

# Environmental Policy

2024

**EgonZehnder**

# Our commitment to environmental sustainability

Egon Zehnder is committed to minimising the impact our firm has on the environment, and we seek to continually strengthen our environmental approach and practices. More specifically, we are committed to identifying, measuring, and reducing the environmental footprint of our business. In addition, we offset the environmental impact of our global operations.

We take action to manage and reduce our global greenhouse gas emissions and our waste footprint. We expect colleagues to take into consideration the environmental impact when making choices about how they work. This includes reducing emissions from travel and operations where possible, as well as minimising waste and increasing recycling.

## Our Commitments:

- 2021 marked Egon Zehnder's first year where we offset the environmental impact of our global operations and we have publicly committed to reducing our Scope 1, 2 and 3 carbon emissions by 25% per FTE by 2024
- We report against the SASB Standards based on the material risks identified for the Professional & Commercial Services industry
- Other voluntary corporate reporting standards with specific attention to the climate and the environment (including CDP, EcoVadis, GRI and B Corp assessment questionnaire) are part of our annual reporting cycle
- In our measurement and tracking we implement universally recognised frameworks such as the Greenhouse Gas Protocol and we are moving towards setting emissions reduction targets aligned with science-based targets
- We regularly communicate our environmental aims and objectives and our progress towards our goals to our stakeholders; from 2024 onwards, Egon Zehnder will publish a public Impact Report in which key environmental data is disclosed

# Environment: What is relevant to our business?

Egon Zehnder has conducted a materiality assessment based on our Firm’s global operations and the specific risks associated with our industry. In line with the SASB environmental standards and other voluntary disclosure frameworks, and taking into consideration client demands, we have identified topics which we have prioritised as being most relevant for our firm and which we influence directly.

*\*Numbers correspond to the 13 numbered paragraphs below the table.*

## Prioritised Environmental Areas

	<p><b>Energy Management</b> (corresponds to SASB Energy Management category)</p>	<ul style="list-style-type: none"> <li>• Energy efficiency</li> <li>• Reducing energy consumption</li> <li>• Adopting renewable energy sources</li> </ul>
	<p><b>Water and Wastewater Management</b> (corresponds to SASB Water &amp; Wastewater Management category)</p>	<ul style="list-style-type: none"> <li>• Water consumption and management</li> </ul>
	<p><b>Waste and Hazardous Materials Management</b> (corresponds to SASB Waste &amp; Hazardous Materials Management category)</p>	<ul style="list-style-type: none"> <li>• Reducing waste</li> <li>• Responsible chemical and e-waste management</li> <li>• Reducing paper usage</li> </ul>
	<p><b>Travel / Transportation</b></p>	<ul style="list-style-type: none"> <li>• Promoting sustainable transportation</li> <li>• Reducing our business travel footprint</li> </ul>
	<p><b>Sustainable Consumption</b></p>	<ul style="list-style-type: none"> <li>• Sustainable consumption</li> </ul>
	<p><b>Sustainable Procurement and Purchasing</b></p>	<ul style="list-style-type: none"> <li>• Sustainable procurement and purchasing</li> </ul>
	<p><b>Promoting Sustainable Behaviours</b></p>	<ul style="list-style-type: none"> <li>• Educating employees</li> <li>• Supporting environmental causes</li> </ul>

At Egon Zehnder, we recognise that our operations have an impact on the environment and we are dedicated to reducing this impact. We consciously and proactively seek improvement in the following areas:





1. **Energy efficiency:** We recognise that as a professional services firm, energy consumption in our offices accounts for a significant portion of our environmental footprint. Our Firm is committed to improving energy efficiency by moving operations to certified green office buildings if feasible and investing in necessary refurbishments to enhance efficiency. Guidance on the expected environmental credentials for any new offices is summarised in our Real Estate Guide and office changes are monitored centrally.
2. **Reducing energy consumption:** We take steps to reduce consumption by working with facilities and building management of our premises globally to ensure that where practicable, energy-efficient lighting, equipment, and appliances are introduced and used. We encourage our employees to be environmentally conscious in their day-to-day work, turning off lights and equipment when not in use.
3. **Adopting renewable energy sources:** We centrally track the proportion of renewable energy consumed in our facilities and, depending on local availability, aim to increase our reliance on fully renewable energy sources when making decisions about our operations and office leases.
4. **Water consumption and management:** We encourage our offices to implement water-saving protocols by using motion-sensor, low pressure taps and installing dual flush/low flow toilets in our facilities. Many offices make use of water filtration systems, eliminating the need for bottled water. Employees are encouraged to conserve water, and internal water usage reporting is conducted across our operations on an annual basis.
5. **Reducing waste:** Egon Zehnder is committed to reducing waste (sorting, recycling, using only reusable cutlery, cups, dishes, etc.). In addition, employees are encouraged to minimise waste and dispose of it responsibly. We encourage and incentivise employees to implement initiatives that fulfil our sustainability targets.
6. **Responsible chemical and e-waste management:** As detailed in our E-Waste Management Procedure document, EZ has a formal process in place to ensure the proper and effective disposal of e-waste generated by the Firm. IT equipment identified as non-usable to the business due to End of life (EOL) or out of support should, if still in working condition, be donated to charitable organisations. Any e-waste not in working condition will be handed to an authorised dismantler or recycler via the designated take-back service provider of the producer of the equipment. Prior to handing over IT equipment to e-waste handlers/recyclers or to Charitable organizations, any equipment containing data storage capabilities must be securely wiped in line with Egon Zehnder's Asset Management Policy.

