent retention rate common with other professional services firms.

What is the broader business philosophy that drives all of this?

I believe it's both a privilege and an opportunity for all of us to drive the culture and growth forward that Tony Alvarez and Bryan Marsal have created at A&M. Within my practice – Global TAG – we've been successful in doing that, in large part because of our unwavering emphasis on being relationship-driven trusted advisors to our clients – what we call "RDTAs."

Global TAG's mission statement – which hasn't changed in the 18 years we've had the practice – remains the same: To help our clients be successful investors by acting as RDTAs in everything we do. We're not simply serving our clients, we're on a journey with them. We're in it with them.

Any closing words?

Our approach aligns with the forward-thinking vision set by our founders and co-CEOs. Simply put, our commitment to ESG is about doing the right thing... and adding real value for our clients.

OUR ENVIRONMENTAL APPROACH

A&M is committed to reducing the environmental impact of our business activities. We seek to do this through a culture of continuous improvement where every employee feels responsible for the resources they use and the activities they undertake on behalf of our business.

Greenhouse Gas Emissions Totals (Metric Tons of CO2e)¹

TYPE OF CARBON EMISSIONS	Fiscal Year 2019	Fiscal Year 2021	Fiscal Year 2022	Calendar Year 2023
Scope 1	0.00	0.00	0.00	0.00
Scope 2	3,885	4,035	4,738	3,493
Scope 3				
Purchased Goods and Services	-	-	14,007	16,409
Upstream Transportation and Distribution	-	-	344	175
Waste Generated from Operations	-	-	215	291
Business Travel	-	-	13,408	18,919
Employee Commuting	-	-	4,507	6,755
Scope 3 Total	96,858 ²	29,167 ²	32,480	42,550
TOTAL	100,743	33,202	37,219	46,506

Our Carbon Footprint

Fundamental to managing and reducing our greenhouse gas (GHG) emissions is not possible without properly measuring our footprint. That’s why we have taken steps to improve the data processes and data quality underlying our carbon footprint calculations. As a professional services firm, our emissions footprint is mostly comprised of Scope 3

emissions, with very minimal Scope 2 emissions. We do not own fuel-powered assets such as vehicles, generators or airplanes and consequently do not have a Scope 1 footprint. We follow established carbon accounting practices in line with the GHG Protocol to calculate our footprint annually, use surrogate estimates where data does not exist, and are committed to continuing to improve our data quality.

1. For our most recent carbon calculations, we have shifted to a Calendar Year methodology (from Fiscal Year).
2. Scope 3 estimate method used, categories not delineated



We currently calculate our Scope 2 category through a square footage estimation method, as sub-metered data is not readily available for our firm to utilize. We are committed to improving our data quality and calculation method over the next few years and will utilize actual usage methodologies as our sub-metered data on an office-by-office basis becomes available to us. Our Scope 2 emissions decreased from 2022 to 2023 due to the adaption of new, more efficient emissions factors.

For our 2023 Scope 3 emissions, we saw an increase in most of our categories due to growth and increased spend across the firm. Both our purchased goods and services and business travel categories grew closely in line with our headcount growth. Our upstream transportation and distribution category decreased, largely due to an improvement in our calculation methodology. Our waste emissions increased due to office expansions and increases in employee headcount.

This year, we improved our methodology and data quality for employee commuting. We took the time to understand our team member’s commuting habits by circulating a firmwide employee commuting survey (an improvement on our pilot employee commuting survey in limited regions in 2022). We applied EPA emissions factors for car, truck, bus, rail, subway, and motorcycle and applied UK DEFRA emissions factors for ferry and electric vehicle transit across the entire population.

Total emissions have declined 78% from our baseline year of 2019. This is largely due to reduced business travel and employee commuting, improved data collection and a more robust methodology, all partially offset by our overall growth.

Progress Toward Net Zero

A&M has established a target to be Net Zero in GHG emissions across all three scopes by 2050. GHG emissions reduction is a priority for our firm and we seek to reduce the environmental impact of our business activities through a culture of continuous improvement where every employee feels responsible for the resources they use and activities they undertake.

Milestones to Net Zero

2021

Established data management processes and individuals responsible for supporting GHG data collection and aggregation

Calculated our 2019 footprint, inclusive of Scope 1, 2 and 3 emissions to understand our baseline emissions

2022

Updated our carbon footprint; Analyzed data trends and patterns related to GHG emissions, advanced our carbon reduction plan

2023

Improved data quality used for measuring GHG emissions, reducing the amount of estimations and proxy inputs for Scope 3 emissions in particular

Expanded our Scope 3 boundary to include new Scope 3 categories

2024

Committed to establish near-term and long-term Net Zero targets with the Science Based Targets Initiative (SBTi)

Rolled out global employee commuting survey to improve data quality of Scope 3, Category 7 emissions

In recent years, we have implemented a number of measures that benefit society, our stakeholder objectives and our business, including:

- » Reduced client travel while growing our business
- » Increased telecommuting and hybrid work methods for our global employee base
- » Expanded recycling options for solid waste disposal
- » Lowered use of single-use items and disposables through the encouragement of reusable items

Looking Ahead: Actions to Reduce Our Carbon Footprint

- » Seek validation of our near-term GHG emissions targets from SBTi
- » Leverage strategic energy efficiency plans and emissions reduction activities with our offices around the globe
- » Create relationships with business travel partners with Net Zero commitments of their own
- » Consider environmental components when evaluating new office openings
- » Increase firm-wide education around sustainability and environmental best practices
- » Consider opportunities to prioritize virtual meetings and limit emissions caused by business travel
- » Reduce our energy use by leveraging lighting efficiencies such as LED lights and control systems
- » Optimize business travel to accommodate client needs while reducing our largest source of emissions
- » Engage employees at all levels on our path towards Net Zero to pursue individual steps in support of the initiative, such as alternate commute options
- » Increase renewable energy use in our offices
- » Use office lease renewal periods as opportunities to incorporate improved environmental practices
- » Explore the consolidation of offices over time
- » Increase procurement of office supplies from local and sustainably sourced suppliers
- » Support the growth of A&M Green Teams throughout A&M’s global operations



SPOTLIGHT ON SUSTAINABILITY
TELECOMS COMPANY SOUGHT TO PRESERVE
MILLIONS IN REVENUE

The Challenge

A global telecommunications company with operations in more than 25 countries faced significant loss of revenue due to poor ESG ratings and the lack of decarbonization and sustainable supply chain programs.

A&M's Role

A&M developed a strategic supplier relationship program, detailed decarbonization plan and comprehensive approach to respond to customer pressures and poor ESG ratings.

A&M worked with the Office of CEO and regional offices to outline accelerated paths to advance sustainability, including development of supplier policies and expectations, ESG training for procurement teams and expanded supplier engagement strategies. This provided the groundwork for a comprehensive Scope 1, 2 and 3 carbon footprint and intensity metrics analysis. Once calculated, we identified a multi-step improvement plan for Scope 1, 2 and 3 data and decarbonization plan toward a Net Zero emissions by 2050 goal. A&M also developed climate risk analysis and established other comprehensive ESG-related policy, program and disclosure improvements, including communications outreach to major stakeholders.

