

AUDIT • TAX • ADVISORY

Our belief; our sustainability journey

Annual Sustainability & ESG Report • 2024/2025

Now, for tomorrow



Leadership and governance are inextricably linked to sustainable business. The strong tone set from the apex of the firm drives an outstanding organisation”

Rakesh Shaunak

CEO and Group Chairman

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Glossary



A word from Kate Arnott, on behalf of the management board



Last year saw the publication of our first sustainability report, marking the environmental, social and governance actions we had delivered during the preceding year. I am pleased to say that this year we have continued to build on firm foundations and an unwavering belief that as leading ESG advisors and practitioners for our clients, our duty is to lead by clear example.

Leadership and governance are inextricably linked to sustainable business, and the strength of commitment throughout the firm drives proactivity and belief. This lies at the heart of our conviction that our ESG actions, we hope, will act not only to improve our own organisation's sustainability, but also act as an example to both other organisations in our field, and organisations of all types and sizes throughout industry and commerce.

We have set ourselves high targets, but not impossible targets. Ours is the approach of pragmatism that delivers real-world, sustainable and achievable benefits across all our environmental, social and governance aspirations and obligations; where belief is reality.

Join us on our journey through last year's sustainability highlights."

Kate Arnott
Ethics Partner

MHA – accreditations and active participation



Investors in People Gold Standard

Investors in People (IIP) is a globally-recognised standard for people management, with the philosophy of making work-life better in companies to deliver an engaged and high performing workforce.

For MHA to achieve the GOLD standard accreditation, the company participated in the IIP online survey which was completed by 71% of our workforce. The survey assessed how the company compared with the latest workplace trends, best practices, and employee conditions.

Out of the 50,000 IIP accredited organisations only 17% have been awarded the GOLD standard. We are delighted to report that MHA has again been awarded GOLD status in September 2025.



UN GLOBAL COMPACT NETWORK UK

The UN Global Compact is a voluntary initiative that encourages businesses to adopt sustainable and socially responsible policies. The Global Compact network UK (UNGCUK) encourages alignment of corporate strategies with the United Nations Sustainable Development Goals (UNSDGs). This initiative aims to promote responsible corporate citizenship and address global challenges through collective action. As an active member, MHA aims to promote the UN Global Compact values through its offerings to clients and other stakeholders.

UN Pioneers 2024

MHA was listed in the final 5 Pioneers of the last programme of United Kingdom Pioneers in Sustainability. This reflects the approach the firm has taken in its own journey as much as the services to its clients.



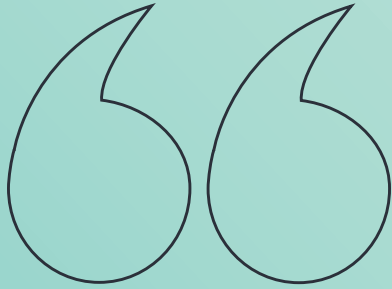
EcoVadis

EcoVadis is a globally recognised sustainability ratings platform that evaluates companies' environmental, ethical, supply chain and human rights impact. With over 130,000 companies in 180+ countries using this evaluation, it provides a useful measure of involvement in ESG. For MHA, this transparency to suppliers and clients on how MHA measures up to its commitment is crucial. In 2025 MHA made a commitment to apply for certification and is currently awaiting the outcome of its assessment.



Activate assessment

This is a platform, designed by MHA's software partner, to review every element of the business across Economic, Environmental, Social and Governance themes. A set of results helps to gauge a year-on-year comparison and provide further suggestions for actions to help improve the score further going forward. This has provided MHA with some clear practical steps to take ESG to the next level.



We embody the principle that audit and assurance, in professional services, can effect change for the benefit of all society. We are a global client services business with ethics and integrity at its heart. We integrate sustainability into our behaviours as a firm and in the way we deliver our services to our clients. We challenge the status quo and focus on improvement in everything we do. We are driven in our belief that nothing is impossible.”

Mark J. Lumsdon-Taylor

Executive Lead Development & Sustainability

Value proposition

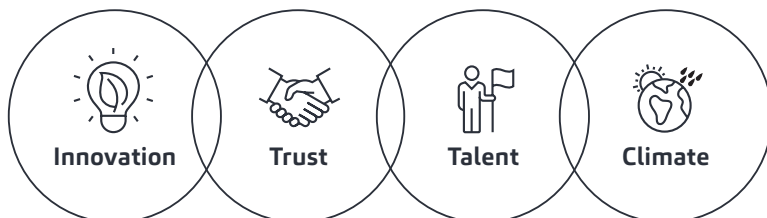
MHA is determined, as the UK & Republic of Ireland Member-firm for Baker Tilly, to effect sustainable change through our own business and the global network of which we are part. This is our second Sustainability and ESG report and demonstrates MHA's commitment to voluntary sustainability disclosure to our clients, stakeholders and people. Our impact in 2024/2025 and beyond is demonstrated through:

Investment In:

- Our resources.
- Our stakeholders & relationships.
- Our financial capital.
- Our people & culture.

Value Creation:

- A Climate-balanced business model.
- Cutting edge technology and innovation in our services.
- Integration of our internal ESG approach.
- Challenging the way we work, behave & create.



Advisory and Assurance delivery into some of the largest businesses in the world. Effecting change through excellence benchmarked.



Investment in the registration as a partner with the UN Global Compact forming initial alignment and identifying Pioneer status.



Support excellence in reporting compliance in ESG & Sustainability.



An approach to clients that delivers impactful work & valued assurance and opinion.



Delivery for our global network, Baker Tilly International, workshops supporting member firms, working closely with the network and joining up best practice across jurisdictions.



MHA delivering a consistent, credible and sustained ESG reporting programme embedding sustainable cultural behaviours.



Widening the impact of MHA's 1892 Foundation to extend free financial education to those who need it most.

A person stands on a rocky outcrop, looking out over a vast body of water under a clear sky. The scene is bathed in the warm, golden light of sunset or sunrise, with long shadows and a calm atmosphere. The water reflects the light, and the distant mountains are silhouetted against the horizon.

01

MHA as a whole

MHA is the UK member firm of **Baker Tilly International**; a network of independent accountancy and business advisory firms.



Baker Tilly International

43,515

Staff

143

Territories

698

Offices

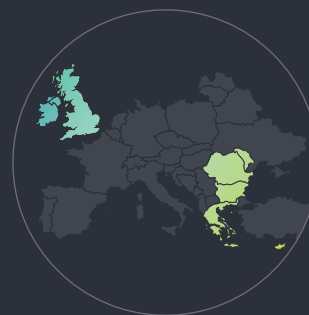
8th

Ranked 8th globally

US\$7bn

2025 worldwide revenue

MHA & Baker Tilly Ireland



1,823

Staff

151

Partners

£224

Million turnover

23

Offices

About us

MHA is a leading UK & Republic of Ireland based accounting and business advisory firm offering services in audit, tax, and business consulting. Its roots trace back to 1869, and it has evolved into a modern, growth-focused professional services firm. With over 2000 staff and 153 partners in 30 offices across the UK and Ireland, the firm is a significant player. It is actively expanding through mergers and acquisitions.

Baker Tilly Ireland is at Europe's Western gateway, in a country that is a thriving hub for foreign investments and multinationals. With more than 80 employees across audit, tax, advisory and financial outsourcing, Baker Tilly Ireland has decades of industry knowledge and expertise to support clients with a tailored approach. As a member of the EU, the Republic of Ireland benefits from the single market, allowing free movement of goods, services, capital, and people across the EU, including access to a market of over 500 million consumers.

In April 2024, MHA merged with MHA Moore and Smalley, boosting its UK presence to 1,735 people across 22 offices. Whilst outside the timescale scope of this report, it is worth noting that in April 2025 MHA listed on the AIM and, in August 2025, acquired Baker Tilly South-East Europe.

MHA is part of the Baker Tilly International Global Network. We are the UK member firm of Baker Tilly International, a top 10 global accounting network. With a \$7 billion global turnover, Baker Tilly firms operate with a shared ethos "Now, for tomorrow", focusing on proactive, forward-thinking solutions.

In 2024/2025 MHA has taken a proactive and structured approach to sustainability and ESG (Environmental, Social, and Governance), positioning itself as a forward-thinking advisory firm with a strong commitment to both purpose and profit.

We have invested significantly in how sustainability is approached within the firm, and it remains at the core of our structured principles to have belief in everything we do.



ESG is a core component of the audit process. Sustainability matters inevitably have a financial impact. The earlier we address this area with our clients, the more prepared they (and we) will be."

Brendan Kean

Audit Partner ESG
Republic of Ireland, Baker Tilly



Our Sustainability Promise

We have a strong Sustainability Promise and commitment with our firm. We, at MHA are dedicated to shaping a socially responsible and sustainable future Now, for tomorrow.

We fully support the UK government's ambitious plans to reduce greenhouse gas emissions to net-zero carbon ("net zero") by 2050. MHA's goal in the last 5 years has been to perform all reasonable measures to hit net-zero as a firm by 2030, and continue to be so. However, given the exceptional growth experienced by MHA in the last 2 years, including AIM listing in April 2025, MHA will be reassessing all its ESG strategic goals to ensure they are reasonable and achievable.

One strand of this process is a deep-dive into Scope 3 to re-evaluate all sources of emissions including commuting and supply chain. This review will further assess the partnerships and premises recently integrated into the MHA business, with a focus on streamlining systems and protocols to generate energy efficiencies, and to better-align with MHA's ESG objectives and ambitions.



Innovation

We are forward-thinking and prioritise learning and development to excel in our social and environmental impact.



Trust

We lead by example to be a voice of influence and motivation for our stakeholders.



Talent

We care about our people, their wellbeing and our communities.



Climate

We are committed to our Sustainability Promise to ensure we perform all reasonable procedures to become a net-zero organisation.

Timeline

We have been building intrinsic expertise encompassing many years of experience through the people we employ and the clients we work with. Since 2017 this has expanded significantly with our own credentials & corporate capacity within MHA and Baker Tilly International. Our people are specialists and leaders in their own right, and we capitalise on that as a firm.

2020

ESG principles established across MHA MacIntyre Hudson LLP.

2021

ESG strategy developed and agreed at board level and cascade approach implemented within the firm.

2023

Bespoke internal ESG focus from new team. Bespoke GHG emissions calculation made a Scopes 1-3 deep dive and alignment to regulatory frameworks and key external accreditations. Expansion of our delivery services and offer to clients in providing non audit ESG services.

2022

Creation of MHA's 4 pillar framework. Bespoke internal team created.

2024

First published ESG report. Registration assessment on accreditations and regulatory voluntary reporting in line with FTSE stock market requirements, establishment of risk registers and alignment to firm-wide risk protocols.

[Read the report here](#)

Joined UN Global Compact Network.

2025

Expansion of the internal & external ESG teams with wider jurisdictional capacity delivering growth and a knowledge base with the firms continued profile internally and externally.

02

Our People, our progress



Our ESG framework and how it fits with the United Nations Sustainable Development Goals



Innovation

Always looking for innovative ways to reduce our environmental impact, and support the community of which we are a part. Encouraging a culture of continuous learning, we empower our teams to develop new ideas that support our ESG goals. From sustainability-focused training and career paths to building a sustainable growth strategy, we keep the future in mind.



Trust

We lead by example so we can be a voice of influence and motivation for our stakeholders. We foster accountability on all levels in delivering our ESG goals. We are transparent in our reporting, offering a clear picture via yearly reports and internal briefings.



Talent

We invest in our most valuable assets: our people. We are creating a purpose-driven culture so our employees can feel connected to our ESG mission; promoting diversity, equity, and inclusion (DEI) across recruitment, retention, and advancement. We admit the gaps, and actively work on closing them. Our ESG champions are our voice, leading by example.



Climate

We aim to reduce our carbon footprint by efficient energy use, reducing waste, and encouraging sustainable travel options. We educate our staff on climate-conscious behaviours, and support them with sustainable office practices.



The Ten Principles of the UN Global Compact and how MHA engages with them



Human Rights

Principle 1: At MHA our people-first approach not only applies to our staff, but the safety and wellbeing of our clients and third party suppliers.

Principle 2: Established policy, in depth onboarding training, and annual evaluation of our procedures ensures MHA is not complicit in human rights abuses.



