

JUNE 2023



# Environmental Responsibility & Climate Change Disclosure Policy

## Environmental Responsibility Policy

FTI Consulting, Inc. is committed to conducting business in an environmentally sound and resourceful manner. FTI Consulting will comply fully with environmental legislation and officially approved codes of practice in each of the geographies we conduct business.

FTI Consulting continuously seeks to promote environmental sustainability, to conserve and enhance natural resources and to prevent environmental pollution to bring about a continual improvement in our environmental performance. As a professional services firm with no manufacturing or product distribution activities, FTI Consulting's environmental footprint is relatively small. Nonetheless, FTI Consulting will make continued efforts to reduce its environmental impact through the implementation of an Environmental Plan, which sets out a range of objectives and targets related to its impact on the environment.

Our general intentions are:

- To achieve net-zero greenhouse gas ("GHG") emissions by 2030;<sup>1</sup>
- To promote sound environmental management policies and practices in the work of all our professionals;
- To increase awareness of environmental responsibilities amongst professionals and contractors;
- To minimize waste and pollution and to operate effective waste management procedures;
- To promote purchasing, as far as practicable, of those products and services that cause the least harm to the environment;
- To avoid use, wherever possible, of environmentally damaging substances, materials and processes;
- To implement policies and procedures that contribute to a reduction of FTI Consulting's carbon footprint;
- To have regard for environmental factors as far as practicable in respect to the growth of FTI Consulting and the integration of new developments into the local environment;
- To encourage modes of transportation by professionals and contractors that minimize environmental impact; and
- To support interested parties, including employees, clients, shareholders and suppliers, on issues relating to FTI Consulting's Environmental Responsibility & Climate Change Disclosure Policy in the communities in which we do business.

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<sup>1</sup> Refers to GHG emissions for Scope 1 and Scope 2 emissions, as well as Scope 3 (business travel).

Further, FTI Consulting is committed to supporting the [Ten Principles of the United Nations Global Compact](#) (“UNGC”) on human rights, labor, environment and anti-corruption, as well as the [United Nations Sustainable Development Goals](#). In light of this commitment, FTI Consulting became a Participant of the UNGC in 2020.

## Climate Change Disclosure

FTI Consulting recognizes that climate change is a global threat and one of the most significant environmental challenges of our time. The Company and its professionals are committed to doing our part in addressing climate change and reducing its collective environmental impact.

As a professional services firm, FTI Consulting’s environmental impact primarily results from energy consumption associated with business travel and real estate operations. The Company has identified opportunities to make an impact in each of these areas and has established a baseline carbon footprint stemming from travel and real estate operations to monitor progress in annual reductions.

## Oversight of ESG Programs, Policies, Procedures and Commitments

To drive the Company’s sustainability focus, FTI Consulting’s internal Real Estate, Travel, Information Technology, Procurement and Investor Relations teams have formed an Environmental Oversight Committee, which is led by the firm’s Chief Human Resources Officer, who reports to the Chief Executive Officer.

FTI Consulting’s environmental responsibility implementation is led by the Chief Strategy and Transformation Officer, who reports to the Chief Executive Officer, as well as the Vice President of Global Real Estate and the Director of Global Real Estate. Sustainability initiatives related to corporate real estate design, construction and operations are managed by the Director of Global Real Estate Sustainability.

Additionally, The Nominating, Corporate Governance and Social Responsibility Committee (“the Committee”), pursuant to the Committee Charter, is formally charged with oversight of corporate social responsibility and human capital matters, including those pertaining to ESG.

The Company’s Chief Human Resources Officer and Chief Strategy Officer regularly review the Company’s policies, practices and strategies addressing corporate citizenship and community engagement and together with the Environmental Oversight Committee, assemble an update, at least annually, for the Committee on environmental- and sustainability-related matters, including the Company’s objectives and responses to climate change and the reduction of the Company’s

environmental footprint, including greenhouse and other emissions, and progress towards FTI Consulting's commitment to achieving net-zero Emissions by 2030 (see the section titled, "Environmental Impact Reduction Goals" for more details). The Committee provides feedback and direction on the Company's approach to these issues. It also reports on subjects of interest to the full Board and other interested Committees.

## Real Estate Standards and Processes

FTI Consulting is committed to reducing its environmental impact from its office locations by focusing on occupying building locations that are LEED-certified (or local equivalent), implementing energy and water efficient design for all new office build-outs, utilizing design materials that meet stringent guidelines for reduced emissions, minimizing the creation of waste and implementing waste diversion practices from office operations. FTI Consulting's Global Real Estate team works to continually refine real estate standards and processes.