Outcomes

\$35M+

Annual Revenue Preserved

Thanks to A&M's support, the client was able to preserve more than \$35 million in annual revenue that had been at risk due to poor ESG ratings and a nascent sustainability program.

Waste Management

In parallel with reducing our energy and emissions footprint, we also seek to limit our waste contributions and increase the amount of waste diverted from landfills. A&M does not generate any hazardous waste and has a variety of measures for handling non-hazardous waste. Our employees understand the importance of limiting our environmental footprint and, as an organization, we seek to apply best practices for reducing consumption, re-using, and recycling, where possible.

We employ the following activities to reduce the waste footprint across our operations:

Installing water filtration systems to encourage employees in our offices to reduce plastic and aluminum waste.

Placing recycling bins and appropriate signage in the breakrooms of our offices.

Offering silverware and crockery at our offices to limit the use of disposable paper and single-use plastics.

Leveraging printer controls to reduce ink use and paper waste. This functionality requires a secure key fob to be present to release all printing jobs, disincentivizing excessive printing practices.

Re-using hardware across our office buildings and working to repurpose and recycle our IT hardware.

Climate Risks and Opportunities Assessment

Climate risk is a growing area of focus across companies of all sizes, industries, and geographies. Climate risk differs from ‘traditional’ sustainability activities (e.g., reducing your carbon footprint) because it focuses on how climate change impacts your business, rather than the impact your business has on climate change.

As such, to better evaluate how climate change will impact our business operations, A&M is conducting a climate risk and opportunities assessment of the firm on a global basis.

We have aligned this analysis to the International Sustainability Standards Board's IFRS S2 Standards, which has emerged as leading framework in climate risk analysis (building off the foundations of the Task Force for Climate-Related Financial Disclosures). IFRS S2 requires an entity to disclose information about climate-related risks and opportunities that could reasonably be expected to affect the entity's cash flows, its access to finance or cost of capital over the short, medium or long term. This means assessing climate-related physical risks (e.g., extreme weather) and transition risks (e.g., carbon pricing), as well as climate-related opportunities (e.g., new product/ service offerings), and how they impact our operations as a global consulting firm.

This is achieved by assessing: a.) governance processes, controls and procedures for monitoring, managing climate risk, b.) A&M's climate risk strategy, c.) the process for assessing and monitoring risks associated with climate change, and d.) the metrics and targets used to measure progress towards climate risk and opportunities.





A&M San Francisco Team: Golden Gate National Parks

Part of this assessment involves quantitative and qualitative scenario analysis of three Representative Concentration Pathways (RCPs) identified by the Intergovernmental Panel on Climate Change. These scenarios highlight the difference in expected climate responses if the world adopts an approach of aggressive climate mitigation (i.e., an Orderly Transition), moderate climate mitigation (i.e., a Disorderly Transition) or climate inaction (i.e., a Hothouse World).

We are analyzing acute and chronic physical risks, transition risks and opportunities across all three scenarios.

Physical Risks

Chronic and acute physical risks vary widely based on geography—the impact of these risks range from power outages, damage to critical infrastructure, short-term work stoppages and harm to employee health and safety. Due to the geographic variability in physical risks, A&M’s risk response should be considered on a regional basis. That being said, as climate change persists, the likelihood and severity of acute risks is expected to increase – the impacts of these events will be seen across all three scenarios, with the largest impact observed in the Hot House

World scenario. A&M has substantial control in planning for chronic physical risks by maintaining flexible lease agreements and considering climate models prior to entering new leases.

Transition Risks

The impact felt by transition risks and opportunities will largely depend on which scenario manifests itself. In the Orderly scenario, A&M is increasingly subject to resourcing needs related to regulatory reporting and clients require the firm to demonstrate maturity related to climate risk analysis. Conversely, in the Hot-House scenario, A&M will likely see a minor increase in pressures or costs related to regulatory reporting and client demands. In all three scenarios evaluated, the firm is subject to some level of reputational risk in light of customer expectations related to climate risk.

Opportunities

We have a substantial opportunity to support clients grappling with decarbonization and climate risk pressures. Our global presence and wide scale of expertise positions the firm to support companies of all sizes and climate-related needs. The scale of opportunities available is greatest in the Orderly scenario and the lowest in the Hot-House World scenario.

A&M Green Teams

While environmental stewardship is driven by leadership, our employees also take the lead in developing local efforts to further the firm’s goals. Our firm is proud to support A&M Green Teams, an employee-led grassroots effort to drive sustainability initiatives at local A&M offices.

Teams strive to carry out A&M’s values through environmental work that strengthens our local communities and builds sustainability knowledge capital. When Green Teams were launched in 2021, team members had a shared purpose of increasing employee engagement and creating an outlet for personal passion to intersect with A&M’s mission.

Green Teams currently span across multiple cities across the globe, and team members are actively working to improve and expand the initiative. Teams are encouraged to implement initiatives that are the most relevant to each local office. Some recent initiatives have been conducting employee commuting surveys to understand office carbon footprints, local park clean ups, clothing drives, tree plantings and touring local recycling plants. Most initiatives facilitated by teams fall under one of the following environmental themes:

- » Sustainable Transportation
- » Waste Management
- » Energy Use
- » Sustainable Procurement
- » Sustainable Lifestyles



**SPOTLIGHT
CHICAGO GREEN TEAMS**

The Chicago Green Team collaborated with the Women’s Leadership Connection (WLC) and summer analysts to clean up Skinner Park. The group of professionals worked together to clean up any trash and litter throughout the park. The Chicago Green Team has also had a hand in leading other green initiatives, such as a clothing drive partnered with Cradles to Crayons and a soda can tab collection drive in collaboration with the Ronald McDonald House Foundation.

OUR SOCIAL APPROACH

Through our work we seek to create strong, more resilient communities, foster greater inclusion and diversity, and empower our teams and clients to drive economic growth and build a robust, sustainable future.



A&M Canada Getting Involved with Second Harvest Toronto

Inclusive Diversity at A&M

Inclusive Diversity is one of the foundational pillars of who we are as a firm and how we provide services to our clients worldwide. We see our professionals' differences as strengths and are committed to a culture of inclusion guided by our core values. We believe an inclusive environment will generate creativity and the entrepreneurial spirit that makes us successful.

Inclusive Diversity supports how we RECRUIT, DEVELOP, and RETAIN employees, MEASURE our progress, conduct business, support clients and partner with vendors.

