

FTI CONSULTING



Carbon Reduction Plan

December 22, 2023

Carbon Reduction Plan

Supplier name: **FTI Consulting, Inc.** and its direct and indirect subsidiary, affiliate and associate undertakings including those in the UK (including specifically **FTI Consulting LLP**, together “**FTI Consulting**” or “we” or “our”).

Publication date: December 22, 2023

Commitment to Achieving Net Zero

FTI Consulting, Inc. is committed to achieving net zero Greenhouse Gas (“GHG”) emissions by 2030 with a primary focus on reducing emissions from office usage and business travel. This commitment applies to FTI Consulting, LLP, and the environmental measures set out in this document will be applied during the performance of any relevant contract (e.g., with a ‘contracting authority’ under a Crown Commercial Services framework) by FTI Consulting, LLP.

Baseline Emissions Footprint

Baseline emissions are a record of the greenhouse gases that have been produced in the past and were produced prior to the introduction of any strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction can be measured.

Baseline Year: 2019

Additional Details Relating to the Baseline Emissions Calculations.

FTI Consulting tracks its GHG emissions annually. GHG emissions disclosed in this report represent data for entities under the operational control of FTI Consulting and its subsidiaries, which is consistent with the GHG Protocol.

Scope Definitions:

- Scope 1 emissions are the result of GHGs emitted at FTI Consulting office locations, either from directly burning fossil fuels or on-site vehicles;
- Scope 2 emissions are the result of the energy that FTI Consulting purchases, but is generated elsewhere, such as electricity;
- Scope 3 emissions are indirect emissions from sources that are not owned or operated by FTI Consulting, but are related to business activities, such as employee business travel. This category includes emissions associated with business travel only (air, car, rail, hotel) as per travel agency data.

Emissions from upstream/downstream transportation and distribution, waste generated in operations and employee commuting are not available.

- **Upstream/Downstream Transportation and Distribution** – FTI Consulting is a professional services firm and therefore believes that our upstream and downstream transportation and distribution emissions are not expected to be a material contributor. We provide knowledge services to our clients; our knowledge workers generate and deliver knowledge-based products and services. We do not manufacture products. As a result, FTI Consulting's upstream and downstream transportation and distribution emissions are not expected to be a material contributor to Scope 3 emissions.
- **Waste Generated in Operations** – FTI Consulting has initiated a process to better understand waste-related emissions from operations, however we are not yet ready to publicly disclose any results. We believe emissions generated from waste in operations are not expected to be a material contributor to Scope 3 emissions.
- **Employee Commuting** – FTI Consulting has initiated a process to better understand employee emissions associated with employee commuting, however we are not yet ready to publicly disclose any results. Based on initial results, we believe emissions related to employee commuting have declined as our employees have adopted hybrid working.

For more details on the methodology utilized for our environmental impact calculations, see our FTI Consulting Inc. [GHG Emissions Methodology Document](#).

Baseline Year Emissions: 2019

EMISSIONS	TOTAL (MT CO ₂ e)
Scope 1	4
Scope 2	5,542
Scope 3 (Business Travel)	30,813
Total Emissions	36,359

Current Emissions Reporting

Reporting Year: 2022	
EMISSIONS	TOTAL (MT CO2e)
Scope 1 ¹	---
Scope 2	3,781
Scope 3 (Business Travel)	35,007
Total Emissions	38,788

Emissions Reduction Targets

In order to make progress toward achieving our net zero commitment by 2030, FTI Consulting has set the following reduction targets:

- Scope 1 is based on a 50% reduction from the 2019 baseline, excluding HFCs.¹
- Scope 2 is based on a 50% reduction in emissions per employee,² including contractors from the 2019 baseline.
- Scope 3 emissions from business travel is based on a 50% reduction per employee,² including contractors.

FTI Consulting has also signed a letter of intent with the Science Based Target Initiative (“SBTi”). We anticipate seeking validation from SBTi by year-end 2024. More information can be found in FTI Consulting’s Corporate Sustainability Report [here](#).

¹ HFCs, or refrigerant gas losses associated with office operations, are not included in FTI Consulting’s publicly reported 2022 emissions Scope 1 inventory. We are currently evaluating if HFCs are relevant to our business operations and our operational boundary. If so, we will revisit our Scope 1 emissions inventory and targets.