The FTI Consulting Global Real Estate team maintains a goal of achieving a minimum average waste diversion rate of 90% for the decommissioning of materials when vacating office spaces in North America. Waste diverted from landfill includes furniture, fixtures and equipment that is either recycled, resold or donated. Reports from our service provider indicate the total amount of waste diverted and landfilled for each decommissioning project. Since we began tracking this in 2019, this goal has been achieved in the decommissioning of 10 offices.

As of December 31, 2022, approximately 60% of employees worldwide were based out of LEED-certified (or equivalent) offices and 36% of FTI Consulting's real estate portfolio, as measured by square footage, was powered or offset by renewable energy. Additionally, FTI Consulting's London office, one of the Company's largest offices, has achieved 100% renewable energy and has an environmental management system that is certified ISO 14001. The Company has incorporated best practices from this program at other FTI Consulting offices and is continuously evaluating the feasibility of expanding the ISO 14001 certification to additional office locations. Additionally, FTI Consulting has Fitwel-certified offices in New York City and in Atlanta, Georgia.

## Energy Consumption

FTI Consulting is committed to reducing energy consumption, particularly from non-renewable sources, through the following initiatives, among others:

- Implementing seat sharing strategies where feasible to reduce the Company's physical office footprint;

- Leveraging energy efficiency measures, such as LED lighting and lighting controls, in new office build-outs and existing office operations;
- Actively pursuing opportunities to transition to renewable energy sources for office locations, as practical, or purchasing Renewable Energy Credits to offset energy consumption where direct sourcing is not available;
- At the end of fiscal 2019, FTI Consulting’s server infrastructure was more than 90% virtualized, and the Company completed the migration of its North America data center to the cloud;
- Requiring materials purchased for new office space to meet stringent guidelines for reduced emissions, follow defined air quality guidelines and ensure pollutant source controls during construction;
- Deploying Energy Star certified (or equivalent) appliances and equipment in new office space; and
- Improving the Company’s managed print services by reducing the overall printer fleet, upgrading to energy efficient printer equipment and implementing ‘follow-me printing,’ resulting in a reduction in electricity consumption.

## Waste

Given the nature of our work, FTI Consulting does not generate any hazardous waste from our business operations. Nonetheless, FTI Consulting is focused on reducing our environmental impact through minimizing the creation of waste, implementing waste diversion practices and participating in recycling programs. The following focus areas highlight the Company’s commitment:

- The FTI Consulting Global Real Estate team maintains a goal of achieving a minimum average waste diversion rate of 90% for the decommissioning of materials when vacating office spaces in North America.
- All office build-outs target diverting at least 75% of total construction and demolition waste from landfills through recovering, reusing and recycling materials.<sup>2</sup>
- Given that the Company only leases office space, and does not own office spaces, FTI Consulting partners with local building ownership to ensure compliance with all local waste-related regulatory requirements and participates in recycling programs offered. FTI Consulting’s offices are equipped with waste and recycling stations throughout each space, with the majority of offices having individual bins to collect trash, recycling and compost items separately.

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<sup>2</sup> Applies only to projects seeking LEED certification.

- Recent office deliveries with bottle filler stations have offset the landfill waste associated with 100,000 single use plastic bottles annually.
- FTI Consulting deploys an electronic waste program to ensure all electronic hardware is disposed of in an ethical and environmentally sensitive manner by reusing component parts where possible and leveraging only certified third-party disposal companies, as practical. As an example, in our London office, one of our strategies aimed at reusing assets is to sell the component parts to minimize our electronic waste and to donate the proceeds from the sale of the parts to our local charity partners.

## Travel

Recognizing that travel is a necessary part of conducting business at FTI Consulting, the Company works with Atmosfair, an independent nonprofit organization, to obtain annual company-wide travel emissions reports. These reports allow the Company to monitor its travel-related environmental impact and create strategies to reduce it.

In addition to proactively monitoring our carbon emissions related to air, rail, car and hotels, the Company continues to take action to reduce the environmental impact of our employees' travel by promoting previously announced policies, including:

- Increasing the business class policy from a three-hour minimum to a five-hour minimum for all employees below the Managing Director level. This is a proactive effort to reduce emissions as business and first-class travel results in higher emissions due to the larger seats.
- Banning the use of Black Cars and endorsing ridesharing companies such as Lyft and Uber in an effort to reduce emissions.
- Negotiating Company-specific rates with car rental companies for hybrid/electric vehicles.
- Investing in video conferencing capabilities for all employees globally. This is a proactive effort to reduce carbon emissions from air, rail, car and hotel travel.