RECRUIT

- » Identify and implement best practices for attracting diverse talent
- » Train recruiting teams to eliminate bias from the recruiting process
- » Partner with diversity recruiting organizations and expand campus recruiting efforts beyond core schools

DEVELOP

- » Integrate Inclusive Diversity in Onboarding, Learning & Development and Performance Management
- » Leverage Inclusive Diversity resources and partners to develop focused trainings
- » Promote Inclusive Diversity as a core value
- » Increase visibility of firmwide efforts
- » Enhance impact of Inclusive Diversity site and communication channels

RETAIN

- » Cultivate Employee Resource Groups (ERGs)
- » Promote inclusivity through the celebration of cultural events
- » Facilitate open discussions on Inclusive Diversity to encourage feedback and participation
- » Improve employee benefits

MEASURE

- » Measure, report & track Inclusive Diversity data
- » Create consistent processes to collect and track Inclusive Diversity data to evaluate the effectiveness of employee recruiting, development and retention
- » Report Inclusive Diversity data and trends to leadership and to the practice on a meaningful cadence

SPOTLIGHT INCLUSIVE DIVERSITY

Healthcare Industry Group's Community Enrichment

A&M's Healthcare Industry Group (HIG) has developed and launched Community Enrichment Solutions (CES), a pro bono initiative designed to help improve the access, quality and financial sustainability of healthcare providers supporting disparate or undeserved communities.

CES priorities and areas of focus include:

- » Establishing, maintaining and growing partnerships with providers and healthcare organizations that specialize in providing care and services to those who are disproportionately affected by injustice and inequality
- » Initial efforts will be focused on organizations serving communities of color
- » Driving success through strategic planning, management advice and action-oriented operational transformation for qualifying organizations

HIG is committed to upholding A&M's Inclusive Diversity Core Value and reimagining Corporate Social Responsibility to affect change in our communities. As healthcare experts, our CES group aims to bring experience, support and knowledge to help make a valuable and lasting impact.

Allyship and Inclusive Leadership Resources

We are proud of our professionals who participated in Steps for Change, a wellness challenge designed to teach allyship and encourage our Core Value of Inclusive Diversity. During Steps for Change, our

teams collectively walked nearly 10,000 miles and virtually "visited" numerous resources on equity and inclusion including implicit bias awareness training and access to the "Daring Discussions" toolkit.

Equity Change Team

The U.S. Transaction Advisory Group's Equity Change Team (ECT) serves as an example of our investment in Inclusive Diversity.

Launched in April 2022, the ECT was developed to incorporate a more integrated approach to our Inclusive Diversity programming. If we were going to be successful, we would need representation across skill level, industry vertical, experience and location.

The ECT was designed to:

- » support our community looking for a welcoming and encouraging environment to enhance psychological safety
- » bring awareness and training
- » prepare our workforce for recruiting a diversity of candidates
- » leverage data and develop solutions to enhance our community of care and belonging

The ECT has demonstrated a profound impact on the practice and the firm on a global basis, driving positive change across our workplace. Successes include enhancements to parental leave policy; LGBTQ+ allyship and advocacy; micro lessons in belonging, enhanced communications, learning and development and stress management; and advances in the firm's approach to neurodivergence.

ECT advancement has also led to tangible improvement in results, driving the growth of our female workforce and enhanced overall diversity, with U.S. representation of women increasing by 12 percentage points from 2020 through 2023.

Corporate Performance Improvement Inclusive Diversity Program

A&M's Corporate Performance Improvement (CPI) team created an Inclusive Diversity Program five years ago to support our core values. Since its inception, CPI has created awareness by sending over 150 Inclusive Diversity communications recognizing meaningful and impactful cultural days/months. Recruiting has also been a key focus of the program, in which the team expanded partnerships with seven diverse recruiting organizations including ALPFA, EMERGE, Girls Who Code, INROADS, MBA Veteran's Conference, NABA and ROMBA. The team provides annual updates and shares diversity data, pride points and points of improvement with other business units firmwide.

Tax Inclusive Diversity Initiatives

Our robust Inclusive Diversity initiatives also extend to our Global Tax team. From recruitment to education to employee engagement, Tax plays a critical role in helping our entire firm identify inclusive diversity best practices.

- » **Recruitment:** Tax has reimagined recruitment, embedding diverse teams and bias-aware processes throughout the candidate lifecycle, including specialized trainings, important partnerships, and

utilizing a competency- based interviewing framework. Tax is tapping into diverse talent pools and fostering inclusion from campus recruitment to employment and engagement.

- » **Engagement:** A&M's Tax group supports awareness efforts spanning cultural celebrations and personal experiences and stories, furthering understanding, belonging, and allyship. Tax collaborates with the firm's ERGs for additional mentorship support and learning. Our ERGs support employees through all stages of their professional development and provide a safe space to connect, share and better understand the unique experiences of our professionals across the globe.
- » **Education:** Tax also prioritizes education, providing comprehensive resources and targeted LinkedIn Learning content that addresses bias and team building. Leadership training focuses on inclusive behaviors and challenging inequity and on-demand inclusivity modules are designed to drive broad-based awareness on critical issues like microaggressions and systemic advantages.
- » **Measurement and Evaluation:** At the core of Tax's Inclusive Diversity strategy is continued data analysis and impact measurement. Through vigilant tracking and monitoring, teams can gauge their initiatives' effectiveness to ensure the ongoing development of our programs and to identify opportunities for enhancements.

Building an Inclusive and Diverse Workforce Through Recruitment

We are committed to supporting our core value of Inclusive Diversity throughout our recruitment strategy to not only attract a diverse array of talent, but also nurture an environment where every employee feels valued and excited to contribute their unique skills and experiences. We believe in the power of diverse teaming to solve complex problems, create value and drive change for our clients. We are differentiated as a firm by our professionals’ unique and varied backgrounds and hands-on experience that allow us to serve a myriad of industries and geographies with both a practical and innovative approach.

We see our professionals’ differences as strengths and encourage our workforce to embrace enriching and diverse experiences with clients and colleagues. The result is superior client service and a gratifying career in a collaborative and inclusive environment. This is more than just a policy; it is a critical component of our growth and a key to our continued success.

A&M is a proud partner and supporter of:

National Black Association of Accountants (NABA)

Association of Latino Professionals For America (ALPFA)

Reaching Out MBA (ROMBA)

Girls Who Code

MBA Vets

Spotlight: Supporting Neurodivergence in the Workplace

Several A&M business units in the United States and Europe have made investments in neurodiversity initiatives to support diverse cognitive abilities across the organization. We recognize that employees think and process daily life experiences differently, whether considered Neurotypical or Neurodivergent.

The focus of these activities include:

- » Raising awareness about Neurodiversity and breaking down stigma and misconceptions
- » Providing a supportive network for neurodiverse individuals, their allies, and the broader workforce
- » Ensuring that Neurodivergent individuals can speak freely regarding their working conditions and their needs
- » Encouraging a strengths-based model in which everyone’s strengths, whether Neurodivergent or Neurotypical, are identified and maximized so we will all be more successful
- » Understanding and accommodating the needs of neurodiverse individuals by providing any necessary access requirements and adjustments while working collaboratively with HR and leadership to create an environment that enables everyone to thrive and reach their full potential
- » Building out Mindspan, the Neurodiversity Employee Resource Group in A&M’s Europe, Middle East and Africa business unit

Specific initiatives currently in practice and development include:

- » A Neurodiversity resource site, toolkit, and on-going communication
- » One-on-one support and additional learning and development opportunities
- » A guide for A&M’s mental health and Neurodiversity related benefits
- » Partnering with nonprofit organizations committed to supporting Neurodiversity and mental health

As we continue to grow, our main goals are to create a psychological safe space and educate our people on not only the challenges but also the positive attributes of being neurodivergent to help dispel myths, assumptions and unconscious biases around the subject.

