

ERM FY14 SUSTAINABILITY REPORT

SUSTAINABILITY DATA ASSURANCE STATEMENT

Introduction

The assurance of the FY14 Sustainability Report includes two aspects – firstly an external third-party review of alignment of the report with the AA1000AS assurance principles and secondly an internal review of collection and reporting processes for selected sustainability data.

This data assurance statement addresses the review of sustainability data collection and reporting for the FY14 Report.

The purpose of conducting the Data Assurance process for the FY14 report was:

- To test robustness of sustainability data.
- Demonstrate credibility and transparency of the data reported to stakeholders.
- Improve the quality of ERM's sustainability reporting through the utilization of international expertise in assurance within the organization.
- Evaluate and recommend improvements to the FY14 data collection, collation, internal reporting and Sustainability Report development process to strengthen the FY15 process.

The Assurance Team comprised experienced ERM assurance practitioners who had not been involved in the collection or reporting of data.

Scope of Work

The Assurance Team tested the effectiveness of data collection and reporting processes through review of selected data and interviews with representatives of a sample of offices, individuals with responsibility for data collection and members of the sustainability reporting project team responsible for data collection and reporting.

To test robustness of sustainability data the following approach was adopted:

- Review data definition, reporting and internal assurance processes.
- Review corporate dataset - all metrics to identify and investigate data anomalies (+/- 10% of previous year).
- Review corporate dataset - focus on GHG emissions.
- Review of Health and Safety ECS (Event Communication System) and training data
- Covered large offices by staff numbers (three offices selected).
- Covered all three ERM regions (as they existed for majority of FY14).

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For the FY14 Data Assurance, the following offices were reviewed:

- Shanghai, China
- Philadelphia, Pennsylvania
- Cape Town, South Africa

The assurance review applied a variable approach based on materiality of metrics and taking into account the reliance on performance data to substantiate key messages in the Report.

The review was conducted during May and June 2014 and included an assessment of ERM's data collection and verification processes.

Data Assurance - Observations

Improvements were noted in the CloudApps software system QA/QC protocol and processes with many of the QA/QC checks now being automated thereby enabling a more efficient review of the data. Discussions with the data team indicated that there was an opportunity to improve communication around the management of change to ensure that errors and omissions identified are actually addressed and the data corrected as needed.

As previously noted the collection and use of data at a local office level continues to be driven by a team of dedicated focal points and there is a continuing need to embed the data collection process in the Business Units and to ensure that focal points receive sufficient support in terms of time allocation to effectively complete the data collection and reporting tasks.

In accordance with the increased pressure to report on value chain impacts, ERM should consider how best to collect the data necessary to enable contractor injuries to be reported.

Conclusion

The development and use of CloudApps software system continues to improve the data collection and reporting process.

As a result of the work carried out we can conclude that no errors were identified that would materially affect the FY14 data reported.

September 2014.