Labour

Principle 3: MHA does not currently have a collective bargaining policy.

Principle 4 and 5: MHA ensures in depth analysis and regulatory checks relating to the abolition of all forms of forced, compulsory, and child labour regarding working with clients and third-party suppliers. Our staff are trained annually on the indicators of labour infringement and reporting the signs.

Principle 6: the elimination of discrimination in respect of employment and occupation is a key component of advancing MHA as a leading firm. MHA's DIBS Strategy, Inspire Inclusion programme, and our Leading with Ambition work experience programme all aim the arrow towards the same target: a more inclusive, equitable working environment where your voice is heard and your career goals are met.



Environment

Principle 7, 8 and 9: MHA has taken and will continue to take proactive measures to reduce long term risks to the environment at every level. Our partnership with Ecologi serves as a reminder to pair our growth as a firm with nurturing and improving our natural habitats in the UK and around the world.



Anti-Corruption

Principle 10: Our robust Regulatory, Risk and Compliance protocols ensure that MHA works against, and actively prevents the progression of, corruption in all its forms, including extortion and bribery.

By incorporating the Ten Principles of the UN Global Compact Network into strategies, policies and procedures, MHA can help to establish a culture of integrity, and uphold its basic responsibilities to people and planet, whilst setting the stage for long-term success.

MHA strategy in action – key metrics

Our people



44.7%/55.3%

percentage of women / men gender balance across all staff

25%/75%

women / men on leadership board and other governance committees

100%

percentage of staff receiving regular performance and career development training

Our clients



-7.5%**

percentage reduction in GHG emissions of top 9 clients by fee value: FY2023/2024 v FY2024/2025

57%

formally reporting SECR

48%

reporting ESOS

7%

reporting UK CFD, TCFD or both requirements

The Environment



-19%

percentage change in MHA collected GHG emissions Scopes 1,2 & 3 for FY2023/2024 v FY2024/2025 based on externally verified data including total Scope 3 factors

5039 tCo2e

total emissions FY 2024 / 2025

4,449

trees planted since 2023

Our community



£43,721.26

donated to local and national charities

**We have taken a snapshot of our clients and shared the percentage of those reporting statutory disclosures. We have also identified that in total terms, the overall reduction in emissions from our largest client, showing a net decrease in emissions. As the firm grows in the regulatory space, our volume of reporting will continue to increase.

MHA's EESG third party assessment

In 2023 MHA embarked on a process of ESG measurement, assessment and improvement using a third party bench-marking process.

This annual deep-dive review across Economic, Environmental, Social and Governance factors is now in its second year and has allowed MHA to recognise what it is doing well, and be proud of it, whilst also guiding its focus to areas where improvements can be made.

Anne Walton, Internal ESG Director, says "Having an external third-party review is refreshing and certainly leaves no stone unturned. It measures our ESG progress against United Nations and GRI (Global Reporting Initiative) principles. Transparency is a cornerstone of ESG, and using this process allows us to celebrate what we do well, whilst being honest with ourselves about how we can improve, before turning recommendations into action".



We practice what we preach. We do internally what we promise to our clients. We are all in."

Rakesh Shaunak
CEO and Group Chairman

MHA's ESG assessment – the results explained

The assessment platform used is certified by the Global Reporting Initiative (GRI) and aligned with key global sustainability frameworks, including the Corporate Sustainability Reporting Directive (CSRD), the recently published Voluntary SME Standards and the UN Sustainable Development Goals (UNSDGs).

It also complies with relevant national legislation. These ESG Results are a reflection of MHA's performance against international frameworks and legislations. These standards are converted into themes and topics that are tailored specifically for MHA's business.

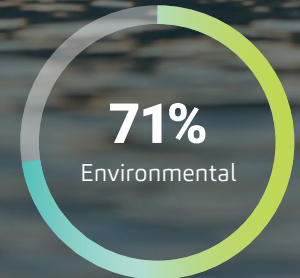
This customisation takes into account MHA's unique context, stakeholders, and governance. These themes and topics highlight the sustainability issues most pertinent (material) to MHA and its stakeholders. MHA has endeavored to be as detailed and transparent as possible in these disclosures.

It is important to note that these results do not represent an intrinsic value score, rather, they indicate the extent of our disclosure and, by implication, our ESG awareness. This is crucial, as the act of measuring is a fundamental step towards improvement. The more we can measure, enhance, and disclose, the greater the improvement in our ESG performance will be over time. This is the second year of assessment and MHA intends to continue this process annually.

The assessment results show that MHA is most closely aligned to these four UNSDG's. As a people business, all these factors are fundamental to the way in which we operate, and remind us of the continued focus required.

As a professional services company, MHA's strong Governance score is not unexpected, and improvements have certainly been made as a total across all factors. However, outputs and recommendations to improve across Economic, Environmental, Social and Governance areas are the most valuable outputs from the process and help to drive focus for improvement in the 2025/2026 financial year.

ESG results



03

Our sustainability strategy



Driving success using UN Sustainable Development Goals

In collaboration with our sustainability management platform partner, we have established to which 4 UN Sustainable Development Goals MHA is most closely aligned. In addition, and in partnership with the UN Global Compact, we have committed to align with a further 6 goals.

All 10 goals drive our strategy and reinforce our Innovation, Trust, Talent and Climate impact model. Our framework is our mechanism for control and adherence to our overarching principles and operational alignment. Our detailed progress on our primary 4 is outlined on [page 21](#) with our approach for the 6 on [pages 22](#) and [23](#).



Goal Definition	Target	On track, compliant, advancing our knowledge
<p>5</p> <p>Gender Equality</p>	<p>5.5 - Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life.</p> <p>5.b - Enhance the use of enabling technology, in particular information and communication technology, to promote the empowerment of women.</p> <p>5.c - Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels.</p>	<p>5.5.2 - On track - female mentoring programme, "Inspire Inclusion" which supports the development of women, by women, in the organisation. Further policies being developed.</p>
<p>8</p> <p>Decent Work and Economic Growth</p>	<p>8.2 - Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value-added and labour-intensive sectors.</p> <p>8.3 - Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalisation and growth of micro-, small- and medium-sized enterprises, including through access to financial services.</p>	<p>8.3 - On track - annual CPD requirement, mentoring programme, Student Ambassadors, DIBS Network leads, ESG Net Zero Heroes, ESG Audit champions, Baker Tilly Europe new offices.</p>
<p>16</p> <p>Peace Justice and Strong Institutions</p>	<p>16.4 - By 2030, significantly reduce illicit financial and arms flows, strengthen the recovery and return of stolen assets and combat all forms of organised crime.</p> <p>16.5 - Substantially reduce corruption and bribery in all their forms.</p>	<p>16.5.2 - continuous review and development of AML and Risk Management protocols.</p>
<p>3</p> <p>Good Health and Wellbeing</p>	<p>3.4 - By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being.</p>	<p>3.4.1 - On track - utilising Unum Help@Hand and core staff benefits to ensure all employees have access to 24/7 GP consultation, health assessments and discounted health and wellbeing retail.</p>

Goal Definition	Target	On track, compliant, advancing our knowledge
<p>4</p> <p>Quality Education</p>	<p>4.7 By 2030, ensure that all learners acquire the knowledge and skills needed to promote sustainable development, including, among others, through education for sustainable development and sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship and appreciation of cultural diversity and of culture's contribution to sustainable development.</p> <p>4.5 By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations.</p>	<p>4.7 On track - the introduction of new ICAEW learning modules ensures ESG and sustainable practice is a part of foundational knowledge as CPD.</p> <p>4.5 On track - MHA has committed to robust data collection for 2025 (implemented Aug 2025) and ring-fences places for students from low-socio-economic backgrounds as part of the ICAEW Access Accountancy scheme. MHA is at level 1 of the Disability Confident government scheme.</p>
<p>10</p> <p>Reduced Inequalities</p>	<p>10.2 By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.</p> <p>10.4 Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality.</p>	<p>10.2 On track - our DIBS programme promotes the education and advancement of minority voices at MHA.</p>
<p>11</p> <p>Sustainable Cities and Communities</p>	<p>11.2 By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons.</p> <p>11.a Support positive economic, social and environmental links between urban, peri-urban and rural areas by strengthening national and regional development planning.</p> <p>11.c Support least developed countries, including through financial and technical assistance, in building sustainable and resilient buildings utilising local materials.</p>	<p>11.2 Advancing our knowledge - MHA is comitted to improving the benefits and offer relating to transport and sustainable commuting. We continue to investigate our options in 2025-2026.</p>

Goal Definition	Target	On track, compliant, advancing our knowledge
13 Climate Action	13.3 Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning.	On track - our Lunch and Learn sessions provide base level knowledge to all staff, as well as our Net-Zero Heroes group with a representative across each UK office. Our Net-Zero Heroes provide support to the internal ESG team by collecting emissions data, promoting green initiatives and driving change.
17 Partnership for the Goals	17.17 Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships & nbsp; 17.16 Enhance the Global Partnership for Sustainable Development, complemented by multi-stakeholder partnerships that mobilise and share knowledge, expertise, technology and financial resources, to support the achievement of the Sustainable Development Goals in all countries, in particular developing countries.	17.16 On track. Advancing our knowledge - our partnership with UN Global Compact allows us to engage key staff members in talks, panel discussions, and UK and global events.
12 Responsible Production and Consumption	12.6 - Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle. 12.7 - Promote public procurement practices that are sustainable, in accordance with national policies and priorities. 12.8 - By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature.	12.6.1 - this report is MHA's second report. 12.7.1 - UK businesses newly required to provide these policies and action plans. MHA's policy has been in place for two years and new guidelines or changes in guidance will need 6-12 month reviews. 12.8.1 - align sustainable development study modules with practical client experience for trainees. Carbon Literacy Training for Net-Zero Heroes.

Streamlined Energy & Carbon Reporting (SECR)

MHA has experienced continued and significant growth in the 2024/2025 financial year with both increased revenue and staff numbers.

Whilst there are continuous efforts and actions to help reduce emissions where possible, MHA's business growth has contributed to proportionately increased emissions. In total, including all of our Scope 3 emissions, the firm's verified GHG across all Scopes has reduced by 19% in comparison to the previous year. (page 14).

To gain a better understanding of the detail behind the statistics, a deep-dive on Scope 3 emissions is currently in progress to re-evaluate all sources of emissions including commuting and supply chain. This review will include further evaluating those partnerships and premises recently brought into the MHA business and finding ways to streamline systems and protocols to align with MHA's ESG ambitions. The results and next steps from this review are expected before the 2025/2026 year end.

However, as part of our reporting, it is important to recognise that the in-year Co2 intensity ratios, although increasing marginally for both people and turnover, are remaining reasonably stable. Finding ways to bring energy use and emissions down remain a clear focus for the current and future financial years.

MHA is compliant under ESOS phase 3 by virtue of submitting a notice of compliance within the third compliance period. Under ESOS rules, all energy across buildings, industrial processes and transport are accounted for. MHA has also put together an ESOS action plan, breaking down an analysis of energy usage across its office estate. Total energy consumption is also split into buildings, transport and industrial processes and intensity metrics of energy usage per floor area (transport) and per business mile driven (transport) included. ESOS compliance activities corresponded to 73.9% of total energy usage.

Category	Subcategory	2023-24 Tonnes of Co2 equivalent	2024-25 Tonnes of Co2 equivalent	Difference Tonnes of Co2 equivalent
Scope 1	Emissions from combustion of gas	11.13	62.09	+50.96
Scope 2	Purchase of electricity for own use	176.03	227.28	+51.25
Scope 3 (snapshot)	Emissions from transport employee mileage and T&D UK Electricity	343.98	485.79	+141.81

Reporting year	Intensity ratio CO ₂ equivalent per £m	Intensity ratio CO ₂ equivalent per employee
2023-2024	3.53	0.46
2024-2025	3.76	0.48

A full-page background image showing a man and a woman surfing in the ocean. The man is in the foreground, wearing a red wetsuit, smiling and paddling on his surfboard. The woman is behind him, also on a surfboard. The sky is a mix of blue and orange from the setting or rising sun.

