

ARUP



Arup Annual and ESG Report for FY 2023/24

Creating Sustainable Futures

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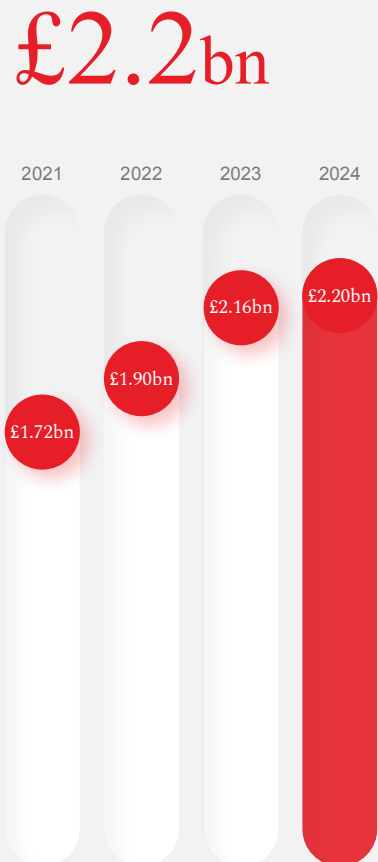
Cover image: A still from BBC Storyworks' film about Hunter's Point South, New York. Watch the film [here](#).

Our year in numbers



Revenue

During FY 2023/24 our business grew modestly, with our revenue increasing by 2 per cent.



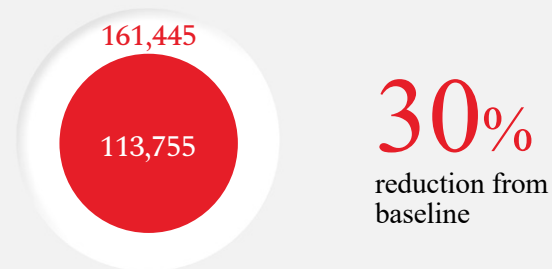
Our GHG emissions

Scope 1: Direct emissions from sources we own or control, including heating and powering of premises and equipment.

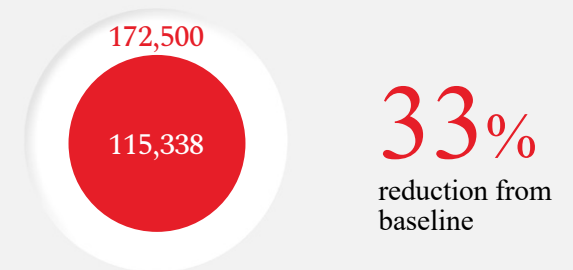
Scope 2: Indirect emissions from consumption of purchased electricity, heat or steam.



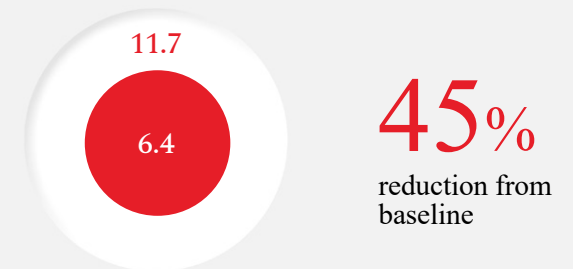
Scope 3: Other indirect emissions, including purchased goods and services, waste, travel and home working.



Total emissions: All emissions including Scope 1, 2 (market-based) and 3.



GHG emissions intensity: Our emissions intensity per member has decreased by 45 per cent from our baseline year.



tonnes of carbon dioxide equivalent (tCO₂e) ● FY 2023/24 ○ FY 2018/19



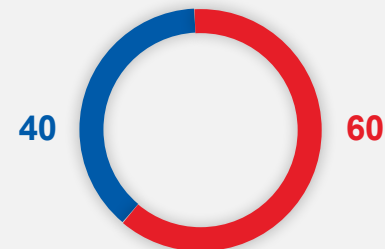
Our people

At the end of FY 2023/24 our global membership totalled almost 18,000.

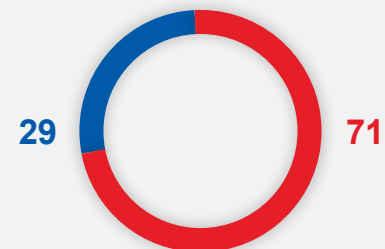
17,996

Gender

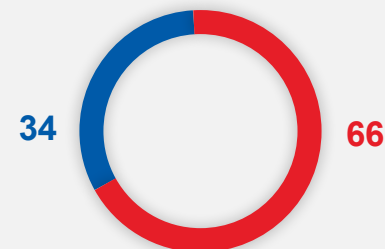
We continue to make progress against our goals and commitments.



Full membership



Leadership grades



Membership of region boards

% Women % Men

Our community engagement

Through our community engagement programme, we worked collaboratively during FY 2023/24 with charitable organisations to support some of the most disadvantaged and vulnerable communities and places across the globe.