FTI Consulting has approached fleet fuel economy by opting to not have fleet vehicles. Given this lack of vehicle fleets, FTI Consulting does not have any quantitative metrics about fleet fuel consumption to disclose. FTI Consulting's Global Travel Department regularly shares environmentally friendly travel information in company-wide internal communications and hosts educational Travel Fairs in various offices annually. Travel Fairs are attended by partner hotel, airline and car rental companies and promote ways in which employees can reduce their environmental impact while traveling, such as by renting hybrid vehicles, traveling by train instead of airplane and participating in hotel-specific environmental programs.

## Water Consumption

FTI Consulting ensures all office locations are equipped to provide drinking water stations for employees to reduce the consumption of single-use plastics. The Company is compliant with water quality and all regulatory requirements as governed by the jurisdiction of each office location. Moreover, for new office build-outs, low-flow fixtures are utilized where possible to minimize water consumption in restrooms, kitchens and breakroom areas.

FTI Consulting supports water conservation efforts and continually looks for opportunities to reduce water consumption at our office locations. FTI Consulting's offices do not have a high demand for water use given our business operations and therefore do not have waste water recycling programs in place.

Furthermore, the Company has not identified any risks associated with water withdrawal or scarcity due to Company operations and is not required to develop strategies to mitigate any associated risks.

## Engaging Our Professionals

Through FTI Consulting's Corporate Citizenship Program and other internal initiatives, we aim to educate our professionals about our sustainability efforts as a firm while also enabling, inspiring and empowering colleagues to use their skills to solve problems and build resilience in our global and local communities.

FTI Consulting encourages our employees to make a positive impact on communities by getting involved in causes that are important to them, including causes that support local environmental and revitalization efforts. Our professionals have contributed their skills and expertise to critical pro bono engagements addressing topics like sustainability and environmental awareness. We also provide our employees with eight hours of company-sponsored volunteer time, where employees can take time off during the workday to contribute their time and efforts to a local charity or cause, such as tree planting, litter and debris removal, construction of public spaces using Circular Economy techniques and more.

Through our network of Corporate Citizenship Champions and our Green Teams who promote environmental responsibility efforts, we have annually hosted or participated in a number of related initiatives to support key awareness dates like World Earth Day. FTI Consulting's Matching Gift Program

amplifies the impact of our employees' personal charitable contributions. The company matches employee donations to eligible nonprofit organizations dollar for dollar up to \$500 per employee, or local currency equivalent, each calendar year. This flexible approach allows employees to participate in the Corporate Citizenship Program while amplifying the causes personally important to them.



## Environmental Impact Reduction Goals

FTI Consulting formalizes our corporate sustainability strategy with quantifiable goals as appropriate, providing tangible aspirations to work toward over time. We regularly reassess the status of our corporate sustainability program and its long-term strategic outlook. Our commitment to reach net-zero GHG emissions by 2030 is guided by our GHG emissions data, which has been collected in recent years and was released publicly in 2021. In our Corporate Sustainability Report released in 2022, FTI Consulting set forward-looking targets toward our ambition of reaching net-zero greenhouse gas emissions by 2030 — including the following reductions against our 2019 baseline:

- Reduce our Scope 1 emissions by 50% by 2030.
- Reduce our Scope 2 emissions by 50% per employee<sup>3</sup> by 2030.
- Reduce our Scope 3 emissions (from business travel only) by 50% per employee<sup>3</sup> by 2030.

Additionally, in December 2022, we formally committed to the Science Based Targets Initiative (“SBTi”) which requires the development and disclosure of Scope 1, 2 and 3 GHG emissions reduction targets. We anticipate that we will seek validation of these targets from SBTi within 24 months of that time.

The process to set our internal net-zero commitment included:

- Assessing the risks and costs, as well as the feasibility and benefits, of a long list of options to reduce our emissions.
- Conducting interviews with FTI Consulting employees and partners responsible for current emissions calculations and disclosure.
- Collecting energy consumption survey data from FTI Consulting offices.
- Conducting interviews with energy providers to determine the cost of energy procurement options for our real estate operations.
- Engaging in discussions with environmental product providers, e.g., energy attribute certificate, carbon offset, green tariffs and sustainable aviation fuel program providers.

By conducting this analysis based on the above and other factors in a deliberate manner, FTI Consulting is able to evaluate a series of options to ultimately develop a tangible action plan to reach net-zero GHG emissions by 2030, while continuing to provide expert counsel to our clients.

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<sup>3</sup> “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](#) for reconciliations of “employees, including independent contractors,” to “employees, excluding independent contractors,” for the applicable calendar year ended December 31.