Human Rights

A&M’s human rights practices are reflected through the following:

1. We comply with applicable laws, regulations and policies related to human rights and place a premium on integrity and maintaining the highest ethical standards.
2. As noted in our Code of Conduct and Code of Conduct for Third Parties and Compliance and Ethics webpage, A&M is committed to ensuring that no modern slavery or human trafficking in our supply chain or any part of our business. Third Parties must not use child labor and adopt procedures to verify and maintain documentation that no workers are younger than the local legal age for employment. In addition, Third Parties must review and validate all relevant documentation to ensure that a worker has a legal right to work in a jurisdiction, prior to employing a worker. Third Parties must also respect the rights of employees, as set forth in local laws, to join or to refrain from joining worker organizations, including trade unions. Workers must be able to communicate openly with management regarding working conditions without threat of reprisal, intimidation or harassment.
3. A&M does not tolerate noncompliance with the Code of Conduct for Third Parties or actions that may violate laws, regulations and contractually agreed upon requirements. A&M reserves the right to request and review documentation evidencing or relevant to compliance with laws and conformance to A&M’s expectations. A&M reserves the right to terminate a relationship with a Third Party if a violation is discovered and not corrected by the

Empowering individuality can help to drive innovation and make companies more profitable, so it’s a win for individuals and company performance.

Juliet Crosby
Mindspan Co-Chair, Associate Director

Third Party. Third Parties are required to complete any compliance training assigned by A&M and to maintain documentation necessary to demonstrate compliance with regulations and conformance to A&M’s expectations.

Learning and Development

A&M provides on-the-job training, networking and a variety of training programs to help our employees reach their full potential as individuals and as valued members of our team. We believe in continuous improvement in everything we do, and our employees’ professional development is no exception to that principle. We invest in our employees at all levels by prioritizing their growth and development. Some of our core curriculum includes business writing, presentation skills, management and development of others, pitching to win and negotiation skills.

We are committed to an environment of growth and inclusivity, which is why we provide Inclusive Diversity training to all our employees. We start with exploring key concepts in mitigating unconscious bias and fostering inclusion and cover such topics as being an effective ally, managing micro-behaviors and committing to dialogue over debate. By integrating



SPOTLIGHT CPI ACE PROGRAM

In our Corporate Performance Improvement practice, we utilize Training Paths to identify guides for our employees to follow to align with expected behaviors based on level. All of our campus hires begin their A&M careers in the ACE program and follow the ACE Learning Path until they are ready to move into their practice or industry group. Many of the training courses in the ACE Learning Path are focused on building core competencies. In our Solution/Industry Learning Paths, we have courses designed to build expertise in each of our Solutions and Industries. We also have Compliance Training Learning Paths to ensure our workspaces remain safe and are aligned with our core values.

Inclusive Diversity education and resources into our overall professional development, we not only equip our teams with the tools to embrace diversity in all its forms, but it also underscores the importance of inclusivity as fundamental to our corporate identity and success.

Employee Reviews

We recognize the importance of annual reviews as a valuable tool for promoting employee growth, enhancing performance and driving organizational success. At the end of each fiscal year, A&M requires all employees to submit a yearly performance review that is evaluated by their mentor and the Managing Directors involved in the employee projects. These reviews align A&M professionals with our core competencies based on their service areas. These reviews are used to help employees continue to develop professionally and serve as great feedback points for both upstream and downstream

communication. Outside of annual reviews, our employees also have mid-year reviews to monitor progress towards personal and professional goals. By prioritizing regular performance evaluations and feedback, we empower our employees to excel in everything they do.

Employee Health, Safety and Well-Being

The health, safety and well-being of our employees is paramount, and we are committed to helping our employees maintain a healthy lifestyle and achieve their personal and professional goals. While we are generally low risk when it comes to hazards given the professional services nature of our business, we adhere to all relevant health and safety regulations and guidelines and annually review our policies and procedures to maintain a healthy and safe workspace for all.

A&M offers a voluntary Healthy Directions Program to all benefit-eligible employees, building awareness of the importance of preventive health and to encourage employees to make healthier lifestyle choices. To further encourage healthy habits, we created A&M Fit featuring discounted gym memberships, corporate sporting challenges, healthy snack options in the office and more.

Health and Well-Being Highlights

Working Remotely: A&M offers flexible working hours and a hybrid schedule – allowing our employees to maintain a proper work-life balance and ensuring family and personal life is maintained.

Employee Well-Being: At a discounted rate, A&M offers U.S. employees ClassPass, a monthly fitness membership that allows employees to book various workout classes and wellness treatments/offerings that suit each individual’s lifestyle.

Mental Health: All U.S. employees have access to our Benefits Portal and the A&M Well site with a dedicated Mental Health Resources Page. Individual Employee Resource Groups and business units offer virtual sessions and workshops on reducing burnout and managing stress.

We offer leading benefits across many other countries A&M conducts business in and understand the importance of prioritizing the health and wellbeing of our employees.

Employee Engagement

For a global professional services firm, the customary phrase of all companies takes on specific relevance – at A&M, our most valuable asset is our people. In line with our core value of Personal Reward, we offer employees a rewarding work environment conducive of interesting work with interesting people and achieving results that matter.

Benefits

A&M’s commitment to our employees is reflected in our comprehensive benefits package:

Quality healthcare

Life and disability benefits

Retirement benefits

Paid time off

Parental and family leave

Supplemental benefits and discounts

Employee Assistance Program

Employee Wellness Program

Employee Engagement Survey

A&M’s annual employee engagement survey helps us gather important feedback on our efforts and progress to support our team. In 2023, we achieved a response rate of 77%, and the survey demonstrated an increase in the intent to stay for a year or more, along with high scores indicating our employees are likely to recommend A&M to friends and former colleagues seeking employment. Employees also expressed strong confidence in our ethical standards and our commitment to our clients. Additionally, our adoption of a hybrid and virtual work arrangement was positively received, enhancing collaboration and facilitating effective client service delivery. These insights are integral to our ongoing efforts to refine our practices and strengthen our culture. In response to feedback from the prior-year engagement survey, A&M revised our maternity and paternity leave policy to allow for additional paid parental care leave. We remain focused on building upon these positive trends and addressing areas for improvement.

SPOTLIGHT
A&M UNIVERSITY

A&M University is an annual conference hosted internally that brings the firm’s professionals together from across the U.S to learn, grow and experience our company’s culture in best practices. In 2023, we hosted over 1,400 professionals with the goal of acquiring new insights, expanding networks and sharing ideas.

A&M University is hosted in St. Charles, IL at the Q Center, a campus-like training facility that offers multiple avenues for employees across our North American offices to come together to learn, socialize and have fun.



Our Employee Resource Groups (ERGs)

A&M's employee resource groups support our employees through all stages of their professional development. We strive to provide mentorship and advancement opportunities for all professionals to be connected and heard. Our ERGs celebrate the diversity and vast talents our employee pool worldwide brings, making our firm an inclusive place for gratifying careers and superior client service.