187

Major pro bono community engagement projects

130+

Community engagement partners

£5mn

Arup investment in community engagement

47,000+

Hours of pro bono community engagement activities

£1mn+

Donations to charities and NGOs working with vulnerable communities, including those affected by global humanitarian events

Our ESG metrics at a glance



	Data point	Unit	FY 2022/23	FY 2023/24
1. Introduction	CDP score	Score	C	Awaiting result
	EcoVadis	Percentile	n/a	92nd
	EcoVadis	Score	n/a	Silver
	Member of UN Global Compact	–	Yes	Yes
	Group turnover	£mn	2,163	2,202
	Countries in which we deliver projects	Number	145	148
2. Environment	GHG emissions			
	Total Scope 1	tCO ₂ e	1,216	970
	Total Scope 2 (location-based)	tCO ₂ e	7,317	7,264
	Total Scope 2 (market-based)	tCO ₂ e	654	613
	Total Scope 3	tCO ₂ e	118,087	113,755
	Total emissions	tCO ₂ e	119,957	115,338
	GHG emissions intensity	tCO ₂ e/ headcount	6.6	6.4
	Energy			
	Total electricity consumption	MWh	17,966	17,499
	Percentage of electricity use from renewable sources ^[1]	%	100	100

	Data point	Unit	FY 2022/23	FY 2023/24
3. Social	Diversity			
	Gender diversity - female/male (all grades)	%	39/61	40/60
	Percentage of women on the Arup Group Board	%	46	46
	Percentage of women in leadership (grades 7-9 of 9)	%	28	29
	Organisational information			
	Employee voluntary turnover rate	%	9.9	10.3
	Early career recruits	Number	1,016	1,014
	Staff on long-/short term international assignment	%	2.7	2.5
	Hours delivered by Arup staff as part of community engagement projects	Number	53,183	47,057
	Annual investment in community engagement	£mn	5.16	4.97
4. Governance	Health, safety and wellbeing			
	Total number of recordable injuries	Number	31	32
	Total number of lost workday cases	Number	17	6
	Total recordable incident rate (TRIR) ^[2]	Number	0.19	0.19
	Lost time incident rate (LTIR) ^[3]	Number	0.10	0.04
	Fatal incidents	Number	0	0
	Employees			
	Employees (members)	Number	18,067	17,996
	Ethics			
	Incidents of corruption	Number	0	0
Staff trained on ethics – acting in line with our values	%	88	93	

^[1] Covered by a renewable electricity tariff or EAC purchase where Arup does not manage the supply

^[2] TRIR: (Total number of work-related (Fatalities, Lost Workday Cases, Restricted Workday Cases and Medical Treatment Cases) ÷ Total Number of Exposure Hours) x 200,000

^[3] LTIR: (Total number of work-related Lost Workday Cases ÷ Total Number of Exposure Hours) x 200,000



Jerome Frost
Chair



In my early career as an urban planner I was privileged to join Arup and become a member of teams delivering major projects and setting new standards for sustainable urban development. Today, I'm honoured to lead Arup's 18,000-strong global membership as Arup Group Chair, as we partner with clients to shape a better world.

My term as chair began in April 2024 when I succeeded Dr Alan Belfield, whose sound stewardship guided us over a five-year period when the world faced a series of remarkable challenges, including a global pandemic.

The rapidly changing nature of our world means our clients recognise they face new and profound challenges. I have no doubt that Arup's enduring strengths, founded on robust values and outstanding people, mean we are well positioned to partner with our clients, as they navigate change and identify emerging opportunities.

Global climate change, supply chains under pressure and the accelerating evolution of game-changing technologies demand clear-sighted and agile responses. The depth of Arup's talent pool and our long-standing culture of confronting – and successfully resolving – the most complex challenges facing our clients are the reasons I believe we have a sound foundation for continued success.



Our financial and commercial performance

During the financial year ending 31 March 2024, Arup Group delivered a reasonable performance in the face of increasingly complex market conditions. Our business grew, profitability remained broadly stable and our overall pipeline of future work at financial year-end was solid. In FY 2023/24, our global revenue grew by 2 per cent to reach a record of £2.2bn. We achieved an operating profit of 3.9 per cent before applying our profit share scheme, which benefits all our members worldwide.

Like many businesses worldwide, our operations are subject to regular attacks from criminals. Despite our substantial investment in cyber and other defence measures, in January 2024 one of these attempts was successful, with criminals using fake voice, signatures and images to execute a fraud.

Our project delivery to clients continued uninterrupted throughout and the attack did not impact our networks or financial stability. This attack has prompted a thorough review of our governance and processes, and we plan to share what we have learned about the new threat environment with our clients and wider audiences.

At the same time, addressing our own emissions is an essential element of our response to global climate change. Our net zero plan includes an ambition to reduce our total emissions – Scope 1, 2 and 3 – by 30 per cent by 2025. At the end of FY 2023/24, we recorded a 33 per cent reduction in total emissions compared to our baseline year, while on an emissions-per-member basis, the decrease is even more marked, at 45 per cent. This represents a good start, but we know we have more to do to meet the full scale of our net zero commitment.

“We play an increasingly vital role in enabling our clients to adopt the most efficient and cost-effective ways to reduce their greenhouse gas emissions.”

Behind these headline figures, we navigated a business environment often characterised by geopolitical instability, economic headwinds and slowdowns in government investment.

These issues impacted our performance in some markets; however our total workload continued to grow, with our teams in the Americas and South East Asia delivering notably strong performances. Equally, we grew well in priority sectors, including energy, water, technology, building retrofit and transport.

Driving down our emissions

As planners, designers, engineers and consultants working across the built environment, we play an increasingly vital role in enabling our clients to adopt the most efficient and cost-effective ways to reduce their greenhouse gas emissions.

Alongside emission mitigation, we work with clients across all geographies to advance the design of more resilient infrastructure, particularly critical assets and networks on which we all rely. Recent extreme weather events underline the importance of embedding resilience to climate impacts, and our capability to deliver market-leading resilience planning and design services will continue to be a priority.

£2.2bn
revenue



Our expertise in action

Each year, Arup works on client projects across well over a hundred countries. In this report, we showcase a selection of projects that were completed or achieved significant milestones during FY 2023/24.

External recognition is always welcome, and I am heartened by the many public accolades that our people and projects receive. Awards are a testament to both the skills of our members and the trust our clients place in us to achieve new standards of technical excellence.