Commitment to action

Advancing on the path to Net-Zero

Employee benefits do not have to cost the earth

Earlier this year our internal ESG and People Services teams assessed MHA's benefits offering, with a view to improving visibility across the firm. MySavings is a bespoke staff benefits platform for MHA staff, providing discounts across seven sectors. These comprise travel, retail travel, retail, tech and appliances, food and meal prep, heritage sites and outdoor, and mental and physical health. The MySavings platform also highlights the B Corp brands, environmentally friendly and ethical businesses it partners with. MHA continues to provide 24/7 access to GPs through our Unum Help@Hand app, quarterly access to dental cover, health assessments, transport loans (train travel and bike loans), and the Give as you Earn scheme allowing staff to give a portion of their

Talking Rubbish – MHA's shift to responsible waste disposal

Towards the end of 2024, MHA prepared for new national legislation on food waste recovery across all UK offices. Our Net-Zero Heroes team of representatives across each office made huge strides with their waste management, implementing compliant waste separation, and communicating with their local councils and waste providers to ensure MHA is doing its bit as a business to correctly dispose of rubbish.

Measuring growth and performance with Peakon

MHA continues to measure its growth and performance based on our staff. At March 2025 MHA had an aggregated score of 92% survey completion throughout the 2024-2025 period. This percentage equates to a 7.3 Peakon engagement score, with health and wellbeing at 7.1, and transformation and change at 7.9. Our People team tracks our scoring across each area of every round of surveys, and work with each individual office to establish areas that need work and areas they show strength in.

Commitment to action

Advancing social equity across MHA social substantiation

Mentor Programme launch

To foster inclusive leadership, we continue to invest in coaching, mentoring and sponsorship initiatives that support under-represented groups. In 2024 we launched the Inspire Inclusion sponsorship programme as part of our International Women's Day initiatives. The programme is now in its second year and is designed to empower and advance the careers of women across the firm. Senior leaders act as sponsors, offering support, sharing advice, advocating for their talent, and creating opportunities for growth. This approach helps ensure that women are not only mentored but actively championed throughout their career journeys.

Work experience: empowering the next generation

We believe that real empowerment starts with access - and that includes opening doors to those just beginning their journey into the world of work. Our new structured work experience programme, Leading with Ambition, is designed to do more than offer a glimpse into professional life. Through practical workshops on personal branding, qualification routes, employability skills and career progression, students are immersed in experiences that build confidence, uncover strengths, and equip them with the tools to take ownership of their future. 40% of places are reserved for students from lower socio-economic backgrounds, ensuring opportunities are inclusive and equitable.

Those who excel are offered fast-track access to our apprenticeship assessment process, giving them a clear, supported pathway into a career with MHA. It's a powerful example of how we turn potential into opportunity, and ensure our future is built on equity and ambition.

MHA ambassador programme

Our Ambassadors play a vital role in representing MHA and enhancing its presence within the accounting industry. As MHA Ambassadors, they are tasked with engaging with aspiring students and professionals at career events, and sharing insights into why MHA is the employer of choice. Through their advocacy, they effectively communicate MHA's culture, values, and career opportunities, helping to attract top talent to the firm. The role extends beyond recruitment efforts - ambassadors develop crucial professional skills in communication, relationship-building, and advocacy. One of the Ambassador team, Albert Salvidge, has been with MHA for 5 years and plays an active role in the group:

"I joined the MHA Ambassador programme just before completing my final ACA exams in November 2024, looking to make the most of my time and challenge myself outside of my day-to-day role. Since then, the growth I have had is far more than I ever expected; Highlights from this initiative so far:

I've developed my soft skills, like communication, teamwork and problem-solving, and working with colleagues I wouldn't normally cross paths with.

I've visited schools to speak about careers in finance after sixth form, which is something I've found incredibly rewarding. I really enjoy giving the kind of advice I wish I'd had at that stage.

I won Ambassador of the Month in March 2025 and have since been mentioned in internal reports that positively caught the attention of Partners I hadn't worked with before. It is always brilliant to receive recognition for the hard work I have put in.

I've developed my public speaking skills by presenting a virtual talk to school students across the country, alongside my HR colleague, as part of the MHA Work Experience week. I also had the opportunity to share personal branding tips at one of the MHA Ambassador six-weekly meetings.

This programme has been key in growing my confidence. It's pushed me to take on new challenges, like leading the Work Experience Team in our Thames Valley office, and it's also given me confidence to post regularly on LinkedIn.

On LinkedIn, I share career advice, personal reflections, and highlight the brilliant events happening at MHA. As a result, my personal brand has grown. I've connected with colleagues across the firm and our Baker Tilly network as well as external professionals. My posts regularly get around 2k impressions, with one of my biggest achievements being a couple of posts getting over 45k impressions.

During my career at MHA, I have had so many great opportunities come my way, and this is up there as one of the best I have taken."

DIBS network updates



Pride network

To celebrate Pride Month, the Pride Network organised and hosted a firm-wide virtual charity quiz, implemented meaningful change by adding pronouns to email signatures, engaged with leading professionals to host insightful webinars, and welcomed new members.



Gender equity network

Through our Acceleration Action Gender Equity series, we've continued to collaborate with the wider Baker Tilly International network to celebrate the contributions of our women and promote resources and training that enhance visibility and networking opportunities. Building on last year's pilot, we also relaunched our Inspire Inclusion sponsorship programme in July, pairing 19 women with senior sponsors to support and advocate for their career development over the next 12 months.



Family and carers network

This year we partnered with Working Families and took part in its 2025 benchmark to inform a broader review of our family-friendly policies. Through our membership, we have also engaged with other members and gained valuable insights that have supported the ongoing development of our network.



Commitment to action

MHA Virtual Forest

MHA partnered with B Corp certified, climate reporting experts Ecologi in 2023. Ecologi runs multiple habitat restoration projects and strategically reforests areas that are in need across the globe.

MHA plants trees with the help of Ecologi to celebrate important milestones for the firm, the most common being in celebration of new joiners. Each new employee at MHA has a tree planted in their honour by Ecologi in a UK-based reforestation project, meaning everyone at MHA has contributed in a small way to achieving a more sustainable future for generations to come.



4,449

Trees planted in total



0.92

tCO₂e removed



89m²

Habitat restored

Where are our trees?

Project funded-UK: restoring wildflowers, wetlands and wildlife. Boosting crops and soil whilst permanently locking up CO₂ with UNDO.

Project funded-Wales: producing biochar from waste biomass

Eastern and Northern Africa: Morocco; Ethiopia, Uganda, Kenya, Madagascar, Mozambique and Tanzania

[▶ Read more here](#)



Risk management within our practice is fundamental to the way in which we operate. Ensuring we have integrated sustainability and ESG into our processes enables us to meet our statutory obligations and plan for future uncertainty”

Martin Herron

Partner

Chief Risk Officer

Task Force on Climate-related Financial Disclosures (TCFD) & enhanced sustainability reporting

The Task Force on Climate-related Financial Disclosures (TCFD) was established in 2017 to promote consistent and comparable reporting of climate-related risks and opportunities. The TCFD framework is structured around four key pillars: Governance, Strategy, Risk Management, Metrics & Targets.

These pillars are supported by 11 recommended disclosures designed to guide organisations in effectively communicating their climate-related practices and progress. Sector-specific supplementary guidance is also provided, including for financial institutions. Throughout this report, MHA has sought to provide disclosures aligned with all four TCFD pillars and the associated 11 recommendations. We acknowledge that our Environmental, Social, and Governance (ESG) reporting remains in a transitional phase, and accordingly, we have provided voluntary transitional disclosures in line with the Transition Plan Taskforce (TPT) Disclosure Framework, published in October 2023.

Following the publication of the International Sustainability Standards Board's (ISSB) inaugural disclosure standards in June 2023, the Financial Stability Board (FSB) confirmed the disbanding of the TCFD in October 2023. The disbanding of the TCFD reflects the ISSB's climate disclosure standard, IFRS S2 Climate-related disclosure ("S2"), having fully incorporated the four content pillars and 11 recommendations of the TCFD.

Due to these regulatory changes and the creation of the S2 disclosure standard, effective from 1 January 2024, MHA has voluntarily aligned (where appropriate) with the TCFD recommendations for its 2024 /2025 climate-related disclosure. MHA, the UK lead member firm for Baker Tilly International, will continue to review this approach, including the incremental S2 disclosure requirements not contained in the TCFD, for the purpose of its future climate-related disclosures.

Looking ahead, due to post-year-end growth, MHA will fall within the scope of the Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022 (UK CFD) for the financial year ending 31 March 2026. In preparation, our disclosures this year have been aligned with both the UK CFD and TCFD frameworks, demonstrating our commitment to transparency and proactive climate-related reporting.

Transitional Statement

In 2024, MHA proactively introduced transition planning to identify internal gaps and growth opportunities, enabling the firm to reframe sustainability and ESG as strategic levers rather than compliance obligations. This foundation has matured in 2025, with the firm actively advancing its integration of the TPT (Transition Plan Taskforce) framework into its operations and advisory practices.

Although the TPT's finalised guidance published in April 2024 focused on insurers, asset managers, asset owners, and banks, MHA has voluntarily aligned with its principles, recognising their relevance to accountancy and professional services. As regulatory expectations for UK-listed issuers continue to evolve, MHA remains committed to staying ahead of anticipated mandatory transition disclosure requirements. The TPT framework is underpinned by interoperability and builds on global standards including the ISSB and the Glasgow Financial Alliance for net-zero (GFANZ). MHA is using this framework to guide its ESG strategy, underlining our commitment to delivering a sustainable future today.

MHA's strategic target remains firm: to achieve net-zero (non-offset) organisation across all GHG tiered Scope 1, 2 and 3 emissions by 2030 and to achieve a net positive contribution to the environmental climate. These strategic targets are enshrined in the firm's approach to ESG Sustainability under its pillars of innovation, trust, talent & climate.

04

How we stay accountable





Key transition planning developments at MHA

MHA has implemented several key initiatives as part of its evolving transition planning framework

1

Internal Lens Leaders Group:

this internal taskforce continues to advance the firm's understanding of transition impacts on financial planning and long-term strategy.

2

Climate Risk Profiling:

MHA has developed a detailed risk profile addressing underlying climate-related assumptions, now linked directly to financial reporting processes.

3

Systemic Control Environment

Review: this ongoing review ensures that transition plan disclosures are embedded within the firm's internal control framework.

4

Data Governance Enhancements:

methodologies for metrics and quality assurance protocols for data—both internal and third-party—have been formalised.

5

Alignment with the TPT Technical Annex:

MHA is actively benchmarking its transition plans against the TPT's detailed recommendations, while also considering alignment with the TCFD and ISSB disclosure standards.

6

Challenges and Lessons Learned:

our transition journey has not been without risks, opportunities and challenges. These have included:

- **Establishing a Baseline:**
completed in 2024, this provided critical insight into MHA's climate risk exposure,
- **Ambition Setting:**
in 2025, we refined our objectives and pathways to ensure clarity and resilience in our net-zero ambition,
- **Action Planning:**
MHA translated long-term goals into short- and medium-term actions, especially around Scope 3 emissions and transitional risks,
- **Accountability Structures:**
governance frameworks have been strengthened to ensure robust oversight and transparent progress monitoring.

Alignment with GFANZ transition plan components

Foundations

MHA has defined a strategic ambition to support a low-GHG, climate-resilient economy. Our transition priorities aim to deliver stakeholder value, minimise adverse impacts, and contribute to climate goals.

Implementation Strategy

We are embedding transition planning into operations, client services, and global policy. Financial planning processes now reflect the impact of climate risks and opportunities on future performance and cash flow.

Engagement Strategy

New engagement methodologies are being introduced to improve collaboration across the value- chain; including clients, regulators, suppliers, and civil society, and ensuring alignment and shared progress.

Metrics & Targets

Headline GHG emissions for 2024/2025 have been disclosed. Our updated targets for 2025-2030 are now more granular, with scenario analysis further integrated into our risk profile. These disclosures form a core part of our 2025 TCFD and transition reports.

Governance

Transition planning is embedded across strategic, operational, risk governance layers. Oversight mechanisms ensure integration of ESG risk into decision-making at all levels.