Alvarez & Marsal Young Professionals (A&MYP)

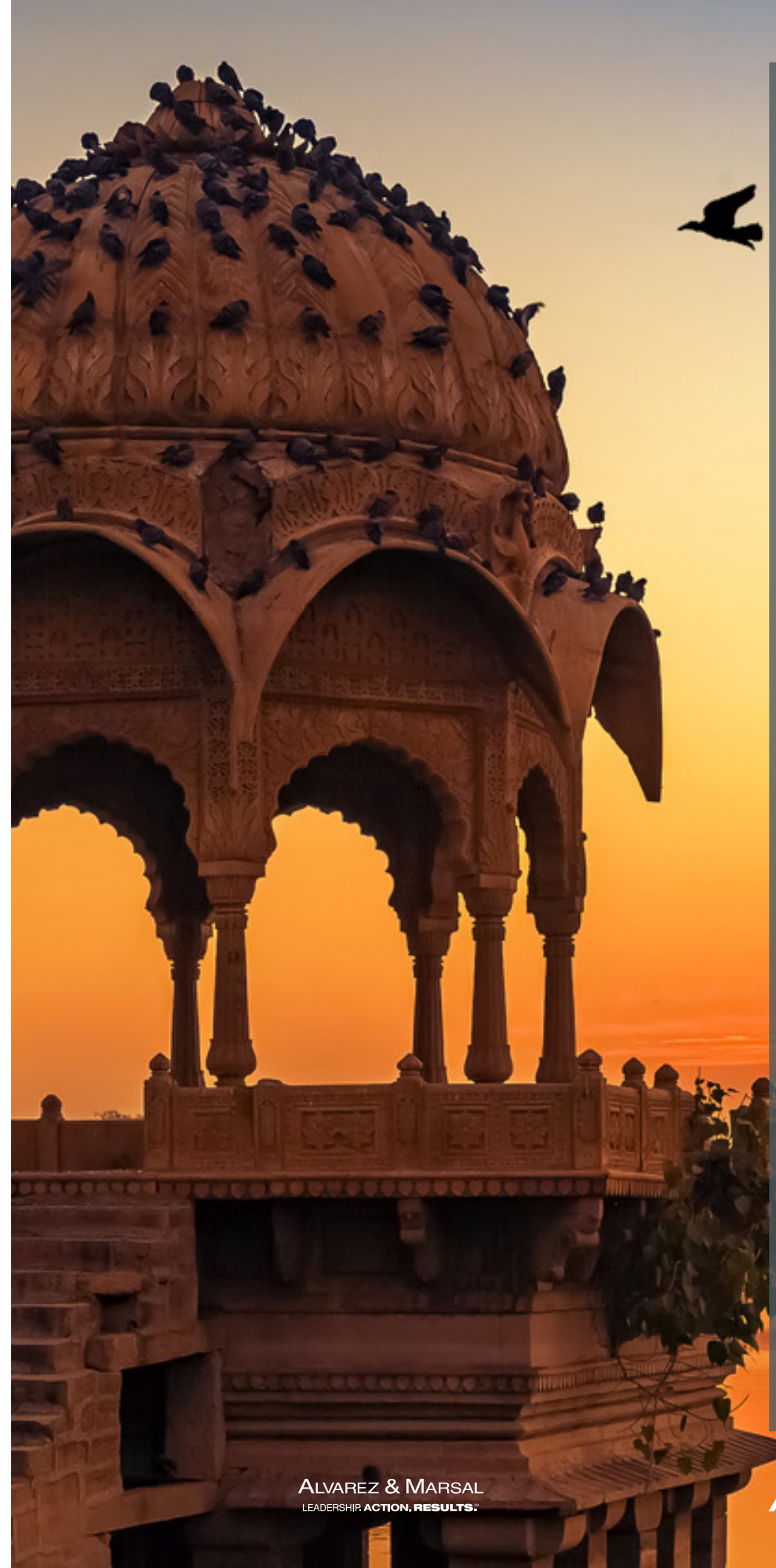
A&MYP is a networking and professional development group that spans our business units, nurtures the growth of our members and promotes A&M's core values.

A&M Women's Leadership Connection (WLC)

A&M Women's Leadership Connection was chartered to support the recruitment, retention and advancement of women across A&M U.S. The WLC drives targeted initiatives in networking/business development, professional development and mentoring, and serves as a forum for sharing information, ideas and experiences as well as an advisor to A&M executive and business unit leadership. The WLC is available as a resource to all A&M employees.

EMEA Women's Network (EWN)

The EMEA Women's Network was established to support our female staff in developing client relationships, networking and professional development. The EWN aims to do this by building strong internal women's networks, liaising with and linking to external women's business networks and enhancing our employees' soft skills in professional development areas and personal profile raising. Over the last year the EWN has held multiple successful events and training sessions supporting the growth and empowerment of our female colleagues.



SPOTLIGHT

INDIA ANNUAL EXCELLENCE AWARDS

Our India team launched an annual Excellence Award program recognizing and rewarding individual and team achievements across a wide range of categories. The program recognizes individual contributions and business units that stand out as the most diverse teams. By fostering a culture of appreciation and motivation, the program ensures that employees feel valued and empowered in the firm. The program cultivates a culture of recognition and motivation by acknowledging achievements, transparently communicating criteria and celebrating successes publicly.



Categories include:

Standing Ovation:

For outstanding performance on a project

Strong Client Recognition:

For receiving extraordinary feedback from clients

Bring Beginning:

For a promising newcomer

Innovation:

For applauding those who dare to innovate

Making a Difference:

For making a positive difference in society and our organization

Above and Beyond:

For outstanding performance in a support function

A&M Blue Blood:

For individuals who exemplifies A&M's culture on a daily basis

Diversity:

For business units with the best diversity ratio (metric driven)

People's Choice:

For an exemplary leader and favorite support team member

For me, the Annual Excellence Award was the affirmation of the firm's commitment to our core values & performance driven culture. It exemplifies the dedication of our organization to supporting our people and the communities in which we operate.

Qasim Latifi
Manager



A&M EMEA Women's Network IWD 5km Run Fundraiser for the World Association of Girl Guides and Girl Scouts

Middle East Women's Network (MEWN)

The Middle East Women's Network was established to support and empower our female staff in the UAE and Saudi Arabia. Through our activities, it aims to raise awareness, host open dialogues, and support the personal and professional development of our employees.

A&M Black Employee Network (BEN)

A&M's Black Employee Network brings together black professionals across all business units for connection, professional development and networking aligned with A&M's Core Values.

A&M One (U.S.) & I A&M me (EMEA)

A&MOne and I A&M me offers professionals within the LGBTQ community, and any friends and supporters, an opportunity to network and participate in open discussion forums and formal mentoring programs.

Hispanic & Latin American Network (HLA)

The Hispanic & Latin American Network (HLA) grows and develops Hispanic and Latin American talent and fosters cultural inclusivity for Hispanic and Latin American A&M professionals.

A&M Veterans Network

The A&M Veterans Network was formed to bring together veterans and supporters across the firm for mentorship, networking, business development, and giving back to the community.