Last year, we were named Britain's Most Admired Company within the UK business support services sector for the second consecutive year, and we were ranked number one for effective environmental, social and governance (ESG) across all sectors. This peer-based accolade recognises Arup as a purpose-driven company with a commitment to embedding ESG within our decision-making.

Many of our clients choose us time and again, demonstrating confidence in our skills and our commitment to serving them well. In FY 2023/24, we were pleased that the Environment Agency (EA) in England renewed Arup's place on its Collaborative Delivery Framework for another four years. It is via this framework contract that the EA procures the services of flood and coastal erosion experts to deliver its multibillion-pound capital investment programme.

In the US, our work for California's High-Speed Rail Authority expanded during FY 2023/24 to include work, in partnership with Foster + Partners, to deliver planning, architecture and engineering services for four stations that will serve as models for others that will be built along the 500-mile route.

Digital tools driven by machine learning are increasingly central to our work. In the past year we have advanced the application of our land use analysis solution, Terrain, often using it to offer our clients a more detailed understanding of urban overheating risks. This has allowed us to work with clients such as the City Council of Madrid on targeted interventions that will reduce urban heat island effects and increase protection to vulnerable communities.

“Many of our clients choose us time and again, demonstrating confidence in our skills and our commitment to serving them well.”

In Hong Kong, our digital capabilities were deployed to introduce HKeToll, a multi-lane, free-flow tolling system. Working for the Transport Department of the Hong Kong Special Administrative Region, our team drew on local and international expertise to design a solution that sets new standards for user experience.

As FY 2023/24 drew to a close, we were pleased to learn that National Grid Electricity Transmission had chosen an Arup Aecom joint venture (JV) as one of its Great Grid Partnership consulting partners. Through this JV we are contributing to a fundamental expansion of the UK electricity network, designed to accelerate decarbonisation of the national economy.

148

number of countries we delivered projects in during FY 2023/24

At the same time, our masterplanners in the UK and Australia are designing the transformation of end-of-life coal-fired power station sites, planning their futures as productive places at the heart of future economic growth. In New South Wales, we are working with Greenspot to transform the Wallerawang Power Station into a clean energy hub.



Supporting communities worldwide

Our global community engagement programme is a direct expression of our aims to be both a humane and a socially useful business. We have made the strategic decision to prioritise support to the most disadvantaged and vulnerable communities and places across the globe, through pro bono technical assistance and a limited number of cash donations.

“Our global community engagement programme is a direct expression of our aims to be both a humane and a socially useful business.”

Our members' participation, through the pro bono provision of a wide range of technical skills, is central to our approach. By enabling our members to share – and whenever possible, to transfer – their skills, our community engagement projects have lasting impact.

A good example of pro bono technical assistance delivered by our experts during FY 2023/24 involved the provision of audiovisual design services to The Black Library, a community space in New York State that educates and celebrates black history and culture.

During the year ending 31 March 2024, we also supported the delivery of essential medical services to communities in many locations affected by conflict, natural disasters and epidemics. We achieved this in part through our longstanding partnership with Médecins Sans Frontières. We made donations totalling more than £1mn to charities and NGOs working with vulnerable communities affected by global humanitarian events, including supporting communities affected by the events in Israel and the occupied Palestinian territories.

In the UK, we are working with Homewards, an initiative determined to ensure that people's experience of homelessness is “rare, brief and unrepeatable”. Launched by Prince William and the Royal Foundation, it draws together leading UK homelessness charities with frontline experience. Arup is proud to be one of Homewards' ‘activator’ partners.

Renewing our governance

Since 1979 Arup has been owned by trusts, the directors of our trustee companies being collectively referred to as the Arup Trustees. In September 2023, the Board and the Trustees agreed to work together to review and evolve our governance arrangements with the intent of clarifying leadership roles and the separation of responsibilities, enabling independent oversight and effective execution.

I've always been proud to be a member of Arup. Our trust-based ownership model means that every member can make a difference, and every member shares in our success. This encourages a culture of teamwork and a determination to serve our clients well. I witness on a daily basis our members' commitment to our clients and the breakthroughs we achieve with them.

In turn, I want to thank our clients for the trust they place in us and the opportunities they offer us to shape a better world.

Jerome Frost

Jerome Frost
Chair



Rob Boardman
Chief Financial Officer



Like many professional services firms, we have been navigating a challenging economic landscape, with geopolitical tensions, elevated interest rates and curbs on government spending slowing growth in some markets.

Throughout FY 2023/24 we delivered a solid performance and a good level of underlying profitability despite difficult circumstances affecting the firm during the period. Our global revenue grew modestly, by 2 per cent, to reach £2.2bn, and we achieved an operating profit of 3.9 per cent before applying our profit share scheme for members.

Our total workload continued to grow throughout the year, with the Americas and Southeast Asia delivering solid business. Our expert teams in energy, water and technology delivered particularly well.

Considering the current financial year, we expect a steady performance underpinned by a good pipeline of future work. We continue to invest in the parts of the business that align with our strategy and allow us to shape a better world.



A double materiality assessment (DMA) is a framework that helps an organisation evaluate its role and responsibilities within the broader ESG landscape and value chain. It assesses two key dimensions:

1. **Impact materiality (inside-out):** The impact Arup has on society and the environment
2. **Financial materiality (outside-in):** The impact social and environmental-related risks and opportunities have on Arup's business.

In 2024, we carried out a DMA that identified, assessed and, where necessary, quantified Arup's positive and negative impacts along with our ESG-related financial risks and opportunities. This was undertaken in accordance with requirements of the EU Corporate Sustainability Reporting Directive (CSRD) and European Sustainability Reporting Standards. This work has confirmed that our main contribution to ESG impacts is downstream, via the projects we deliver for our clients. The same is true for our financial risks and opportunities.