The firm is supporting the sustainability agenda nationally through:

- Building on regulatory frameworks, providing clear blueprints for clients to comply with their requirements.
- Improving the information available through effective partnerships with regulators and stakeholders.
- Supporting policy makers and authorities to understand the trajectory of the economy and how this influences climate policy in order to inform future policymaking.
- Holding businesses to account for their regulatory disclosures and thematic climate risk.
- Providing forward-looking strategic information and guidance to related industries including thought leadership, representation and leading by example to support the mainstreaming of sustainability in finance.

MHA has approached material climate-related risks and opportunities from two main perspectives, which are intrinsic across this Report:

As an organisation that is driving its approach to support clients to ensure they comply with all regulatory requirements and benefit (where allowable) from the opportunities in the transition to a lower carbon and more socially sustainable economy. All of the firms engagements are responsible and consider thematic climate risk in audit within the rules of audit and assurance regulations.

And as a corporate firm whose business is affected by climate-related risks and opportunities and whose operations have both direct and indirect impacts on the climate, and societal factors.

These are aligned to the transition statements outlined, which contextualise MHA's first voluntary TCFD report. Disclosures are summarised in line with the guidance and spirit of the listing rules.



Governance

Overview of our governance structure

With offices in 30 locations and more than 1,300 people, MHA is a leading professional services network in the United Kingdom and Ireland. The Firm's most senior governing body is the Oversight Committee which has ultimate responsibility for setting the firm's strategy. This includes having oversight of the assessment of climate-related risks and opportunities and planning for the successful execution of the Firm's ESG strategy. The Oversight committee is responsible for developing and driving the sustainable strategy of the Firm and meeting compliance expectations under regulatory requirements. More information about our governance structure can be found in our 2025 Transparency Report.

 [Read the report here](#)

Governance around climate-related decision making

The highest level of individual with executive responsibility for corporate strategy, including climate-related matters such as climate change and biodiversity, is our Chief Executive Officer (CEO) and Group Chairman, Rakesh Shaunak. The CEO is supported by the Management Team and ESG team in ensuring climate change mitigation is embedded within the Firm's overall strategy and that the Firm's climate goals are achieved. All sustainability strategies in place for MHA are aligned to those of the Baker Tilly International Board. The Firm is continuously working with stakeholders inside and outside of our business to refine how we collect data for climate-related reporting.



The climate strategy, instated by the CEO and managed by the Executive Lead for sustainability and development, goes beyond MHA itself, by supporting MHA clients in achieving their own sustainability goals. By collaborating across MHA service lines to communicate the MHA sustainability strategy, the Executive Lead for sustainability and development helps clients navigate ESG compliance, innovation and new technologies to create long-term value by enabling environmentally sustainable growth.

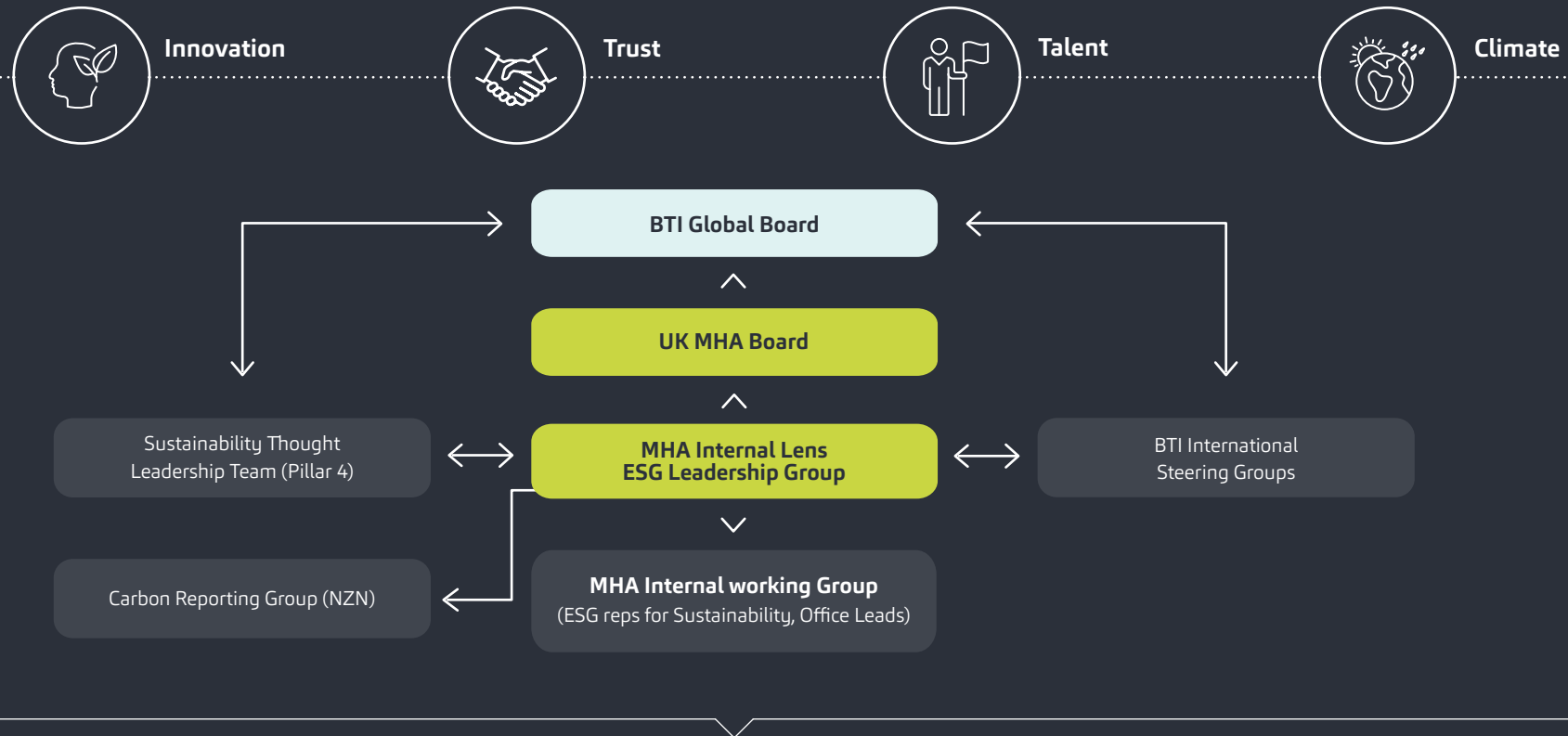
The Executive Lead for sustainability and development, Mark Lumsdon-Taylor, was accountable for the launch of the Firm's ESG programme in the year to 31 March 2023. To support the delivery of our strategic goals, responsibility for specific ESG matters is delegated to appropriate leaders who work alongside the ESG team to drive delivery. The Executive Lead for sustainability and development reports into the Oversight Committee quarterly with a status update on the Firm's exposure to climate-related risks and opportunities.

The Executive Lead for sustainability and development is also responsible for managing climate regulatory updates through the lens of the Firm's risks and opportunities as well as those of our clients.

We plan to create an official ESG committee in FY25, which will act as a subcommittee to the Oversight Committee and will act to ensure that sustainability is at the heart of business decisions. This committee will review the Firm's sustainability objectives, progress and impact, notably the progression towards our net-zero commitments. This will include our science-based targets as well as the wider business transition to adapt to the climate-related risks and opportunities facing the business. Identification and management of climate-related risks will sit with the ESG committee, however ultimate responsibility will sit with the Oversight Committee which will ensure the risks are integrated within the Firm's risk management strategy.

Governance structure

Tactical approach to sustainability and ESG

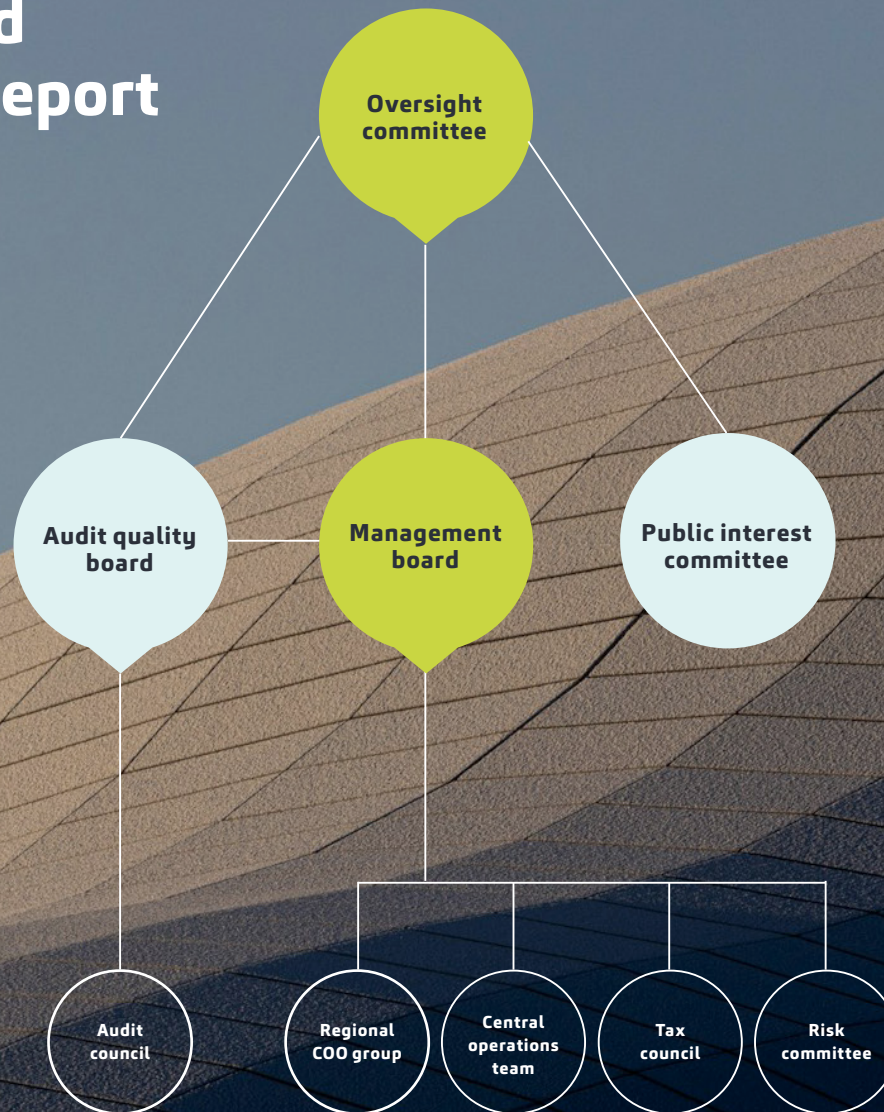


Aberdeen	Colchester	Lancaster	London	Milton Keynes	Peterborough	Swansea
Birmingham	Edinburgh	Leicester	Maidstone	Northampton	Preston	Thames Valley
Cardiff	Kendal	Liverpool	Manchester	Nottingham	Reigate	
Our international offices *		Athens	Bucharest	Chisinau	Dublin	Nicosia
		Blagoevgrad	Cayman Islands	Cork	Limassol	Sofia

*Excluded from emissions calculations in this report

**SEE offices were acquired post 31st March 2025

Governance as aligned to our published Transparency Report



The Oversight committee is responsible for developing and driving the sustainable strategy of the Firm and meeting compliance expectations under regulatory requirements.”

Andrew Moyser
Head of Audit and Assurance
Partner and Vice Chairman

Governance in statistics

ESG-linked remuneration

Within MHA, reward-based remuneration and bonuses are linked to the outcome of appraisal scores which reflect the expectations of the role and, therefore for roles with specific responsibilities for ESG-related matters, any reward-based remuneration is linked to the successful performance of those responsibilities. There are currently no ESG or GHG-related remuneration or bonus structures for executives at the Firm.

At the centre of our governance model during the year was the Management Board, which holds overall responsibility for the Firm's strategy, performance, and culture. Directly accountable to the Board are specialist governance bodies, including the Audit Quality Board (AQB), Ethics Council, Oversight Committee (OC), and the Public Interest Committee (PIC). These bodies provide independent scrutiny and direction in their respective areas, supported by senior leaders and partners across the Firm.