7. **Reducing paper usage:** We manage agreements (with both internal and external stakeholders) with the help of services offered by DocuSign. By using DocuSign since 2021, Egon Zehnder has reduced more than 19,146 kg of CO<sub>2</sub> emissions, 200,441 Litres of water and 8,156 kgs of wood; this equates to saving 309,329 pages of paper (data as of January 2024).
8. **Promoting sustainable transportation:** Offices are encouraged to lease electric or hybrid cars (as opposed to diesel or petrol-powered vehicles) where possible. We encourage employees to use public transport, carpool, or cycle to work, or opt for another environmentally friendly alternative to driving a car, where practicable.
9. **Reducing our business travel footprint:** Where possible, we avoid unnecessary business travel in favour of meetings conducted via video conference. We are developing a Firm-wide travel policy which sets out clear guidelines for business travel, helping us identify and avoid unnecessary travel and cut our emissions in line with our commitments.
10. **Sustainable consumption and resource management:** We consider the environmental cost when purchasing office consumables such as paper goods, IT equipment and furniture. We treat office resources and consumables with care and with a view to resource conservation.
11. **Sustainable procurement and purchasing:** Our commitment to being environmentally responsible extends to the goods and services we purchase and to the suppliers with whom we work. Through EZ's [Supplier Code of Conduct](#), we incorporate sustainability into all our supplier sourcing and management. We support this policy using a self-assessment questionnaire. Preference is given to suppliers that meet robust third-party environmental certification criteria or have identified and articulated a pathway to improving supplier's own environmental footprint and performance as a responsible supplier.
12. **Educating employees:** We educate our employees on environmental issues and encourage them to adopt environmentally friendly practices. Employee documents such as the Global Code of Conduct and local office handbooks include sections on what we expect of employees in terms of sustainable behaviour.
13. **Supporting environmental causes:** We support environmental causes by donating to environmental organisations and participating in environmental initiatives in the local communities where our Firm operates.

The priority areas mentioned above are subject to regular reassessment and can be expanded or modified as we reevaluate the understanding of our environmental impact over time.

We consider the below environmental topics to be out of scope as we have limited influence over them due to the nature of our operations. While we recognise their importance and our potential influence on them through our supply chain, they are not directly material to us as a professional services firm.

## Deprioritised Environmental Areas

	<b>Biodiversity, land use and deforestation</b>	<p>As a professional services firm, topics such as biodiversity are not directly material to our operations. Yet we acknowledge they may be relevant to the operations of our suppliers which is why we address these topics throughout our supply chain.</p>
	<b>Soil quality</b>	<p>We acknowledge the need for businesses to address soil quality issues and implement measures ensuring sustainable use of soil. However, as a professional services firm we have no direct influence on soil health, contamination, or fertility, and therefore consider this topic not to be material.</p>
	<b>Animal welfare</b>	<p>We believe in the ethical and humane treatment of animals and recognise the need for high standards of animal husbandry. However, as a professional services firm we are not reliant on or heavily exposed to treatment of animals, and therefore consider this topic not to be material for our operations and value chain.</p>
	<b>Noise emissions</b>	<p>As a professional services firm operating solely in office building environment, the level of directly caused noise pollution is negligible, and therefore we consider this topic not to be material for our operations and value chain.</p>

To ensure we fulfil the internal and external commitments outlined above, we have taken the following steps:

1. We have appointed a Global Head of Sustainability to oversee our sustainability strategy, objectives, and performance, assess and manage climate-related risks and opportunities, develop, and implement a climate transition plan, and monitor and regularly report progress against our targets to our Executive Committee and Board.
2. We have established an internal Impact Team, reporting into the Global Head of Sustainability, that is responsible for driving and reporting on performance, advocating for environmentally responsible practices throughout the firm, and assisting offices and functions in implementing sustainability-related measures in their operations.
3. We have established a network of Impact Team allies who help to drive our environmental agenda and initiatives locally.

# Helping clients become better environmental stewards

While minimising the negative impact of our business operations, we also recognise our potential and duty to maximise our positive impact on both the environment and society. In our client work, we are committed to helping to identify opportunities and develop effective strategies to embed climate conscious leadership into Boards and Executive teams and integrate sustainability into their organisations.

Our continuously growing Sustainability Practice Group offers executive search and leadership advisory services focusing on identifying, assessing, and developing sustainability talent capable of tackling the various climate-related challenges, risks, and opportunities of our clients.

As a leadership advisory consulting clients across multiple sectors, many of whom have made commitments to reduce their environmental footprint, we consider our services to be in support of our clients' transition to a low-carbon economy. We have broadened our offering to include assessment and development services focused on sustainability transition-related skills and competencies at the executive and board level. Through our offerings, we help our clients respond to existing and incoming regulation such as the Directive on Corporate Sustainability Due Diligence (CSDDD), and the Corporate Sustainability Reporting Directive (CSRD), among others.

Egon Zehnder is a signatory of [The Search Firms Joint Declaration](#), as drafted by Chapter Zero UK, where we have committed to raise the issues of sustainability with our board clients and candidates and recruit for climate competent non-executive directors. We encourage our clients and the business community to engage in dialogue on the topic of climate action and we actively publish data-driven studies, surveys, and IP to drive awareness and propel the discussion on sustainable leadership forward. These include:

- **Boards: Stepping Up as Stewards of Sustainability** – [Stewards of Sustainability - Egon Zehnder](#)
- **Creating a Sustainable World: Are leaders doing enough?** – [Sustainability Survey](#)
- **The Power of Procurement: Tackling the Climate Challenge** – [The Power of Procurement - EZ](#)

We will regularly review our environmental policy and practices to ensure that we are meeting our commitments, fulfilling our clients' expectations, and making progress towards a more sustainable future.