AAPJ Employee Network

The Asian American / Pacific Islander Employee Network seeks to build a community that fosters cultural awareness, networking, professional development, mentoring and leadership opportunities with a focus on the recruitment, retention, learning and advancement of AAPJs.

Parents Networking Forum

The Parents Networking Forum provides our working parents with an informal place to network, ask questions, share information and connect.

Mindspan

Mindspan is A&M's Neurodivergent ERG in Europe, the Middle East and Africa, open to all colleagues who have been diagnosed or suspect that they are neurodivergent, have a family member who is, or are simply interested in finding out more. The goal of Mindspan is to dispel the myths and assumptions about neurodiversity, build a community and safe space for our people and encourage a workplace that supports everyone to perform at their best.



A&M Women's Leadership Connection at A&M University

“Giving Back” Philanthropy and Volunteering



Through A&M’s Giving Back Program we support our communities by providing employees with volunteer opportunities and channeling our contributions to local and national charity organizations.

Each year, our employees vote on which organization the program will support for the upcoming two-year cycle. Organizations are categorized by theme to ensure an inclusive approach and unite our support efforts in offices around the world. Each office can also identify local organizations in their area to support. Past organizations supported include Feeding America, St. Jude Children’s Research Hospital, Kids in Need Foundation, First Book Canada and SickKids Foundation totaling.

2023 Actions

Private Equity Performance Improvement (PEPI) | Golfing for Good!

PEPI donated more than 2,200 canned goods to St. Mary’s Food Bank serving Phoenix and nine Arizona counties.

NYC | Pottery Painting with Birch Family Services

Our New York office volunteered with Birch Family Services, serving members of their community with autism or developmental disabilities.

Salvation Army | Chicago, Denver, Houston and Seattle Give Back!

During the 2023 holiday season Chicago, Denver, Houston and Seattle participated in The Salvation Army’s Angel Tree and Toy Drive donation programs.

Hong Kong | Giving Back is Universal

Our Hong Kong Office participated in “Box of Hope” delivering essential hygiene products, educational items and comforting toys to children living in extreme poverty around Hong Kong and throughout Asia.

North America Commercial Restructuring (NACR) | Giving Back with Celebrations

Members from NACR packed 500 brownbag lunches and 50 birthday celebration kits to donate to the Raphael House, dedicated to helping low-income families and those experiencing homelessness to achieve stable housing and financial independence.



Corporate Performance Improvement (CPI) | Giving Back is a Hole in One!

Members from A&M’s Automotive and Industrials Group (AIG), CPI, Public Sector, Energy, and Corporate Transformation Services (CTS) Europe teams supporting Interfaith of The Woodlands with a donation of nearly 1,500 canned and dry goods.

A&M Gives Back at A&M U

A&M University partnered with the Northern Illinois Food Bank to pack 2,000 food boxes for those in need.

PEPI | Combining Teambuilding and Giving Back in Charleston

For their annual teambuilding event, members of PEPI in Charleston partnered with Habitat for Humanity to break ground on a new donated home. They also partnered with the Kids in Need Foundation to support local teachers.

A&Mplify | Greater DC Diaper Bank

A&Mplify filled and donated fifty bags to the Greater DC Diaper Bank to empower vulnerable families and individuals with basic baby needs and personal hygiene products across Washington D.C.

Dallas NACR | Analysts and Associates Give Back

NACR New Hire Orientation participants packed 450 pencil pouches with school supplies for the Dallas office Kids In Need Foundation back to school drive.

Chicago | Park Clean Up

The Chicago Office Women’s Leadership Connection and Green Team teamed up with the NACR Summer Analysts for a Skinner Park clean up benefiting local wildlife and community members.

Atlanta CPI | Beautifying Olmsted Park

Atlanta’s CPI group and their Summer Analysts volunteered at Olmsted Park in Druid Hills to remove invasive species and learn about local and invasive flora.

SF TAG | Golden Gate National Parks

San Francisco’s TAG office teamed up to clean up the San Francisco Shoreline in Golden Gate National Park removing litter, weeding invasive plants, pruning vegetation, removing sand, performing site improvements, and helping with trail maintenance.



“Giving Back” Philanthropy and Volunteering

Washington, D.C. | Capital Area Food Bank

The Washington D.C. Office volunteered at the Capital Area Food Bank folding over 1000 boxes to be used to pack emergency and senior produce kits.

Denver | Ronald McDonald House

The Denver Tax team volunteered to prepare and provide a healthy breakfast for families staying at the local Ronald McDonald House.

TAG Nashville | Partnering with Second Harvest Food Bank

The Transaction Advisory Group in Nashville partnered with the Second Harvest Food Bank, sorting over 7,000 lbs. of frozen foods, which translates to roughly 6,000 meals for the Nashville community.

TAG NY | Powerplay’s Career Day

TAG in NY hosted a career day with PowerPlay’s high school Super STARS Leadership Academy where A&M volunteers shared their career and educational journeys as well how their passions continue to fuel their success.



AAPL Chicago | Ramadan Event Supports Ronald McDonald House

AAPL came together at the Chicago office to commemorate the Holy month of Ramadan and to assemble care kits for Ronald McDonald House of Charities.

DC Tax | End of Internship Giving Back Event

Tax summer interns volunteered with Kids In Need Foundation to make no-sew blankets supporting local Washington D.C. Schools.

Research Credits & Incentives Services (RCIS) Tampa | Second Harvest Food Bank of Central Florida

RCIS Tampa packed and donated dozens of boxes of food to Second Harvest Food Bank of Central Florida.

Valuation Services (VS) Houston Coordinates With “Brighter Bites”

The VS team in Houston fed 1,040 families through nine different schools thanks to the coordination by Houston’s Brighter Bites, a non-profit dedicated to improving health outcomes among children and families in under-resourced communities.



OUR GOVERNANCE APPROACH

The values of integrity and objectivity are at the heart of A&M's success. We have earned our clients' trust and the firm's reputation by making decisions based on fact and analysis, not personal interest or opinion. The maintenance of these values is critical to our ongoing growth and success.

Code of Conduct: The A&M Way

A&M's Code of Conduct reiterates the importance of our core values and our shared obligation to always act with the highest level of ethics and integrity in the way we conduct business. All personnel are responsible for adhering to A&M's core values of integrity, quality and objectivity, complying with all laws and regulations and performing work in accordance with the terms of executed agreements.

The following highlights some of A&M's focus areas for its employees:

Privacy and Data Protection: It is A&M's policy to comply with its Global Data Protection Policy and all applicable national, federal, state and/or local privacy, cybersecurity and data protection laws, rules and regulations. The primary purposes of these laws and regulations is to protect individuals against misuse of their personal data, such as A&M's personnel and those of clients and third parties.

Bribery and Corruption: A&M does not tolerate corruption or bribery and is committed to avoiding even the appearance of illegal or unethical conduct. As such, the offering, promising, giving or receiving of anything of value (i.e. gifts, goods, services, entertainment, meals etc.) to or from any government, company or individual in connection with A&M business or activities and with the intent to gain improper advantage for the firm is prohibited. These principles are codified in A&M's Global Anti-Bribery & Corruption Policy.