Management Board diversity



Gender



5

Male

1

Female

0

Other



Age



0

Under 30

2

30-50

4

Over 50



Background



1

From minority group

Risk Management

A fundamental element of MHA principles is that rigorous risk management is critical to the delivery of high-quality audit, assurance & advisory services. MHA has formalised risk management processes in place, overseen by a chief risk officer, who also sits on the national board. The Firm adopts a strong approach to its own risk management and that of its engagements with clients. MHA engagement partners are the primary risk owners (i.e. tier 1 risk owners). In addition, the Firm has robust Engagement Risk & Approval Committee processes for those engagements that risk such evaluations. Additionally, ethical review may be required in the instances of potential conflicts.

As part of regulatory risk and assurance, engagement partners are responsible for utilising appropriate internal experts in evaluating the financially material environmental (as well as social and governance) audit risks, just as they consider other potentially material economic issues related to a business's future. MHA has its own sustainability ESG department that services the national (& where appropriate international) audit functions. For MHA, examples of climate-related risks taken into account include risks from regulatory change or litigation and exposure to physical impacts such as flooding or other extreme weather events or changes in temperature.

In addition, MHA intends to develop a framework to monitor exposure to carbon intensive industries to support the understanding and management of potential climate-related risks.

MHA maintains business continuity plans to facilitate the continuity of business in the event of a business disruption. MHA's management board provides oversight and governance to the Firm's business continuity plans. MHA is evolving its risk management function to integrate thematic climate risk more formally into its inherent risks during 2024/2025. Evaluation criteria includes scale and type of energy use, GHG emissions, local climate, facility type, location, occupancy status, and potential financial impact.

Within the MHA ESG Sustainability strategy is its approach to society. Because the cost to the firm of personnel is its most material number, the Firm is embedding its approach to how it defines the S in social, being "The organisation's societal licence to operate through its external and internal relationships. These relationships are built upon trust that creates long term measurable positive social impact and ethical financial performance". This is measured through standards that have thresholds for what constitutes a 'unit' of impact for outcomes.

Societal impacts can positively as well as negatively affect an organisation's performance. Reporting of these societal impacts will form part of transitional reporting in 2025/2026.

To provide further oversight the Firm has the Risk Committee (RiCo) which drives the Firm's resilience by ensuring a robust and dynamic risk management framework is in place. It oversees key processes to effectively identify, assess, and mitigate risks, ensuring the Firm's most critical threats are proactively managed.

Through strategic guidance and monitoring, RiCo safeguards the Firm's sustainability, compliance, and reputation while enabling opportunities aligned with the Firm's goals and values, ensuring robust governance and adherence to the Firm's risk appetite.

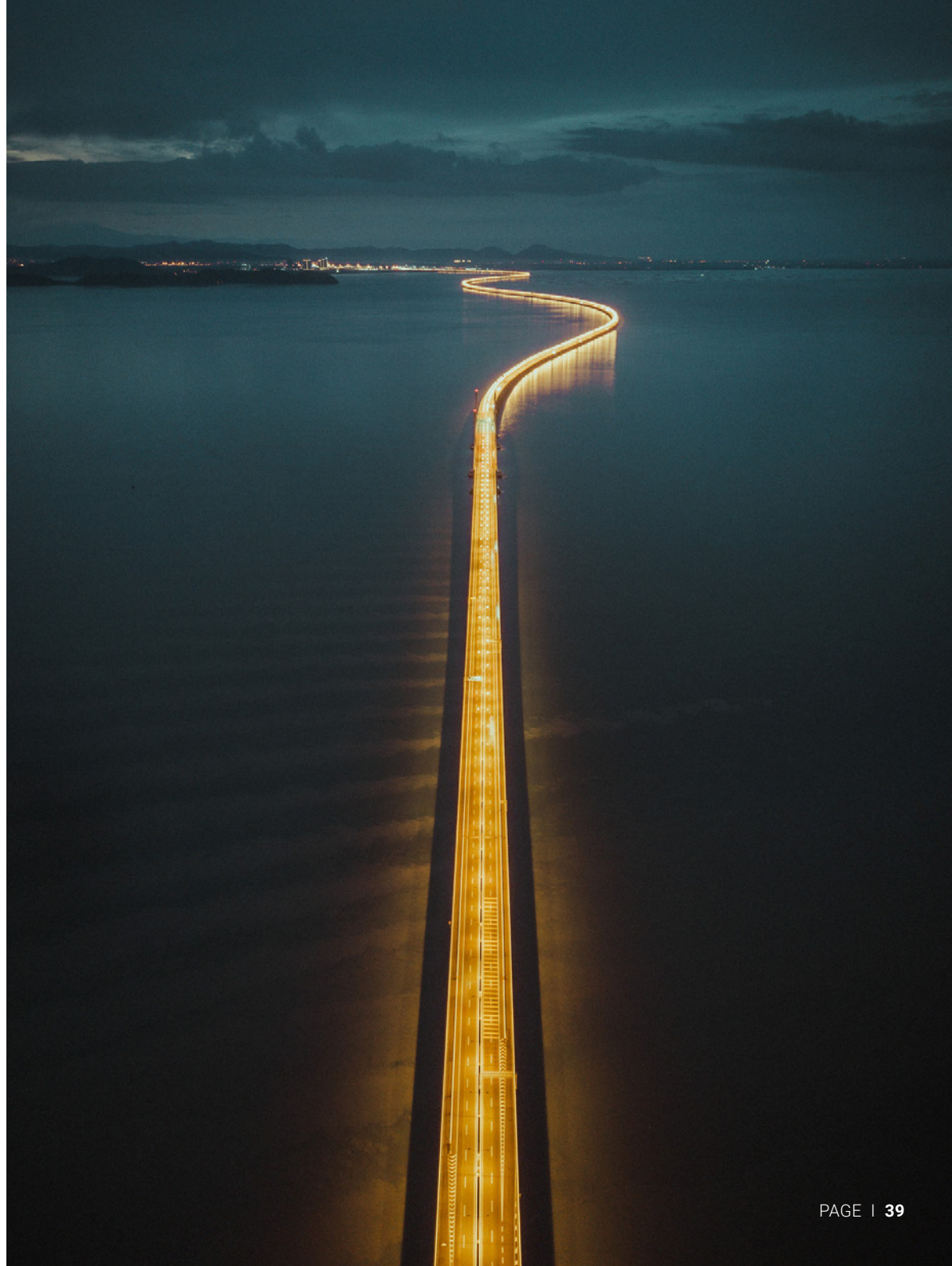
Strategy and Scenario analysis

MHA has been built on a sector-led approach to provide audit, assurance & advisory services to national and international business industries. The Firm's premise is based upon anticipating client needs and working with clients to achieve their short-, medium-, and long-term goals wholly underpinned by regulatory audit assurance (where required). This is core to the Firm's strategy. MHA is designed to audit, to serve & to advise. underpinned by its approach to sustainability and ESG.

Climate risk and the economic opportunities arising from the low-carbon transition are among the top priorities for many of MHA's clients and their associated supply chains. Clients have become accustomed to asking MHA how they can mitigate risk and capture opportunities associated with climate and the transition to a more sustainable way of working. MHA has clear guidelines, policies and transparent ethics processes to ensure any engagements, or advisory services are only engaged when appropriate to do so.

When financially material, the firm will incorporate (subject to the assessment of short-, medium-, and long-term— referenced on page 39) climate information alongside other information into its firmwide processes (including its risk committee). For clients interested in sustainability and the transition to a low-carbon economy, MHA provides a wide range of services incorporating regulatory assurance, regulatory advisory and services to SME's wishing to embark upon their sustainability journey, helping them to achieve their objectives.

At MHA, we recognise that sustainability means different things to different businesses. Therefore, MHA believes in providing choice to clients, on a sector-based approach. This section discusses how material climate-related risks and opportunities are managed by MHA with an emphasis on new developments in 2025/26. Its reporting of detailed scenario analysis will be disclosed in 2024/2025 reporting year in line with its transition statement.



Time horizons

While as a firm we have already made significant progress towards our net-zero target, there is still a complex journey ahead given the global economy, geopolitics and changing working styles in the profession. Climate change continuously creates emerging risks and opportunities for the business. Our analysis of these risks and opportunities is forward-looking to ensure continuous development to achieve our goals. These risks and opportunities have then been further grouped by a categorisation of topics most material to the Firm.

MHA has defined the short-, medium- and long-term time horizon, in line with standards adopted by the EU under the Climate and Sustainability Reporting Directive (CSRD) used to monitor climate-related risks and opportunities as follows:

1 Short-term: 0-2 year

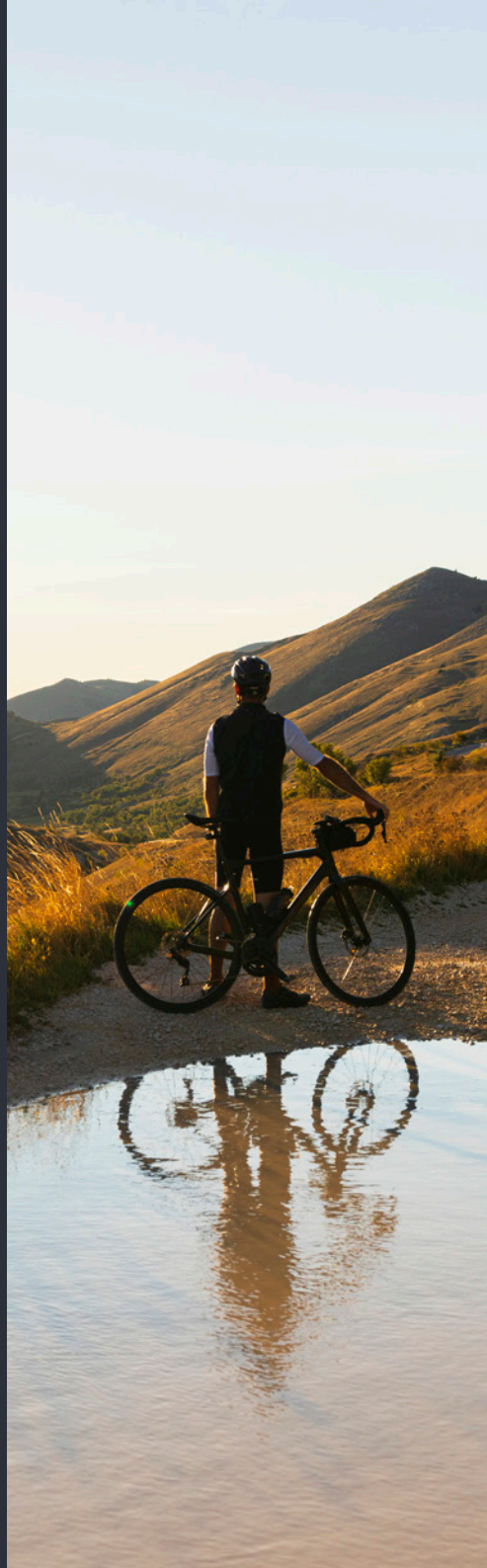
This period aligns to the going concern assessment of the group.

2 Medium-term: 2-5 years

After the current planning phase, the next five-year strategy will run from the reported base line year. This period aligns well with our near-term science-based targets, recently validated by the Science-based Target Initiative, to which many of our decarbonisation metrics are tied.

3 Long-term: more than 5 years

This period is considered as our long-term planning horizon and aligns well with our net-zero target date of 2050.



Climate scenario analysis allows organisations to develop insight into how the physical and transition risks and opportunities arising from climate change might impact its business and corporate operations over time. While climate scenario analysis is not meant to predict the future, it allows organisations to explore possible outcomes, the assumptions they depend upon, and the courses of action and/or events that could bring them about.

The risks of climate change can be considered in two categories: transition and physical risks.

1

Transition risk. Climate-related transition risks arise as the economy moves from a reliance on carbon-based energy towards a low-carbon economy through policy, legal, technology and market changes. Depending on the nature, speed and focus of these changes, the global climate transition is expected to create meaningful shifts within sectors and across the entire economy.

2

Physical risk. Physical climate risks may consist of more extreme weather and climate events, or longer-term shifts in the climate such as temperature increases and sea level rises. Such risks may impact operations, leading to impairment of infrastructure and facilities, as well as disrupting supply chains.