The DMA confirmed that helping our clients manage their climate risks represents a significant business opportunity. As part of our climate mitigation and adaptation services, we are investing in a Future

Climates Programme to ensure our services and client solutions prioritise adaptation to the impact of rising temperatures and changing weather patterns.

Methodology

During the DMA stakeholder engagement phase, 20 key internal stakeholders were interviewed, spanning Arup's services and regions. In addition, more than 400 Arup members were surveyed to capture their perspectives on where Arup creates, or is likely to create, the most positive or negative external impacts. An analysis was also undertaken of ESG matters considered material by Arup's key clients as part of their materiality assessments. This was augmented by interviews with clients operating in our key markets.

The materiality threshold was aligned with our accounting definition. Through this process, we mapped our value chain, including upstream operations and downstream activities and considerations for Arup. Upstream operations included key services and goods for our business use and services for client delivery, such as subcontractors and digital tools. Downstream activities and considerations included project delivery activities directly or indirectly associated with Arup's participation in projects, use of built infrastructure and end-of-life considerations.

We will review our DMA annually to assess whether changes in our business or global markets affect the results.

Business integration

The conclusions of the DMA are being integrated into how we manage ESG-related risks and have been incorporated into our group risk management framework, overseen by our Risk Committee. Findings related to identified opportunities are being incorporated into our new corporate strategy and business planning. The EU CSRD regulatory requirements will be incorporated into our Audit Committee's terms of reference and we will draw on DMA output as we prepare for reporting in other jurisdictions, including the UK and Australia.

We have identified 16 material ESG-related impacts, risks and opportunities.



E1 Climate change

O: Increase in potential revenue due to increased demand for Arup's low-carbon and climate adaptation services

R: Loss of potential revenue due to failure in growing Arup's low-carbon and climate adaptation services

R: Loss of revenue and reputational risk due to failure in achieving publicly committed net zero targets

N: Increased contribution to climate change impacts through work with clients

E2 Pollution

No material impacts, risks and opportunities (IROs) identified for this European Sustainability Reporting Standards (ESRS)

E3 Water and marine resources

No material IROs identified for this ESRS topic

E4 Biodiversity and ecosystems

R: Loss of revenue and market credibility caused by inability to provide services in line with increasing market and regulatory focus on Nature-Related Impact

N: Contribution to nature disruption through work with clients

E5 Resource use and circular economy

O: Increased revenue growth opportunity by expanding market positioning on asset optimisation-related services

P: Increase positive environmental impacts by reducing clients' consumption and promoting resource efficiency through materials transition

G1 Business conduct

O: Increased demand for integrated and embedded services due to evolving policy landscape and market shift

R: Revenue impact and loss of client trust caused by cybersecurity breaches

R: Reduced client spend and capital allocation for sustainability projects

R: Reputational risks due to ineffective global procurement processes

N: Increased potential for cyber security breaches and related social and financial impacts for end users and clients

S1 Own workforce

O: Effective talent management to ensure effective service delivery

P: Increased workplace motivation and satisfaction resulting from 'purpose-driven' work culture

S2 Workers in the value chain

No material IROs identified for this ESRS topic

S3 Affected communities

No material IROs identified for this ESRS topic

S4 Consumers and end-users

R: Increased reputational risks for Arup (by association) due to health and safety implications for end users due to engineering or design faults in client projects

O: Financial opportunity R: Financial risk P: Positive impact N: Negative impact



Environmental

Eight material impacts, risks and opportunities

We recognise that addressing climate change, nature loss and finite resources is fundamental to achieving an equitable, sustainable and resilient future for all. We seek to accelerate the transition to a net zero carbon economy, restore nature and live within planetary boundaries.

Arup's strategy responds to increasing demand for environmental-related services by integrating and embedding our service offerings and discipline experts in projects across industries, asset types and geographies.

We are investing in our low-carbon and climate adaptation offerings, including low-carbon transportation, energy transition, resilience and decarbonisation work. Our nature services help clients to identify their impacts, comply with legislation and reduce harm to the environment. We also continue to pioneer circularity, which is increasingly relevant to clients seeking to reduce their Scope 3 emissions, and to optimise, upgrade and extend the life of existing infrastructure.

Find all our policies, including our [Climate, Nature, and Environment Policy](#) and [Sustainable Development Policy](#), at Arup.com.



Social

Three material impacts, risks and opportunities

The wellbeing and development of our members are crucial to our effectiveness and success. This involves providing healthy and safe working environments and wellbeing support, working as one through knowledge sharing and collaboration, promoting belonging across the firm, and supporting communities worldwide through the provision of pro bono services. As designers for the built environment, Arup is also committed to design safety by designing our projects with technical brilliance and rigour to shape a safer world.

Find our [Equity, Diversion, and Inclusion](#) and [Health, Safety, and Wellbeing Policies](#) at Arup.com.



Governance

Five material impacts, risks and opportunities

Arup benefits from being owned by trusts, and our independence allows us to focus on the long-term needs of our clients, stakeholders and members. Arup has robust governance policies and processes driven by our commitment to ethical conduct and business integrity. A core aim of our firm is "straight and honourable dealings", which we seek to uphold through our behaviour and decisions in all our business dealings.

Arup's global policies are implemented across all our operations. Find our [Ethical Conduct and Quality Policies](#) at Arup.com.



EcoVadis

Arup received a Silver EcoVadis rating, placing us within the top 92nd percentile of disclosers.

Carbon Disclosure Project (CDP)

Arup received a CDP score of C in 2023. Our 2024 submission is under review.