Insider Trading: A&M personnel must protect clients' "inside" information or "material non-public information" (MNPI) and are prohibited from using this information to trade clients' or related parties' securities. A&M also has requirements applying to project teams including disclosure of ownership of client or potential client or related-party securities, and a "cooling off" period for trading in such securities after the client work has been completed.

Conflicts of Interest: A&M personnel must perform their work and client obligations free from conflicts of interest. Relationships and situations that could result in a conflict of interest include financial interests, providing or receiving entertainment and/or gifts from clients and related parties, and other outside activities and interests.

The Code of Conduct is evaluated on an annual basis to address changes in our operating landscape and industry best practices. Additionally, A&M's Code of Conduct is further supplemented by global, business unit and country specific policies and procedures.

- » *A&M Employee Handbook*
- » *A&M Global Data Protection Policy*
- » *A&M Time & Expense Policy*
- » *A&M Policy on Political Contributions – U.S.*
- » *A&M Workplace Security Policy*
- » *Doing Business with A&M: Code of Conduct for Third Parties*
- » *Global Anti-Bribery & Corruption Policy: The A&M Way*
- » *PSS Personnel Compliance & Ethics Operations Policy*
- » *Social Media Guidelines*
- » *A&M Anti-Money Laundering Procedures (Europe)*
- » *A&M Antitrust & Fair Competition Guidance*
- » *A&M Document Retention Policy for Client Engagements*

SPOTLIGHT ON SUSTAINABILITY

LARGE GLOBAL FAMILY FOUNDATION SOUGHT GREATER FUNDING IMPACT

The Challenge

A multi-billion-dollar global family foundation working in the areas of global health and development sought assistance for its program investment officers to help them assess capability of multiple grantees in their portfolio, with a special focus on technology.

A&M’s Role

Over five years of continuous engagement, A&M provided extensive advisory support to multiple program officers investing in technology solutions designed to make a social impact. A&M also provided operational support to major initiatives and grantees. Highlights of A&M’s engagement included:

- » **Assessing grantee technology** – A&M reviewed technical architecture, product design, and technical operations and helped to mitigate and reduce technology implementation risk. Our support gave program teams greater confidence in the structure of their technology-related budgets, improving allocation of funding.
- » **Supporting digital payments portfolio** – A&M provided program management support to create and launch a set of multi-year investments to address financial inclusion in

two pilot countries in Africa and the Middle East, including efforts to engage global partners such as the World Bank, USAID and the African Development Bank.

- » **Leading consortium of humanitarian relief organizations** – A&M provided program and grantee management for an 18-month investment to develop a mobile wallet prototype designed to provide digital payments during disasters. This work involved collaboration with the United Nations, large multinational technology companies, academic research institutions, international aid organization and several private and public foundations.
- » **Developing a platform vision, strategy and supporting business models** – A&M assisted a team focused on reducing child mortality, developing a strategy and engaging a diverse set of global health funders and researchers to collaborate on knowledge sharing.

Outcome

The technical advisory service was deemed a critical value to the foundation and was brought in-house with support from our team to define and help build internal capabilities. The major initiatives listed above continue as active investment portfolios addressing financial inclusion, humanitarian response and child mortality.

Compliance Training

We recognize that compliance training helps our employees maintain a level of accountability, transparency and ethical behavior across everything they do and helps us as a firm maintain our status as a responsible, research-driven trusted advisor. Our employees are required to take most compliance training courses once every two years, including Code of Conduct and Data Protection/Privacy training. Cybersecurity Basics is required on an annual basis and is maintained through our online training portal. These training classes are also administered to subcontractors and other temporary workers. Adherence to these requirements is strictly enforced, with progressive follow-ups including monetary fines and other measures for lagging participation.

We monitor compliance training on a comprehensive cadence. From 2022 to 2024, 65,072 courses were completed for a total of 39,160 hours across the firm. Globally required training courses, include:

COURSE NAME	DESCRIPTION	REQUIRED FOR
A&M Code of Conduct	Covers the concept of business ethics and highlights A&M’s Code of Conduct and policies around anti-bribery and corruption, anti-harassment and discrimination.	All employees
General Data Protection Regulation (GDPR)	Summarizes the GDPR regulations in the EU and A&M’s policy on protecting personal data.	All employees
Cybersecurity Basics	Familiarizes employees on key cybersecurity concepts and discusses measures that can be taken to help defend computers and data from attack, damage or unauthorized access.	All employees
Anti-Money Laundering	Identifies what money laundering is and how it works, along with anti-money laundering laws, penalties for violations and red flags to detect money laundering.	All employees
A&M Inclusive Diversity: Mitigating Unconscious Bias and Fostering Inclusion	Covers the negative effects of bias within an organization and the benefits of uncovering bias in decision-making processes.	All employees
Preventing Sexual Harassment for Employees	Focuses on preventing sexual harassment in the workplace.	All non-supervising employees
Preventing Sexual Harassment for Supervisors	Focuses on preventing sexual harassment in the workplace.	All employees who supervise others
Phishing Social Engineering Red Flags	Explores the digital threats that comes from phishing and how it can compromise organization’s security defenses that protect valuable information.	As needed

Whistleblowing Process & Protections

A&M encourages our team and third parties to discuss questions and concerns with their managers or engagement leaders. Other additional resources include A&M's Office of General Counsel, the Chief Human Resources Officer or the Director of Global Compliance. A&M has also established a reporting mechanism through a third-party provider, NAVEX Global. This site and/or corresponding telephone numbers for specific countries can be used to report actual or potential misconduct through online submission or by phone, and reports can be submitted anonymously in geographies where such reporting is permitted. There will be no retaliation against any personnel who reports a concern in good faith.

Confidentiality, Privacy and Cybersecurity

Aligned with applicable privacy laws and regulations across the globe, including the European Union General Data Protection Regulation (GDPR), A&M's Cybersecurity Program employs a layered, defense-in-depth strategy to protect information assets and systems. Core pillars of this program include Data Governance, Boundary Defense, Access Control, Endpoint Security, Threat Prevention/Monitoring, Vulnerability Management, Business Continuity, Physical Security, and enterprise-wide Security Awareness. These safeguards, along with a dedicated security function have been implemented to ensure the confidentiality, integrity and availability of A&M and client data.

A&M takes appropriate disciplinary actions up to and including termination, in accordance with applicable law, if personal data is accessed, processed or used in any way that is inconsistent with the requirements of this Policy or related A&M policies.

Personal breaches and other security incidents may require A&M to notify data subjects, regulators, clients and other third parties. If any A&M employee discovers or suspects a security incident, they are encouraged to report as promptly as possible to the Service Desk.