	Type of risk	Category	Risk description	Time horizon	Severity	Likelihood (high or low)
	Physical	Acute and chronic	Extreme weather having a temporary or long-term impact on an MHA office location or business sector	Medium-long	Medium	Acute-high Chronic-high
Impact on the business	<p>Climate change is increasing the frequency of extreme weather events. Extreme weather could cause MHA offices to suffer direct or indirect financial loss due to the impact on offices, our people, suppliers, clients and communities we operate in. Other impacts could be</p> <ul style="list-style-type: none"> • Increased costs for office repair and maintaining adequate working conditions • Increased rental costs for offices in low-risk areas • Lost revenue and increased costs due to critical supplier disruption • Health and wellbeing issues with our staff due to extreme weather events • Lost revenue due to client business disruption • Increased insurance premiums for buildings previously damages. 					
Mitigation	<p>MHA ensures that any new office space is reviewed by environmental experts for flood risk.</p> <p>Client and wider socio-economic-related disruption</p> <ul style="list-style-type: none"> • The MHA network is well diversified by geography and sectors in which we operate, which limits the potential impact of disruption in one sector or location. As a member firm of Baker Tilly International, we are able to lean on member firms in other countries to perform client visits where necessary. <p>Location-related disruption</p> <ul style="list-style-type: none"> • Remote working arrangements allow MHA staff to continue working in the face of climate-related disruption. • MHA offices are all leased and consideration for the impact on climate of an office space is given before signing any contract. <p>Travel and other supply-chain disruption</p> <ul style="list-style-type: none"> • MHA has a procurement policy in place which helps to screen suppliers before they are engaged. 					
Progress on mitigation in 2024/25	<p>In our second year of reporting, we continue to implement environmental due diligence on any new office locations. MHA's property team now systematically engages external environmental consultants to assess flood and extreme weather risks before finalising lease agreements. This process was applied to all new leases signed during the year, strengthening our ability to mitigate long-term physical climate risks.</p> <p>Our diversified network has continued to provide resilience against sector- or location-specific disruptions. In the past year, we leveraged our Baker Tilly International network for cross-border client engagement where travel or climate-related disruption prevented in-person visits by UK staff.</p>					

	Type of risk	Category	Risk description	Time horizon	Severity	Likelihood (high or low)
	Physical	Policy and legal	Damage to reputation and increased costs arising as a result of climate litigation (e.g. accusations of greenwashing)	Short	High	Low
Impact on the business	<p>As stricter greenwashing and other climate-related regulations increase, both MHA and our audit clients could be exposed to litigation if the client is accused of greenwashing where MHA has provided a clean audit opinion.</p> <p>As regulators and capital markets place increasing importance on the impact of climate change, we will have to adapt our service offerings, notably in audit and assurance, to remain at the forefront of innovative technology and emerging regulatory changes.</p>					
Mitigation	<p>MHA prioritises quality management in each of its service lines to ensure it is well protected from legal claims. For example, MHA's Audit & Assurance practice complies with the International Standard on Quality Management (ISQM) 1.</p> <p>We consider that our quality management processes and robust approval policy sufficiently mitigates the risk of climate-related litigation.</p>					
Progress on mitigation in 2024/25	<p>In our second year of TCFD reporting, we have continued to prioritise quality management across all service lines to mitigate potential legal and reputational risks arising from climate-related issues. The Firm remains fully compliant with (ISQM) 1, ensuring that climate-related considerations are integrated into risk assessment, engagement acceptance, and ongoing monitoring processes.</p>					

	Type of risk	Category	Risk description	Time horizon	Severity	Likelihood (high or low)
	Physical	Credit and liquidity	Sudden unfavourable movement in the market	Medium	Medium	Low
Impact on the business	<p>If our clients are impacted by sudden market shocks, this may impact their cash position and ability to collect cash in a timely manner. This could affect MHA's credit and liquidity position.</p>					
Mitigation	<p>Given the regulatory requirement of audit, this service line is largely resilient to a client's spending activity. Having a diverse portfolio of clients in different sectors, markets, locations and listed on different exchanges acts as a mitigation strategy in the instance one sector might be impacted by a climate-related event.</p>					
Progress on mitigation in 2024/25	<p>Over the past year MHA has maintained its strategic focus on client diversification as a core mitigation against climate-related financial risks. Our client portfolio remains well balanced across multiple sectors, geographies, and markets, including clients listed on a range of exchanges. This diversification continues to provide resilience against sector-specific downturns or climate-related disruptions.</p> <p>The audit service line, which is a significant contributor to our revenue, remains resilient due to its regulatory necessity, making it less sensitive to short-term shifts in client spending or macroeconomic climate-related pressures.</p>					

	Type of risk	Category	Risk description	Time horizon	Severity	Likelihood (high or low)
	Transition	Reputation – by association to clients	Acting for companies or sectors which are perceived as taking no climate action, having unfavourable climate credentials or unevidenced transition plans could damage MHA's reputation	Medium	High	Medium
Impact on the business	MHA's reputation as a leader on climate action in the Tier 2 accountancy space is currently a key differentiator amongst competitors and has proven key to revenue growth across all service lines. MHA's clients are increasingly conscious of the environmental responsibility credentials of organisations with which they wish to do business. This is demonstrated by the increasing number of requests for information about the Firm's impact on the environment. The Firm's reputation in light of its impact on the environment plays a significant role in the acquisition and retention of talent, with an increasing proportion of new junior staff querying the Firm's ESG credentials in their interviews.					
Mitigation	<p>To mitigate the potential impact on MHA's reputation, the Firm performs thorough checks on the companies which it represents and the nature of work it does for them. ESG due diligence is an integral part of client acceptance processes.</p> <p>The Firm requests evidence to support all ESG-related disclosures in client accounts and assess for integrity and completeness.</p>					
Progress on mitigation in 2024/25	<p>In our second year of TCFD reporting, MHA has continued to strengthen its client acceptance and engagement processes to reduce reputational exposure linked to the ESG performance of clients. ESG due diligence remains embedded in our onboarding procedures, with all new clients subject to rigorous checks that assesses the nature of their operations and public disclosures.</p> <p>Where concerns have arisen, further internal review and escalation processes have been triggered to ensure our service provision is aligned with MHA's values and risk appetite.</p>					

	Type of risk	Category	Risk description	Time horizon	Severity	Likelihood (high or low)
	Transition	Reputation - own brand	Actual or perceived failure to demonstrate commitment to climate change	Medium	Medium	More likely than not
Impact on the business	<p>MHA is facing increasing expectations from both internal and external stakeholders regarding our approach to climate change, and the climate transition and progress made towards our climate-related commitments. If MHA fails or is perceived to fail in meeting stakeholder expectations, it could face detrimental reputational damage and consequently :</p> <ul style="list-style-type: none"> • Loss of revenue as clients or potential clients are unwilling to engage with us. • Inability to work with leading suppliers in business-critical areas as our Scope 1 and 2 emissions will impact their Scope 3 emissions compliance. • Challenges in recruiting talent, notably among junior staff who are increasingly ESG-conscious. 					
Mitigation	<p>Our net zero commitment is integral to the firms growth strategy. ADD 'As reference on page 11 of our report, we have made it clear that the firm is reviewing its targets for net zero annually, and will make all endeavours to achieve that which it has set out, subject to the firms global strategic vision.</p>					
Progress on mitigation in 2024/25	<p>MHA's 2030 net-zero commitment continues to serve as a central pillar of our Firm's growth strategy. In this reporting year, we have made measurable progress in tracking and assessing our carbon footprint, including Scope 1, 2, and relevant Scope 3 emissions. Our carbon reduction pathway remains under regular review to ensure it reflects both our operational realities and stakeholder expectations. We are continuing our detailed mapping of Scope 3 greenhouse gas emissions and have identified a snapshot of our work in 2024/2025. We will be reporting in greater depth as our work continues in 2025/2026.</p>					

	Opportunity type	Opportunity description	Time horizon	Likelihood (high or low)
	Strategic	Products and services	Short	High
Impact on the business	<p>Expectations are increasing among a range of key stakeholders in terms of understanding MHA's approach to climate change and its climate transition. MHA, part of the Baker Tilly International network, benefits from being a global business with a wide range of resources, experience and skills.</p> <p>There is an opportunity for MHA to differentiate itself as a market leader in ESG by growing its climate-related service offerings and corresponding revenues. This will help existing clients to achieve their climate transition as well as aid future go-to-market offerings. Additionally, maintaining quality and innovation will further enhance our reputation and trust in MHA.</p>			
Realisation approach	<p>MHA's national strategy has been developed with a focus on ESG across all services offered at the firm in order to capitalise on future growth areas amid the UK's transition to net-zero. We are now integrated in audit, assurance, tax, advisory and payroll services at the Firm. Our approach is centred around quality and innovation in our ESG services.</p> <p>We have developed a bespoke digital tool to simplify and improve the measurement and management of climate change for our clients. This helps clients identify gaps in their current reporting and provides more accurate, complete GHG disclosures.</p> <p>We have also enhanced the measurement and reporting of our own GHG emissions to be able to track the carbon footprint of each client relationship and demonstrate to clients our experience in climate-related reporting.</p>			

	Opportunity type	Opportunity description	Time horizon	Likelihood (high or low)
	Strategic	Attract and retain talent	Short	High
Impact on the business	<p>As a professional services firm, talent is a key asset and thus attraction and retention of talent is fundamental to the longevity and success of the business.</p> <p>As UK temperatures continue to evolve in light of climate change, employees will expect action and show a greater interest in the Firm's net-zero action plan.</p>			
Realisation approach	<p>We are investing in the talent and capabilities needed to pursue the sustainability-related service opportunities presented for the Firm, ensuring that MHA staff have the required skillsets to address sustainability issues. Our investments include building a network of sustainability experts who can help us to deliver these sustainability services, upskilling and headcount.</p>			

Metrics & targets

The Firm has established a robust baseline through the collation of data from a 'bi-directional approach' approach through source records within the financial function, and through research and data collation throughout the MHA infrastructure network, acting as a control check of our data integrity.

MHA has committed to achieve carbon neutrality under Scope 1 and 2, aligned to our Science-Based Targets initiative (SBTi) targets (once validated) and will be a climate-balanced organisation thereafter, considering Scope 3 emissions in our value chain. While we support external tree-planting projects, we do not count these as carbon offsets in our net-zero accounting; our targets are based on real emissions reductions.

Like our clients, MHA strives to improve its processes around measuring and reporting GHG emissions. MHA recognises the Importance of leading by example in its own disclosures and strives to deliver best practice to act as a benchmark for its clients. The intention is for the Firm to publish its three categories of climate-related metrics to enhance its transparency on its sustainability journey:

- 1 Corporate GHG Emissions
- 2 Business indicators across sustainability reporting & regulatory alignment
- 3 Supply & client reporting (Scope 3)

Through the implementation of our new software solution Net Zero Now, we can more precisely track our emissions across Scopes 1, 2 and 3. We have a designated Net-Zero working group which tracks carbon emission production across the MHA network, collecting and analysing the information using the new tool and reporting to the Board on a quarterly basis.

Collecting this data monthly has proven to deliver more insights about our emissions and enable a faster response where required. Our greenhouse gas emissions are disclosed on page 23 in the Streamlined Energy and Carbon Reporting disclosure. To enable the Firm to meet its climate, sustainability and ESG obligations, it will set out its transitional framework of core objectives, which will be developed throughout the 2025/2026 fiscal year.

Manage business travel impact and associated baselines of Scope 3 Emissions.

- As an accountancy firm, a significant portion of our Scope 3 emissions arise from business travel. While in-person collaboration remains valuable, we recognise the environmental impact of frequent travel. We are committed to reducing emissions from this category by promoting low-carbon travel options, investing in virtual collaboration tools, and encouraging a culture that balances sustainability with client service.

Engage with suppliers and customers

- We are strengthening our efforts to reduce Scope 3 emissions by working closely with suppliers and clients. ESG due diligence remains a key part of our supplier onboarding, ensuring alignment with our sustainability standards.
- We are also beginning to engage key suppliers on their emissions data and encourage improvements in their environmental performance. With clients, we continue to promote sustainable practices through our services, recognising our role in supporting broader value chain decarbonisation.

Plan for Tier 2 disclosure of emissions from clients, suppliers' suppliers and engagements

- In line with the EU's CSRD Omnibus directive and related regulations such as the CSDDD, our Firm is developing a robust framework to evaluate and disclose emissions linked to our clients, suppliers' suppliers and engagements. This approach ensures alignment with forthcoming ISSB standards (S1 and S2) and supports seamless integration with EU sustainability reporting requirements.
- By preparing for Tier 2 disclosures, we aim to increase transparency, manage our extended value chain impacts, and comply proactively with evolving regulatory obligations.