UN Global Compact (UNGC)

Arup was an early adopter of the UNGC in 2010, committing to the initiative and its 10 principles with respect to human rights, labour, environment and anti-corruption, and to take actions that advance societal goals.

Science Based Targets initiative (SBTi)

Our near-term science-based targets are to reduce both our (1) absolute Scope 1 and 2 emissions and (2) absolute Scope 3 emissions by 30% by FY 2024/25 from FY 2018/19 baseline.

Business for Nature

Our work with Business for Nature seeks to drive action to achieve a nature positive economy.

UN Sustainable Development Goals (UN SDGs)

As part of our sustainable development policy, we have made a commitment to contribute meaningfully to the UN SDGs.

Fair Tax accreditation

In June 2024, Arup received accreditation by Fair Tax Mark, achieving the gold standard in responsible tax conduct.

ISOs

Globally, Arup has been awarded ISO 9001 for our quality management system, ISO 14001 for our environmental management system and ISO 45001 for our occupational health and safety management system. This year, Arup in the UK achieved ISO 27001 certification for our information security management systems.

Climate Pledge

Arup became a signatory to the Climate Pledge in March 2024, joining other businesses committed to reaching net zero by 2040, a decade ahead of the Paris Agreement goal.



Diane Thornhill
Global People Director



More than 50 years ago, our founder Ove Arup spoke about the importance of making Arup’s “environment and working conditions as pleasant as possible within the available means”. During the year ending 31 March 2024, we established a global approach to equity, diversity, and inclusion (EDI), one that is applicable to our 18,000 members worldwide and across the 40 countries where we maintain offices.

A focus on EDI is not new for us. Nevertheless, introducing a global strategy represents an important step forward. It will allow us to embed EDI more deeply within our business and to develop greater consistency of outcomes and impact for our people, clients and partners.

During the year ending 31 March 2024, we continued to make progress towards our current global inclusion commitments, and we incorporated an additional commitment to ensure that our physical and digital working environments are truly inclusive spaces – accessible, equitable and welcoming for members, clients and future talent with disabilities.

Our aim is to foster an inclusive culture where everyone has a sense of belonging at Arup. Belonging is the extent to which people feel part of the larger whole – truly valued, respected and understood for their unique identities, backgrounds and contributions.



Our global [EDI policy](#) provides a foundation for this. Included within the policy is prohibition of discrimination on the grounds of age, disability, employment status, religion or belief, marriage or civil partnership, pregnancy and maternity, sex, sexual orientation, and gender identity or expression.

Through our Welcome to Arup Programme we have introduced a series of initiatives to ensure that our approach to onboarding new joiners is also more welcoming and inclusive. The Arup Behaviour Charter sets clear expectations for all of us in relation to inclusive behaviours. The charter enables us to challenge behaviours that fall short of the standards we set for ourselves.

On gender, we continued to achieve hard-won, incremental progress. By 31 March 2024, the proportion of women among our total membership increased to 39.8 per cent from 39.4 per cent. Our stated goal is to reach and maintain a range of 40 per cent to 60 per cent women members. Another area of progress focuses on the proportion of women within our leadership grades. This increased from 27.9 per cent to 29.0 per cent, while the proportion of women on our five regional executive boards was even greater, at 33.9 per cent.

Once again, our employee resource groups, which we refer to as Connect Networks, have worked closely with members of the Arup Group Board and the Arup Trustees, helping to build more awareness and give a better understanding of the lived experience of our broad and diverse membership.

We are keenly aware of the need to promote and protect the wellbeing of our members. Our ambition is to create and maintain an environment and work culture that supports all members' mental, emotional and social needs and to provide support and tools to enable us to achieve a balance in life. During the year ending 31 March 2024, an Arup-wide wellbeing survey was undertaken, followed by focus group discussions with members to guide more improvement of our processes.

39.8%
women members

Recognition remains important in ensuring our members feel motivated and engaged, and one aspect of recognition is how we celebrate our members' service. At the start of the current financial year, we introduced a service milestones programme to show our appreciation to members who choose to grow their careers at Arup. These combine celebratory events, gifts, paid time off and the opportunity for a member to record their career story. Our recognition programme reflects a changing and multigenerational workforce with milestones that span the full duration of our members' service, from one to 50 years.

Societal impact and value

We are guided by our founder Ove Arup's "wish to do socially useful work". We prioritise socially valuable outcomes across our project work and business practices. Our goal is to contribute to a more inclusive, equitable and just society.

Social value in our projects: Social value is becoming a more tangible goal and metric across the markets we work in and is mandated for publicly funded projects in some countries. You can read our [UK Social Value Policy](#) at Arup.com.

Providing opportunity: We employed more than 1,000 early career members in the year ending 31 March 2024, helping people from a wide range of backgrounds to begin and develop their careers. We continue to offer our members opportunities to work in other countries where the company is active, to develop their skills, confidence and experience. In 2023/24, 2.5 per cent of our members were working outside their home country.

Arup University: Arup is a learning organisation, with our members supported to learn, develop and share knowledge. In FY2023/24, we created new learning resources focused on issues including digital, health and safety, nature, net zero and resilience. Arup University operates our global skills networks, which connect our experts across almost 60 disciplines. These networks enable technical excellence, allowing us to offer our clients new insights and innovations and to maintain high-quality project outcomes.



Jo da Silva
Global Sustainable
Development Director



Our experts plan and design the critical infrastructure and urban environments that underpin modern life. We recognise that the work we do for our clients has an impact on our planet – today and for decades to come. Our ambition is to create a better world, which means delivering positive outcomes for our clients and for society, while safeguarding the health of our planet.