## Environmental Metrics Disclosure

FTI Consulting began implementing concerted environmental impact reduction efforts in 2017. The Company assembled baseline data in 2019 with the intention of disclosing it publicly to measure progress and set future reduction goals in the following areas:

- Energy use and GHG emissions
  - Total energy consumed (MWh)<sup>4</sup>
  - Total GHG emissions<sup>5</sup>:
    - Scope 1 (MT CO<sub>2</sub>e) – direct emissions
    - Scope 2 (MT CO<sub>2</sub>e) – electricity indirect emissions, location-based
    - Scope 3 (MT CO<sub>2</sub>e) – business travel only<sup>6</sup>
- Emissions intensity (MT CO<sub>2</sub>e/employee)<sup>7,8</sup>

In 2022, we migrated to a new GHG emissions reporting platform, Ecometrica, to ensure our carbon accounting complies with the GHG Protocol. As a result of this migration, we have a greater degree of confidence in our reporting methodology in 2022 and future years. FTI Consulting's disclosed data for years 2019 through 2022 can be found in the chart on the following page. For more information on the methodology utilized to calculate the below statistics, [click here](#).

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<sup>4</sup> MWh stands for megawatt hours.

<sup>5</sup> 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; and

**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).

<sup>6</sup> This category includes emissions associated with business travel only (air, car, rail, hotel).

<sup>7</sup> MT CO<sub>2</sub>e stands for metric tons of carbon dioxide (CO<sub>2</sub>) equivalent.

<sup>8</sup> Total employees includes full-time employees and contractors based on year-end headcount.

Environmental Metrics	2019	2020 <sup>9</sup>	2021 <sup>9</sup>	2022
<b>Real Estate Footprint</b>				
Employees working from LEED-certified (or equivalent) offices	70%	65%	62%	60%
<b>Energy Use and GHG Emissions<sup>10</sup></b>				
Total energy consumed (MWh) <sup>4</sup>	15,155	10,821	10,798	15,927
Scope 1 (MT CO <sub>2</sub> e) – direct emissions <sup>5,6</sup>	4	3	1.6	0 <sup>11</sup>
Scope 2 (MT CO <sub>2</sub> e) – electricity indirect emissions, location-based <sup>5,7,9,10</sup>	5,542	4,146	3,972	3,822
<i>Change from 2019 baseline, scope 1 and 2</i>	<i>n/a</i>	<i>-25%</i>	<i>-28%</i>	<i>-25%</i>
Scope 3 (MT CO <sub>2</sub> e) – business travel <sup>5,6,7,9,10</sup>	30,813	12,204	10,471	35,007
<i>Change from 2019 baseline, scope 3</i>	<i>n/a</i>	<i>-60.4%</i>	<i>-66%</i>	<i>13.6%</i>
Total GHG emissions (MT CO <sub>2</sub> e) <sup>7</sup> , scope 1, 2 and 3	36,359	16,353	14,444	39,163
Total employees, including contractors <sup>8</sup>	7,425	7,927	8,745	10,173
Emissions intensity (MT CO <sub>2</sub> e/employee) <sup>5,7,8,10</sup>	4.90	2.06	1.65	3.85

<sup>9</sup> 2020 and 2021 GHG emissions are significantly lower as a result of lower employee office utilization and lower business travel demand due to the ongoing COVID-19 pandemic and related restrictions (i.e., travel restrictions, social distancing requirements, etc.).

<sup>10</sup> GHG emissions reported in this table represents data for entities under operational control of FTI Consulting and its subsidiaries, which is consistent with GHG Protocol.

<sup>11</sup> In 2022, FTI Consulting fully eliminated our fuel-related Scope 1 emissions by removing a backup generator and selling a fleet vehicle. Currently, refrigerant gas losses associated with office operations are not included in FTI Consulting's 2022 emissions Scope 1 inventory.

**Appendix****RECONCILIATIONS OF THE NUMBER OF “EMPLOYEES,” INCLUDING INDEPENDENT CONTRACTORS TO THE NUMBER OF “EMPLOYEES,” EXCLUDING INDEPENDENT CONTRACTORS, FOR THE CALENDAR YEARS ENDED DECEMBER 31, 2019, DECEMBER 31, 2020, DECEMBER 31, 2021 AND DECEMBER 31, 2022.**

Reconciliations of the number of “employees,” including independent contractors to the number of “employees,” excluding independent contractors, for the years presented in the proxy statement:

	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Regular Headcount	<b>5,567</b>	<b>6,321</b>	<b>6,780</b>	<b>7,635</b>
Contractor Headcount	<b>1,858</b>	<b>1,606</b>	<b>1,965</b>	<b>2,534</b>
Total Headcount	<b>7,425</b>	<b>7,927</b>	<b>8,745</b>	<b>10,169</b>