The social framework

- In 2025, MHA is strengthening its commitment to the 'S' in ESG by defining clear, practical categories that underpin our societal licence to operate. We focus on building and maintaining trust through transparent, ethical, and inclusive relationships - both internally with our people and externally with clients and communities. Our goal is to deliver long-term, measurable positive social impact alongside responsible financial performance, ensuring our Firm contributes meaningfully to society while upholding the highest standards of integrity.

Training and development

- To deliver a comprehensive training programme on regulatory alignment and embedding the sustainability ESG Cultural Shift within MHA.

05

**What we
offer our clients**

MHA's ESG service suite

Belief in 'Activating' sustainability in our clients across all of our sectors and geography.

We have invested in the development of our services to meet business requirements in assurance, audit & advisory. We have developed a specific bespoke ESG assessment tool aligned to major global sustainability frameworks and protocols, including the UN Sustainable Development Goals, the European reporting frameworks (VSME & CSRD) and the Global reporting initiative (GRI). We used the system, named Activate, to assess our clients' sustainability status, providing enabling ground-up evaluation of impact, risk & future opportunities.

We deliver extensive audit and assurance services across multiple jurisdictions, under frameworks including Task Force on Climate-related Financial Disclosures listing rules and the Climate Finance disclosures regulations in the UK. More broadly we provide extensive assurance and audit related services in Europe under the Corporate Sustainability Reporting Directive (CSRD) & related Environmental Reporting Sustainability Standards (ESRS). Our impact and focus upon compliance is fundamental to the way in which we operate and deliver our work.

Our work has indirectly provided clients, and organisations that form part of the value chain, with opportunities to have validated and established metrics for building highly focused ESG and sustainability programmes that enable them to pragmatically and intuitively meet their sustainability aspirations and obligations, including reporting. We believe our work provides some of the largest companies in the world with the ability to see sustainability through an independent lens.





Assurance and compliance services to support business regulatory compliance

- Climate reporting and disclosures under the Companies Act (CFD) and Task Force for Climate-related Financial Disclosure (TCFD) recommendations
- External audit of climate risk in the financial statements and sustainability disclosures
- ESG internal audit services
- CSRD / ESRS and ISSB assurance and compliance
- ISAE (UK) 3000 / ISSA 5000 independent assurance over sustainability information bespoke alignment to Fit for 55 European regulations and associated compliance – EU Green Taxonomy, Corporate Sustainability Reporting Directive (CSRD), Corporate Sustainability Due Diligence Directive (CSDDD) & Emerging ISSB S1 S2 compliance requirements.

Advisory services

- MHA Dynamic ESG - a holistic ESG framework for beginners to seasoned practitioners:
- ESG and Net-Zero framework: Create, Evaluate, Implement
- Greenhouse gas emissions reporting; supporting data collation with the journey to Net-Zero and associated reporting needs
- Streamlined Energy and Carbon Reporting (SECR) advice and training
- Advice on the UK Energy Trading Scheme, Energy Savings and Opportunities Scheme (ESOS), Carbon Code, sustainability frameworks such as GRI
- Specific scheme support: climate change agreements, UKTI grants
- Green finance and financial opportunities for capital investment
- Specialist ESG taxation advice and guidance
- Bespoke marketing and communications frameworks
- Risk management (climate and ESG risks)

Activate & post-Activate

Activate

- • Activate is a proprietary MHA tool used to establish the EESG (Economic, Environmental, Social & Governance) status of an organisation
- For organisations with an ESG plan it enables them to validate the plan and re-energise it
- For organisations just starting their ESG journey it provides a platform for an ESG plan
- Activate provides both a status assessment and practical steps to take to improve ESG performance

Post-Activate

- • MHA uses the outputs from Activate, together with additional interrogation and experience, to either:
 - Create a Dynamic ESG plan (for organisations lacking an ESG plan)
 - Re-evaluate existing ESG plans to improve both efficiency and effect, creating an upweighted Dynamic ESG plan

The term 'Dynamic' is used to denote the fact that MHA ESG plans embrace practical and pragmatic actions delivered in a SMART form (Specific, Measurable, Achievable, Relevant, Time-bound)

- A Dynamic ESG Plan (DESGP) informed by Activate metrics provides a holistic approach to business sustainability and an acknowledgement that business profitability should not be compromised. We term this approach 'Purpose with Profit'

Activate is an ESG assessment programme designed to help businesses identify, plan, and take action in a clear and deliverable way; perfect for those starting their ESG journey or looking to refresh and re-energise their approach.

Exclusive to MHA, Activate cuts through complexity, leading businesses through a structured assessment to provide a concise summary of their ESG status. As a certified software & programme partner of GRI and compliant with SDGs, CSRD, VSME & EU Taxonomy, it highlights strengths, pinpoints gaps and delivers tailored, actionable recommendations, helping our clients turn ESG ambitions into reality.



The detail behind Activate

Our ESG planning process typically begins with deployment of our proprietary Activate programme. This digital program enables us to assess your ESG progress to date, together with a gap analysis that will feed into our ESG planning on your behalf.

Activate will also identify easily-achieved mitigation steps which will form a part of our ESG plan for the organisation.

Following deployment of Activate, and assessment of results, together with subsidiary interrogation, we will develop a comprehensive ESG plan, or feed into your existing ESG planning.

Our aim will be to ensure your ESG programme is not only comprehensive but also:

- Bought into at every level including supply-chain and stakeholders
- Of practical value when reporting to customers/clients
- Properly cascaded and supported
- Monitored and regularly tuned to account for changes in legislation and associated business practices

The following is a graphic rendition of the first-stage pathway:



An aerial photograph of a long, straight bridge spanning a wide river. A small blue car is driving on the bridge. In the river, there is a small boat. The riverbanks are covered in green vegetation. The water is a light blue color.

06

For tomorrow

In focus: sustainability regulations at global level

United Kingdom

Sustainability Disclosure Requirements (SDR) and investment labels Green Claims Code, SS 3/19, ISSB S1 S2

Republic of Ireland

National Climate action and Low Carbon Development plan was amended in 2021 binding their net-zero 2050 target.

USA

- 2022: SEC Proposes Rules to enhance and Standardise
- Climate-Related Disclosures for Investors based on TCFD framework. FED announces intentions to run a climate scenario analysis pilot in 2023

Latin America

There are currently no universal standards across the continent leading to an array of levels of advancements. In Brazil, the São Paulo stock exchange published ESG rules for listed companies in 2023, Colombia was the first country in South America to establish a legal green taxonomy, and Chile's Financial Market Commission introduced a rule in 2025 that listed companies must complete a comprehensive sustainability questionnaire.

Switzerland [NON-EU]

Turkey [NON-EU]

Ukraine

Europe and SEE

- Sustainable Finance Disclosure Regulation (SFDR)
- Corporate Sustainability Reporting Directive (CSRD) to replace Non-Financial Reporting Directive (NFRD)
- EU Taxonomy for sustainable activities (EU Taxonomy)
- Corporate Sustainability Due Diligence Directive (CSDDD)
- Fit for 55
- European Green Bond Regulation

Middle East

Egypt

The Nationally Determined Contribution was updated in 2023 enhancing energy usage and emissions reduction targets and increased monitoring and reporting overseen by the NCCC

India

The Securities and Exchange Board of India has been expanding regulations since 2012 both voluntary and mandatory

China

2021: Passed a law that requires local financial institutions to disclose information related to their environmental impact

South East Asia

Set out by the Monetary Authority of Singapore, the CFC Circular sets out their expectations for retail ESG funds in relation to requirements under the Code on Collective Investment Schemes and the Securities and Futures (Offers of Investments) (Collective Investment Schemes). It became effective 1 January 2023 and requires that ESG funds disclose ESG objectives, metrics, criteria and claims made. Malaysia adopts ISSB-aligned sustainability reporting standards and expands mandatory ESG disclosures for listed companies

Australia

The ASRS came into effect on 1 January 2025. These standards require large listed and private companies and financial institutions to assess and disclose information regarding climate-related risks and opportunities in their sustainability reports. AASB S2 refers to mandatory climate reporting, integrating IFRS S1 and S2, requiring an entity to disclose short-, medium-, and long-term climate risks and opportunities.

Effecting Change – going beyond regulation for increased impact

MHA is going beyond expectations to meet its ambitions

Sustainable Foods International Conference & Exhibition. Headline sponsor and major contributor

A pivotal platform for multinational food businesses, agribusinesses, government leaders, investors and others focused on accelerating the shift to sustainable food systems

IoT Sparks 2024 Conference

Where innovation meets opportunity, bringing together industry leaders, innovators and decision-makers, with insights on real-world IoT (Internet of Things)

UN Global Compact UK Pioneer Award. Top 5 - 2025 uses and best practices

The UN Global Compact Pioneer Award recognises individuals and companies that are making significant contributions to the Sustainable Development Goals through the Ten Principles of the UN Global Compact

ICAEW Annual Conference

A seminal gathering with a focus on AI, leadership and sustainability, engaging forward-thinking experts to shape the future of accounting

‘Lunch & Learn’ Programme

A fully interactive programme that tackles real world sustainability, climate and nature issues to deliver practical actions and solutions for the business and for individuals

North-East Roadshows

A programme of office outreach that covers critical aspects of client service in the areas of ESG and sustainability

Extensive Webinar Series

With both an external and internal focus, the webinar series discusses real-world actions and issues, providing pragmatic solutions and particularly engaging a younger business audience

Hydrogen for Life

This critical initiative showcases UK government plans, focusing on key areas including hydrogen production, infrastructure and usage

An extensive programme of additional actions including:

- Internal training
- Intranet
- Regular bulletins and newsletters
- Published thought leadership
- ESG sectional guides
- Internal sustainability drives

Effecting change through - thought leadership

At MHA we aim to share our own thoughts and perspectives on current events and topics which not only affect our work, but the planet as a whole. From manufacturing to hospitality, climate change to legislation, our thought leadership articles offer up our take on a wide range of topics

scope • ICT • produce • fashion
technology • CBAM • shipping
trade • energy • tariffs • retail
manufacturing • farming • SECR
sciences • budgets • advisory
thought leadership • aviation
climate change • legislation
pollution • tax • food • ESOS • EU
beauty • transport • emissions
circulareconomy • net-zero • AI
mining • cosmetics • pensions
agribusiness • microplastics
assurance • offsetting • waste
government • hospitality

Putting People First: highlights from across MHA (2024–2025)

At MHA, being a People First firm is more than a guiding principle, it is a commitment that we live every day. Our people are the beating heart of everything we do, and their work continues to make a meaningful difference both within our organisation and our wider communities.

The following highlights from 2024/2025 showcase the breadth of activity across MHA, reflecting our values in action, from award recognition and thought leadership to sustainability and inclusion, and ultimately demonstrating the social element of our ESG strategy.

1 Recognition and awards

Throughout the year, across our offices and regions, our teams have been recognised for their excellence, innovation and impact:

- Shortlisted for multiple industry awards, including the International Accounting Bulletin Awards, Service Excellence Awards, and Accounting Excellence Awards.
- Celebrated for our commitment to ESG, with a nomination for the Accounting WEB Pride Award.
- Recognised in regional dealmaking awards, with involvement in a winning Private Equity/Venture Capital Deal of the Year.
- Honoured with the Lancashire Skills Pledge Award for our support of apprenticeships and skills development.
- Actively supported business excellence by sponsoring awards such as the BIG Business of the Year and Multinational/Large Business of the Year categories.



2 Events and engagement

MHA has hosted and contributed to a wide range of events that bring people together to share ideas, explore challenges, and drive progress:

- Roundtable discussions on topics such as Tech Innovation, AI in Tax, and Professional Practices, featuring expert panels and industry leaders.
- Networking events focused on the future of finance, leadership, and strategic decision-making.
- Participation in national conferences, including the International Sustainable Foods Conference, where we hosted a panel on Navigating Financial Complexity, ESG Law & AI.

These events have helped foster collaboration, spark innovation, and strengthen our connections with the wider business community.