The year ending 31 March 2024 was the fourth since we committed to becoming a net zero organisation. At year end, our global carbon footprint was 115,338tCO₂e, a 33 per cent decrease against our baseline year. We have achieved our initial science-based targets to reduce absolute Scope 1,2 and 3 emissions by 30 per cent by 31 March 2025 a year early. In the same period, Arup grew as a business, and our absolute emission reduction equated to 45 per cent per member.

To date, our largest emission reductions have been in our Scope 1 and 2 emissions, which were 86% per cent lower than our baseline year. We achieved this by improving the energy efficiency of our office portfolio, increasing our purchase of green electricity and, in some cases, installing rooftop solar photovoltaics.



The majority of our emissions – 113,755tCO₂e as of 31 March 2024 – are attributed to Scope 3, and these have decreased 29.5 per cent compared to our baseline year. We are on track to reduce our absolute Scope 3 emissions of 30 per cent by FY 2024/25, having reduced them by 29.5 per cent from the FY 2018/19 baseline. Purchased goods and services are the most significant element of our Scope 3 total, representing approximately 62 per cent of our total emissions. Looking ahead, progress in Scope 3 emission reduction is our priority and we are working actively with key suppliers. We have established a global procurement function, which will be responsible for all aspects of supply chain management.

We are committed to achieving science-based emissions reductions for our operations, and our near-term targets are validated by the Science Based Targets initiative (SBTi).

The figures quoted here have been verified for the first time by our third-party assurance providers Lloyd's Register Quality Assurance (LRQA).

Read our complete [ESG Assurance Statement](#) at Arup.com.

“Progress in Scope 3 emission reduction is our priority and we are working actively with key suppliers.”

Tracking our emissions

tCO ₂ e ^[1]	Baseline year	Previous year	Reporting year	Reporting year (vs)	
	FY 2018/19	FY 2022/23	FY 2023/24	Baseline year	Previous year
Scope 1	1,107	1,216	970	12% decrease	20% decrease
Scope 2 ^[2] (market-based)	9,948	654	613	94% decrease	6% decrease
Scope 3	161,445	118,087	113,755	30% decrease ^[3]	4% decrease
Total Arup Group emissions	172,500	119,957	115,338	33% decrease	4% decrease
Member headcount ^[4]	14,793	18,087	17,996	22% increase	1% decrease
Emissions intensity per member	11.7	6.6	6.4	45% decrease	3% decrease

^[1] Arup's near-term science-based emissions reduction targets are to reduce combined Scope 1 and 2 absolute emissions 30 per cent by 2024/25 from a 2018/19 baseline, and to reduce absolute Scope 3 emissions (including purchased goods and services, capital goods, waste, business travel and employee commuting) by 30 per cent by 2024/25

^[2] Arup's Scope 2 location-based emissions for 2018/19 were 9,948, 7,317 in 2022/23 and 7,264 in 2023/24

^[3] Total SBTi Scope 3 reduction is 29.5 per cent from the baseline year.

^[4] The member headcount number is an actual number taken at reporting year end, including all permanent employees and those on specific-term contracts

Note that all data included in this table relates to re-baselined emissions and differs from what was previously reported.



Business transition

We recognise that our business has a key role to play in the systemic change that the built environment industry needs to make to safeguard our planet. As an organisation, the greatest contribution we can make is through our work for clients.

Ending hydrocarbon-based energy work: At COP26 in 2021, we announced that we will not take on any new energy commissions involving the extraction, refinement or transportation of hydrocarbon-based fuels, except the manufacture of hydrogen, which we consider a part of the transition to a net zero future.

Since this commitment was made three years ago, we have not taken on any new hydrocarbon projects, and our work for the renewables energy sector has more than doubled. (A residual 5 per cent of our energy business is still related to hydrocarbons, because of work that commenced before our March 2021 commitment.) At COP28, nations agreed to triple renewable energy generation and to a doubling of energy efficiency, so we anticipate that our role in the global energy transition will continue to grow.

Whole-life carbon assessments: The design decisions we make today will have implications for decades to come – this is why it's essential to be able to measure and thus manage carbon emissions across our work. To achieve this, the firm has committed to undertaking whole lifecycle carbon assessments for all its buildings projects – new and retrofit. This has required a significant, multiyear investment in learning, tools and training. We [reported on our progress](#) in March 2024 at Arup.com.

How climate will impact our business

We have used the Task Force on Climate-related Financial Disclosures (TCFD) framework to assess our current management of physical and transition-related climate risks and opportunities. You can find our full TCFD disclosure in our [2024 financial statements](#) at Arup.com.

During 2024, we completed a TCFD-aligned quantitative climate scenario analysis. We consider that Arup's ability to continue to provide professional services is largely resilient to the physical impacts of climate change. Sensible precautions are in place to protect the limited physical assets that we own, and our operations are also not critically dependent on supply chains likely to be significantly disrupted by climate change.

However, we recognise there are substantial transition risks and opportunities to our business, especially concerning changing policy and market conditions. Through our climate and sustainability experts and the work delivered through our key business lines, we believe the opportunities to our business outweigh the risks.

Climate change is a significant factor for our clients across the built environment. Both public and private sector organisations are rapidly evolving how they plan to adapt their business models for the effects of changing policy, legislation and financial criteria, as well as climate-related physical risk to their assets and supply chains.

Protecting nature

We are committed to creating nature-positive outcomes, not just minimising negative environmental impacts, by embracing nature-based solutions in our client work, as well as through restoration. Our [Climate, Nature, and Environment Policy](#) ensures that action to restore and protect nature is prioritised alongside climate action. Our DMA identified where we have material nature-related dependencies, impacts, risks and opportunities in relation to our project work. We are in the process of setting a nature-based target and devising actions to address our material nature-related impacts.