² “Per employee” refers to FTI Consulting’s total employee headcount (excluding independent contractors), as reported in our Annual Report on Form 10-K for each applicable calendar year ended December 31 plus independent contractors as of December 31 of the applicable calendar year ended December 31. “Independent contractors” are defined as temporary resources who at times may travel on behalf of FTI Consulting for business purposes. See Appendix of the 2022 Corporate Sustainability Report for reconciliations of “employees, including independent contractors,” to “employees, excluding independent contractors,” for the applicable calendar year ended December 31.

Carbon Reduction Projects

Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed or implemented since the 2019 baseline. FTI Consulting reduced total emissions (Scope 1 and Scope 2 emissions, as well as Scope 3 emissions from business travel) intensity per employee³ by 22% from 4.90 MT CO₂e in 2019 to 3.81 MT CO₂e in 2022.

FTI Consulting prefers office space that is LEED certified (or equivalent). Currently, over 60% of FTI Consulting professionals globally sit in LEED certified (or equivalent) offices. Moreover, we experienced a 41% reduction in office square footage per employee since 2019, and have achieved the following in our office locations, including three of our four largest locations globally:

- Our Aldersgate office in London, the largest by headcount, has an environmental management system (“EMS”) certified to ISO 14001, awarded by the British Assessment Bureau. Additionally, our London office has used 100% renewable energy since 2018 and represents 9% of our total office footprint.
- We achieved ISO 14001 certifications for our Aldermanbury Square office in London and our Paseo de Recoletos and Paseo de la Castellana offices in Madrid in 2022 and for our Place de la Madeleine office in Paris in 2023. In total, 21% of global FTI Consulting regular employee headcount is based out of an ISO 14001-certified office building as of December 31, 2022.
- Our corporate headquarters in Washington, D.C. (opened in June 2017) has achieved LEED Silver status.
- The Company’s Chicago office achieved a LEED Gold award for energy and environmental design considerations in 2010.

In the future, we hope to implement further measures. FTI Consulting, Inc. will move toward reaching its net zero GHG emissions goal in part through our environmental sustainability efforts. These ongoing activities include reducing global office square footage per employee, addressing sustainable guidelines for new office buildouts, educating our people on traveling with increased efficiency, encouraging greener travel, and providing employees with the technology and equipment needed to reduce travel where appropriate.

³ “Per employee” refers to FTI Consulting’s total employee headcount (excluding independent contractors), as reported in our Annual Report on Form 10-K for each applicable calendar year ended December 31 plus independent contractors as of December 31 of the applicable calendar year ended December 31. “Independent contractors” are defined as temporary resources who at times may travel on behalf of FTI Consulting for business purposes. See Appendix of the 2022 Corporate Sustainability Report for reconciliations of “employees, including independent contractors,” to “employees, excluding independent contractors,” for the applicable calendar year ended December 31.

Additionally, we have the following practices currently in place that help support this commitment:

- Exploring renewable energy sources and integrating renewable energy criteria into new site selection;
- Systematically and proactively investing in technology such as video and collaborative team meeting software, in an effort to enable our staff to serve clients remotely and reduce carbon emissions from both business travel and commuting;
- Increasing the minimum flight duration to fly business class from three hours to five hours for staff below the Managing Director level as a standard policy;
- Banning the use of black cars and endorsing the use of ride sharing companies in order to reduce emissions as a standard policy;
- Virtualizing our server infrastructure, with more than 90% of our server infrastructure being web-based;
- Focusing on occupying building locations that are LEED-certified (or equivalent) and better utilizing office designs to reduce the company's physical office footprint;
- Using bottle filler stations at our offices, as we seek to offset the landfill waste associated with an estimated 100,000 single-use plastic bottles annually;
- Encouraging modes of transportation by employees intended to minimize environmental impact, such as bicycling, walking and using public transportation;
- Considering access to public transportation in the selection process for office locations; and
- Responding to the EcoVadis and CDP Climate Change questionnaires.

More information can be found in FTI Consulting's Corporate Sustainability Report [here](#).

Declaration and Sign Off

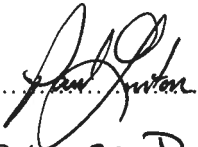
This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard⁴ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting.⁵

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard.⁶

This Carbon Reduction Plan has been reviewed and signed off by the board of directors (or equivalent management body).

Signed on Behalf of the Supplier:


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Date: 20 December 2023

⁴<https://ghgprotocol.org/corporate-standard>

⁵<https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

⁶<https://ghgprotocol.org/standards/scope-3-standard>