3 Sustainability and social impact

Our ESG efforts continue to grow, with initiatives that reflect our commitment to sustainability and social responsibility:

- Appointed 34 Net-Zero Heroes across the UK to lead local carbon reduction strategies.
- Planted a tree for every new team member through our Virtual Forest initiative, in partnership with Ecologi.
- As you will read on page 27 our seven DIBS employee networks strive to reflect the diversity of our people and ensure that they act as a voice to promote greater awareness and understanding of each of their causes.

- Supported global awareness days including International Women's Day, Pride Month, Cultural Diversity Day, and International Accounting Day, celebrating the diversity and dedication of our people.
- To encourage participation in our quarterly Peakon employee engagement surveys, the Firm is committed to making a charitable donation for each completed response. In the 2024-2025 financial year, this initiative resulted in a total contribution of £96,000 to charitable causes.
- MHA continues to work in partnership with the ICAEW's Rise initiative to deliver financial skills workshops to secondary school students in areas of low social mobility across the UK. Through this partnership and having enhanced our employee volunteering programme to one full day per colleague, in 2024-2025, our partnership with ICAEW supported the delivery of 12 financial education workshops across UK schools and colleges, benefiting 693 young people.
- 2024 saw the 33rd consecutive year that MHA has supported the Lancashire based Palace Shield cricket tournament—a competition that the firm has sponsored since 1992 and has remained a permanent feature of ever since. Meanwhile, our Leicester office is the club sponsor for the Desford Ladies FC women's football club.
- Each year, we run an annual charity golf day at Formby Hall golf resort, where MHA representatives and North West based intermediaries come together to play 18-holes of golf. In September 2024, the event raised £3,000 for the MHA 1892 foundation.

- Each Christmas our Net-Zero Heroes help to coordinate participation in Save the Children's annual Christmas Jumper Day fundraiser and in addition each office also raises funds and gifts for local charities.


4 UN Global Compact Network UK – membership application update

Key highlights from the feedback included:

- A long-standing commitment to ESG and strong advocacy for the UN Sustainable Development Goals (UNSDGs), particularly UNSDG4 (Quality Education), with a holistic understanding of cross-UNSDG impacts.
- We demonstrated influence both internally and externally, notably in encouraging clients and partners to adopt robust sustainability reporting practices.
- Active engagement with the Climate Ambition Accelerator was evident and demonstrated clear intent to deepen involvement with the Network.
- Overall, our submission was recognised as high scoring, with impressive achievements and a clear vision for future impact aligned with the Ten Principles and the UNSDGs.

We remain committed to advancing sustainable development and look forward to building on this momentum as we continue to engage with the UN Global Compact Network UK and beyond. These highlights reflect the spirit of MHA—where people come first, and positive impact is part of our everyday work. As we continue our ESG journey, we remain focused on recognising our teams, supporting our communities, and building a sustainable future together.

Effecting change through sector engagement



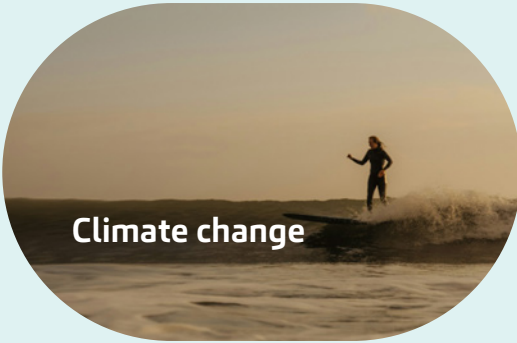
Advisory and
assurance




Agriculture



Ai & technology




Climate change



Education



Hospitality



Finance



Legislation &
SME reporting




Manufacturing



Medical and
life sciences



Mining



Retail



Waste and
pollution



Transport

Effecting change in investment

MHA Milton Keynes project highlights

In December 2024, MHA's Milton Keynes office moved premises to create space for a growing team, including colleagues transferring from the Northampton office.

With the help of our office re-fit partner, excess furniture was refitted in other MHA offices, including Swansea, Cardiff and Maidstone and other materials no longer needed were used on other projects outside of MHA. Early engagement with the landlord also ensured a collaborative approach to the move, saving unnecessary delays and material use.

Careful supplier choices were made for anything new, for example office furniture. Selection criteria included net-zero goals, renewable energy use and transparent and ethical supply chains.

Alongside the environmental concerns, staff experience and wellbeing were all carefully encompassed into the design. The work completed will help to provide a blueprint for the redevelopment of other offices as the Firm continues to grow.

The Pinnacle MK is a highly accredited building and was the first office complex in Milton Keynes to reach a BREEAM "Excellent" rating.



'Excellent' BREEAM rating



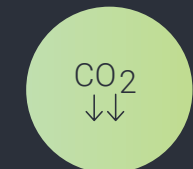
Rated on completion



Score on completion



Outdoor biophilic urban courtyard



Low carbon heating/electricity via the CHP



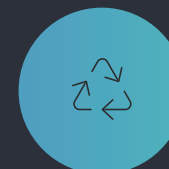
140 secure bicycle spaces & 9 Brompton lockers



Bike service area



Thermally efficient glazing



61% of the building waste recovered via waste to energy - remaining 39% is recycled



EV charging points (3rd party operated)



EPC: B (47 - achieved)

Effecting change through media, partners and regulatory relationships

Progress in 2024/2025

- Public comment letters issued to ISSB, UK Endorsement Board, IAASB
- Keynote speech on AI and ESG at ICAEW annual conference
- Keynote speech at the ICAEW Rural & Farming Conference
- Sector guides drafted for banking, construction, AFF, automotive
- Numerous articles on ESG and sector influence: Plastic Packaging; ESG in cosmetics; methane and nitrous oxide in farming & food security
- Bloomberg article, KMTV appearance, Financial Times (Sustainable Views) interview
- Participation in confidential regulatory consultation regarding EU green taxonomy (Department for Business and Trade); ISSA 5000; ACCA research into financial due diligence
- Over 70 thought leadership articles



ESG Media Coverage

FINANCIAL TIMES

Raconteur

The Grocer

INTERNATIONAL ACCOUNTING BULLETIN

Bloomberg

ICAEW CHARTERED ACCOUNTANTS

FARMERS WEEKLY

insider.co.uk

platinum

CONTENTIVE

FRUITNET

The Detroit News

Navigating our impact path forward

MHA continues to define its pathway to 2040 and identify its mid points on its journey. 2024/2025 was a positioning year for the Firm building upon its first sustainability report in 2023/2024. We outline our impact path for the future.

Our journey is constantly evolving and we are responsive to the needs of our organisation and the clients that we serve.

-
- Continuing our work to align with Science Based Targets initiative (SBTI) by 2027
 - Our alignment to the Carbon Disclosure Project (CDP) by 2027
 - Ensuring our full statutory reporting compliance and beyond following the firms listing on the AIM in May 2025, utilising our own internal assessment of our journey.
 - Our continued leadership in supporting regulators across the world on consultation responses and the wider interoperability of global reporting standard alignment.
 - Investing in our class leading services to clients from audit, assurance & advisory services with outstanding staff, technical precision and the embedding of our belief to leverage value with quality.
 - Our integration of our societal licence within the MHA organisation, building on the work implemented to date
 - The continued investment in our data systems (& associated KPIs, Metrics & Targets) to enhance and report scope 3 emissions including supply chain stream reporting, and the development of a 'sustainable audit data report'.
 - Expansion of our relationship and associated partnership with the UN Global Compact UK and our other growing jurisdictions.
 - National expansion of the principles of our charitable trust, 1892 across all offices in the MHA Family.

07

Glossary



ESG Glossary

AIM: (Alternative Investment Market): – a sub-market of the London Stock Exchange (LSE).

BITC (Business in the Community): a UK-based business-led membership organisation promoting responsible business practices and corporate responsibility initiatives, especially in sustainability, diversity, and social impact.

BTI Baker Tilly International: the global network of member firm accountants and auditors, for which MHA is the UK Member firm.

CDP (Carbon Disclosure Project): an international non-profit running a global disclosure system for investors, companies, cities, and regions to manage their environmental impacts on climate, water, and forests.

CO2e (carbon dioxide equivalent): – energy usage recalculated as being equivalent to carbon dioxide emissions.

CSRD: (Corporate Sustainability Reporting Directive) currently adopted European reporting regulations for companies of a specific size, which is being reformed under the Omnibus proposals by the European Commission.

DIBS (Diversity, Inclusion, Belonging, Sustainability): an acronym highlighting core areas of responsible business practice: fostering diversity, building inclusive workplaces, encouraging belonging, and embedding sustainability into operations.

Disclosure: the act of reporting ESG (Environmental, Social and Governance)-related information (such as climate risks, diversity metrics, or governance policies) to stakeholders in a transparent and structured manner, often through sustainability reports, annual reports, or regulatory filings.

Every: a sustainability platform that helps companies measure, report, and improve their ESG (Environmental, Social and Governance) performance, often through benchmarking and tailored improvement tools.

EFRAG (European Financial Reporting Accounting Group): the body used by the European Commission to draft key financial regulations and policies.

ESG: (Environmental, Social, and Governance): – a holistic approach to managing a sustainable business.

ESOS (– Energy Savings Opportunity Scheme): – a mandatory scheme for large organisations in the UK to audit their energy use and identify cost-effective savings.

ESRS (European Sustainability Reporting Standards): the standards within the CSRD for the reporting of climate risk for those companies in scope.

FCA (Financial Conduct Authority): the United Kingdom principal financial regulatory body responsible for overseeing the conduct of over 50,000 financial services firms. FCA operates independently of the UK Government and is funded by fees charged to the financial services industry.

FRC (Financial Reporting Council): the Financial Reporting Council is an independent regulator in the UK and Ireland responsible for regulating auditors, accountants and actuaries.

GHG (Greenhouse Gas): gases in the atmosphere (such as CO₂, CH₄, N₂O) that trap heat and contribute to global warming and climate change.

GRI (Global Reporting Initiative): a leading international organisation providing sustainability reporting standards used by companies to disclose ESG impacts in a structured and comparable way.

ISSB (International Sustainability Standards Board): the global reporting framework being adopted by a large number of countries across the world, in phases.

ITTC (International Timber Trade Compliance): frameworks around timber trade compliance and sustainable forestry certification.

PRA (Prudential Regulatory Authority): the Prudential Regulatory Authority is responsible for the prudential regulation and supervision of banks, building societies, credit unions, insurers and major investment firms.

S1 S2 (Standard 1, Standard 2): the reporting framework underpinning the ISSB Sustainability Standards for reporting.

SBTi (Science Based Targets initiative): a global initiative enabling companies to set greenhouse gas reduction targets in line with climate science to meet the goals of the Paris Agreement.

SECR (Streamlined Energy and Carbon Reporting): a UK regulation requiring large companies to report annually on their energy use, greenhouse gas emissions, and related efficiency measures in their directors' report.

SFDR (Sustainable Financial Disclosure Regulation): reporting regulation for EU financial institutions, including banks, funds & insurance companies. Part of the Omnibus proposals for simplification by the European Commission.

SME: (Small & Medium- sized Enterprises): – businesses with less than 250 employees and an annual turnover of less than €50 million or a balance sheet total less than €43 million.

TCFD (Task Force on Climate-related Financial Disclosures): a framework established by the Financial Stability Board (FSB) to help organisations disclose climate-related financial risks and opportunities in their reporting.

UN Global Compact: a United Nations initiative encouraging businesses worldwide to adopt sustainable and socially responsible policies, based on ten universal principles in human rights, labour, environment, and anti-corruption.

MHA is the trading name of both (i) MHA Audit Services LLP, a limited liability partnership registered in England and Wales with company number OC455542 and (ii) MHA Advisory Ltd, a company registered in England and Wales with company number 16233746. A list of partners' names is open for inspection at MHA's registered office at The Pinnacle, 150 Midsummer Boulevard, Milton Keynes, MK9 1LZ. MHA is an independent member of Baker Tilly International Limited, the members of which are separate and independent legal entities. Arrandco Investments Limited is the registered owner of the UK trade mark for the name Baker Tilly. The associated logo is used under licence from Baker Tilly International Limited. Further information can be found via our website www.mha.co.uk/terms-and-conditions.



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Now, for tomorrow