In 2023, Arup's group board approved a Nature Services Plan that integrates nature into the work that we do. The plan provides a common framework to guide each region to create market-focused plans, and ensure nature becomes a key stakeholder in our work.



Partnerships

We collaborate with NGOs, businesses and civil society to tackle some of the most urgent and complex issues facing the built environment and our planet. We contribute to transformative change by influencing policy, practice and public opinion and by breaking down barriers to sustainable development.

The UN Global Compact Communication on Progress demonstrates Arup's commitment to sustainable business practice.

The [Green and Thriving Neighbourhoods Guidebook](#), written by Arup and C40, provides city leaders, as well as national governments, private sector developers, residents and communities, with a framework and approaches to develop ambitious net zero and people-centred neighbourhoods.

We developed the [Circular Buildings Toolkit \(CBT\)](#), with our partner Ellen MacArthur Foundation, to assist designers, construction sector players and asset owners to reduce consumption and transition to a circular economy.

In our role as a partner, we gain an opportunity to share our technical strengths and commit to addressing socially valuable priorities with others. The 2023 report [Net-zero buildings: halving construction emissions today](#) exemplifies this, comprising peer-reviewed research with the World Business Council for Sustainable Development.

You can read more about [our partners](#) and the work we do together at Arup.com.



Our community engagement



Anita Konrad
Global Community
Engagement Director



Our global community engagement programme is one practical application of what our founder Ove Arup set out as a primary aim, that our business should do “socially useful work” by joining “hands with others fighting for the same values”.

With this fundamental aim in mind, our current community engagement strategy reinforces Arup’s pledge to support the most disadvantaged and vulnerable communities and places across the globe. It emphasises the importance of long-term partnering with charities and NGOs to deliver positive impact at scale.

We recognise that our impact is greater when we work collaboratively with charitable organisations that are closely connected to local communities. These partnerships are essential in allowing us to understand local contexts and they enable us to offer the right support, at the right time, to the people who need it most.

Our community engagement programme allows Arup members the time to offer their professional and technical expertise freely to underserved communities, often located close to where our offices are situated and where our members have close personal connections. We also provide our time on a pro-bono basis to communities further afield.



Such pro bono work means that we reach communities where our commercial projects might not take us, and it represents a meaningful way for our experts to share specialist expertise they have and that has the potential to unlock progress for communities tackling complex challenges.

The impacts of climate change and the increase in armed conflict are affecting all communities, but disproportionately those already vulnerable and marginalised. We focus our time, technical skills and expertise on community projects that reduce inequities and enable access to resilient infrastructure, including the provision of essentials for life such as clear water, sanitation, affordable and reliable energy, better food security and shelter.

During the financial year ending 31 March 2024, our experts worked on 187 major pro bono community engagement projects, delivered in collaboration with more than 130 partners. These collectively resulted in an investment of £4.97mn. More than 1,600 of our members worldwide contributed more than 47,000 pro bono hours.

These projects included supporting the delivery of essential medical services to communities affected by conflict, natural disasters and epidemics through our partnership with Médecins Sans Frontières, design of a children's centre in Ecuador using participatory design and sustainable building techniques, and the provision of audiovisual systems design services for [The Black Library](#), a multifunctional community space in New York State that educates and celebrates black history and culture.

In addition, we made donations totalling more than £1mn to charities and NGOs working with vulnerable communities, including those affected by global humanitarian events, such as the Israel–Palestine conflict.

“Our pro bono work means that we reach communities where our commercial projects might not take us. It represents a meaningful way for our experts to share their specialist expertise.”

47,000+

Hours of pro bono community engagement activities

£5mn

Arup investment in community engagement

£1mn

Arup charitable donations



Mahadev Raman
Chair of Arup's Trustees



Since 1979 Arup has been owned by trusts, with the directors of our trustee companies collectively referred to as the Arup Trustees. The role of the trustees is to act as stewards, securing our independent ownership and ensuring the firm is managed in the interests of its members. I took up the post of Trustee Chair in April 2024, succeeding David Whittleton.

Arup trustees are current or former members of the firm, drawn from two sources in broadly equal proportion. Some trustees are former directors of our group board, one of whom is elected Trustee Chair. This is my current role. Other trustees are current or – by exception – retired members with senior management responsibilities. These trustees are nominated by Arup's global membership.

As a group, our trustees reflect Arup's diversity and global reach. In their work, each trustee represents the interests of the whole business and its membership rather than a specific part of the firm. Appointment terms are managed on a staggered basis to ensure continuity of membership and to enable stability and efficiency.



During the year ending 31 March 2024, Arup's trustees and the group board agreed to work together to review and evolve our corporate governance. The intention of this initiative has been to clarify leadership roles and the separation of responsibilities, enabling independent oversight and effective execution.

Our work to evolve Arup's governance has been fruitful and in November 2024 we announced a new board structure for implementation from April 2025. Our current group chair, Jerome Frost, will step into a newly created global CEO role and will lead a new executive management board. At the same time, existing non-executive director of our group board, Hilde Tonne, will become chair of the Arup Group Limited Board.

Mahadev Raman

Mahadev Raman
Chair of Arup's Trustees



Our trustees represent the interests of our whole global business and membership, rather than a specific part of Arup



Ethics and integrity

Arup's commitments and expectations are articulated in our [Ethical Conduct Policy](#) and [Business Integrity Code of Practice](#) at Arup.com.