ISO 27001 Certification

Our Security Program is ISO 27001 certified and extends to our Corporate Data Centers and offices globally. Our security system informs and supports security related objectives, policies and procedures, including:

- » Security event and access monitoring
- » Access control and management
- » Information system monitoring
- » Network intrusion detection
- » Network perimeter firewalls
- » 2-factor authentication
- » Physical and environmental protection
- » Contingency planning
- » Backup and recovery
- » Media handling and protection
- » Vulnerability assessment
- » Patch management
- » Personnel screening
- » Configuration management
- » Change management
- » Transmission encryption
- » Malicious code protection
- » Audit review, analysis and reporting
- » Security awareness and training
- » Controlled system maintenance

Doing Business with A&M: Code of Conduct for Third Parties

At A&M, we place a premium on integrity and maintaining the highest ethical standards and expect contract/temporary employees, suppliers, vendors, agents, subcontractors, lawyers, accountants and business partners to maintain these same standards. Our **Doing Business with A&M: Code of Conduct for Third Parties** aligns with our Code of Conduct and reinforces our expectations of our business partners.



A&M CVA Training Session

Third Parties must comply with all applicable laws, statutes, ordinances, rules, regulations and contract terms applicable to the provision of services or supply of goods in connection with A&M's business or the business of A&M's current or prospective clients. Third Parties are required to complete any compliance training assigned by A&M and to maintain documentation necessary to demonstrate compliance with regulations and conformance to A&M's expectations.

Some examples of our expectations include:

Bribery and Corruption: A&M will not be party to corruption or bribery in any form. It is the policy of A&M, in doing business anywhere in the world, to fully comply with all applicable anti-bribery and anti-corruption laws and regulations. Third Parties are strictly prohibited from providing anything of value to obtain or retain business for or on behalf of A&M or its clients without express prior written approval from A&M's Office of General Counsel.

Insider Trading: Third Parties must always be in accordance with insider trading laws and regulations that prevent buying or selling securities while in possession of material, nonpublic information about the security. Insider trading violations may include "tipping" such information, as well as securities trading by the person "tipped" and the person who misappropriated the information.

Privacy and Security: A&M is committed to respecting the privacy rights of all individuals whose personal data is processed by A&M, and to protecting the confidentiality, integrity and availability of all A&M Data. This includes any information related to our business, clients, prospects partners, suppliers and personnel that is provided or made available by A&M to a Third Party. As a Third Party with A&M Data, we expect that all applicable privacy, information security and data protection laws and regulations are followed, the data is kept confidential and that A&M is notified if any actual or reasonably suspected Security Breach occurs.

SPOTLIGHT ON SUSTAINABILITY

CLIENT ACQUIRING GAS SEGMENT OF GLOBAL
CHEMICALS COMPANY SOUGHT UNDERSTANDING OF
ENVIRONMENTAL, HEALTH AND SAFETY (EHS) RISKS

The Challenge

A&M’s client sought to acquire the specialty gas segment of a global chemicals business. The operational footprint of carve-out entity was located within parent company’s larger chemical plant and the seller would operate assets post-transaction. The client needed to understand the transaction risks, the overall feasibility of the transaction given its nature as a carve-out of a larger chemical business, and potential stand-alone costs.

A&M’s Role

A&M conducted pre-acquisition due diligence which included the evaluation of environmental, health and safety (EHS) risks. In addition, A&M reviewed complex operating agreements to identify key risks associated with the carve-out such as contractual terms and post-transaction resources/compliance obligations.

Outcomes

~\$10M

In Liability and
Expenditures
Eliminated

A&M identified several significant risks and challenges associated with regulatory compliance (specifically air permitting, GHG reporting, wastewater discharges, and industrial hygiene) and contractual terms in the operating agreements which limited our client’s protections from scenarios of noncompliance. Further, A&M identified exposure to material capital expenditures from failing pollution control equipment, production limitations, and high operated expenses from shared obligations. Ultimately, A&M’s support helped to eliminate approximately \$10M in liability and expenditures due to re-worked contractual language, indemnities, and exclusions.



Internal Audit

We maintain an internal audit function to provide independent, objective assurance and consulting services designed to add value and improve A&M’s operations. We adhere to the Institute of Internal Auditors’ International Professional Practices Framework, including the Core Principles for the Professional Practice of Internal Auditing and the Definition of Internal Auditing. The internal audit function assesses A&M’s network of control, risk management and governance processes, as designed and represented by management, to make sure they are adequate and functioning. We comply with the Professional Practice of Internal Auditing Standards and Code of Ethics of the Institute of Internal Auditors (IIA).

Supplier Diversity

A&M makes a good faith effort to contract with certified minority, woman-owned, disabled-owned and veteran-owned businesses or contract with vendors that have supplier diversity programs in place. By partnering with minority-owned businesses, we are able to tap into a wealth of talent, expertise, and perspectives that enrich our supply chain and enhance our competitiveness as a firm.

The table below highlights the U.S. percent of spend with self-identified Diverse Suppliers (2023 fiscal year).

BUSINESS TYPE	% OF SPEND
Small Business	12%
Women-Owned Small Business (WOSB)	8%
Other	8%
Emerging Small Business	1%
Minority Owned	1%
Competitive 8(a)	<1%
Economically Disadvantaged Women-Owned Small Business (EDWOSB)	<1%
Historically Underutilized Business Zones (HUBZones)	<1%
Partial Historically Black College or University (HBCU)/ Minority	<1%
Service-Disabled Veteran-Owned Small Businesses (SDVOSB)	<1%
Veteran-Owned Small Business	<1%
TOTAL	33%

SASB INDEX FOR PROFESSIONAL & COMMERCIAL SERVICES

Data Security	Description of approach to identifying and addressing data security risks	See Governance Approach section, page 48-49
	Description of policies and practices relating to collection, usage and retention of customer information	See Governance Approach section, page 48
	(1) Number of data breaches, (2) percentage that (a) involve customers’ confidential business information and (b) are personal data breaches, (3) number of (a) customers and (b) individuals affected	(1) 0 (2a) 0, (2b) 0% (3a) 0, (3b) 0%
Workforce Diversity & Engagement	Percentage of (1) gender and (2) diversity group representation for (a) executive management, (b) non-executive management, and (c) all other employees	64% Male 34% Female 2% Undeclared
	(1) Voluntary and (2) involuntary turnover rate for employees	Voluntary: 9.6% Involuntary: 3.4%
	Employee engagement as a percentage	77%
Professional Integrity	Description of approach to ensuring professional integrity	See Governance Approach, section, page 45
	Total amount of monetary losses as a result of legal proceedings associated with professional integrity	\$0



ABOUT ALVAREZ & MARSAL

Companies, investors, and government entities around the world turn to Alvarez & Marsal (A&M) for leadership, action and results. Privately held since its founding in 1983, A&M is a leading global professional services firm that provides advisory, business performance improvement and turnaround management services. When conventional approaches are not enough to create transformation and drive change, clients seek our deep expertise and ability to deliver practical solutions to their unique problems.

With over 10,000 people providing services across six continents, we deliver tangible results for corporates, boards, private equity firms, law firms and government agencies facing complex challenges. Our senior leaders, and their teams, leverage A&M's restructuring heritage to help companies act decisively, catapult growth and accelerate results. We are experienced operators, world-class consultants, former regulators and industry authorities with a shared commitment to telling clients what's really needed for turning change into a strategic business asset, managing risk and unlocking value at every stage of growth.

To learn more, visit: [AlvarezandMarsal.com](https://www.alvarezandmarsal.com)

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