We continually monitor our business integrity performance and exposure. In FY 2023/24, a sanctions risk workshop and a modern slavery risk workshop were conducted as part of our risk management programme. Training for members on how to identify risks of and prevent fraud has been updated. Strengthening existing training on bribery, corruption and the use of agents is a priority.

Communications are an integral part of Arup's business integrity programme. Podcasts by senior management, discussing specific business integrity-related issues such as due diligence, modern slavery, and bribery and corruption, are accessible to all Arup members. Business integrity awareness sessions have also been run, in which members can share concerns, suggestions and questions.

Cyber security and risk

Cyber security is a core component of our ESG framework, reflecting our commitment to securing data, ensuring operational resilience and maintaining stakeholder trust. Our organisation implements robust, risk-based cyber security measures and our policies align to globally recognised standards such as ISO/IEC 27001 and NIST.

We ensure that employees are aware of cyber risks and threats through regular training, while ensuring cyber risk is managed through appropriate governance structures. Additionally, we evaluate and address supply chain security to mitigate third-party risk. By integrating security into all aspects of our operations, we aim to protect sensitive information, adhere to regulatory compliance requirements and support digital resilience. This proactive approach aligns with our broader ESG goals by reducing cyber risk, supporting the integrity of stakeholder engagements in a secure, sustainable manner and ensuring that operations are resilient.

Sustainable procurement

We recognise the growing impact of, and risks and opportunities within, our supplier relationships. In 2024, Arup established a global procurement function. This team is responsible for all aspects of end-to-end procurement and supply chain management, across all locations where we operate. The function encompasses strategic sourcing and commercial value, performance management, sustainable and social supplier development, supplier risk and assurance, and business controls, systems and processes.

We are developing revised supplier codes of conduct, internal control processes and key policies (including a sustainable procurement policy) during FY 2024/25. These codes of conduct will set out core expectations of both our suppliers and our members in how we

engage, manage and reflect our organisational values and ethics in our approaches to supplier selection and management.

Arup is also addressing social procurement. In our Australian business, we have made a commitment to Indigenous procurement, including a comprehensive programme to increase our spend with Indigenous-owned and operated suppliers. This is being enabled by senior-level sponsorship, a programme of education for our members, and the nomination of key experts and facilitators positioned locally across our business.

We align our work and our business with UN SDGs 5, 8, and 16 defined as Gender Equality, Decent Work and Economic Growth, and Peace, Justice and Strong Institutions, respectively. Modern slavery, which includes the recruitment, movement, harbouring or receiving of children, women or men through the use of force, coercion, abuse of vulnerability, deception or other means for the purpose of exploitation, is a critical issue that these goals aim to address.

Through our Global Modern Slavery and Human Trafficking Policy, Arup strives toward "straight and honourable dealings" throughout our supply chain and operations, and to raise awareness of modern slavery and how it may manifest in our supply chain. To progress our aims, we perform due diligence on our supply chain, provide members with guidance and education, and have instituted reporting mechanisms so that concerns can be raised.



Our activities and the effectiveness of our measures can be found in our annual [Modern Slavery and Human Trafficking Statement](#). You can also read our [Modern Slavery and Human Trafficking Policy](#).

Health, Safety and Wellbeing

As a humane organisation, keeping our members healthy and safe and protecting their wellbeing is at the core of our values. During the reporting year, there were no work-related member fatalities and six recordable lost-time incidents were recorded.

We are keenly aware of the need to promote and protect the wellbeing of our members. Our ambition is to create and maintain an environment and work culture that supports all members' mental, emotional and social needs and to provide support and tools to enable us to achieve a balance in life.

During the year ending 31 March 2024, an Arup-wide wellbeing survey was undertaken, followed by focus group discussions with members to guide more improvement of our processes. We have since launched a three-year health, safety and wellbeing plan to ensure we continually improve and raise our standards. Digitalising our health and safety processes has also progressed, with a new global system live in 2023/24.

We aim to positively influence health and safety standards of the projects we work on and the communities they affect. During 2024, we introduced a global design safety framework and we have reinforced the importance of design safety to our members by sharing real-life examples from our designers with them.



Douglas and Togher Flood Relief Scheme, Ireland

Providing flood relief and revitalising the surrounding natural environment, with future-proof sustainable design. [Link to the full project](#)



Electrical Distribution Network Upgrade, UK

We are helping Sellafield make sure its vast electric power network is resilient and secure, supporting its mission to create a clean and safe environment for future generations. [Link to the full project](#)



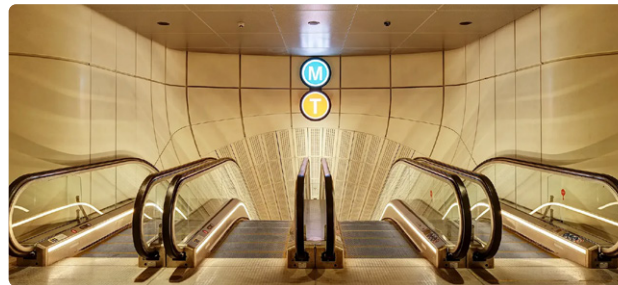
Oita Hovercraft Terminal, Japan

Improving connectivity with innovative resilient engineering, delivering value for the community and bringing a distinctive architectural vision to life. [Link to the full project](#)



Ragon Institute, USA

A new home for state-of-the-art laboratories, facilitating collaborative, human health work and inspiring its community. [Link to the full project](#)



Sydney Metro Martin Place, Australia

A sustainable, multipurpose landmark development for Australia, bringing people into the heart of Sydney's cultural and business district, ensuring low-carbon travel for years to come. [Link to the full project](#)



The Black Library, USA

A thriving community venue and home for The Black Library – a great example of our extensive pro bono community engagement work. [Link to the full project](#)



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