

2026

# Q5 Sustainability Report

**At Q5, sustainability is rooted in how we think about long-term organisational health, responsibility and impact. Since our founding, we have sought to build a consultancy that looks beyond short-term outcomes and contributes positively to the people, communities and environments we work within.**

**This report brings together the actions we take to minimise our environmental impact, uphold high standards of governance and ethics, and deliver meaningful social value, particularly through the Q5 Foundation. It also reflects how we continue to strengthen our approach, ensuring our commitments are embedded in decision-making and translated into practice as the firm grows.**

## Executive Summary

Sustainability at Q5 is focused on practical action, strong governance and long-term responsibility. Our approach spans environmental stewardship, social impact, responsible business practices and the wellbeing and development of our people.

A central part of our sustainability story is the Q5 Foundation. Established in 2010, the Foundation enables us to deliver meaningful social impact through pro bono consulting, youth and early-career programmes, community partnerships and research collaborations. Each year, Q5 consultants contribute their time and expertise to support charities, social enterprises and community organisations, applying the same standards and rigour we bring to our client work.

Alongside this social impact, Q5 is committed to minimising its environmental footprint. We operate under a formal Carbon Reduction Plan, report emissions annually and have committed to achieving Net Zero emissions by 2035. Environmental performance is governed at leadership level and supported by measurement, reporting and independent assurance.

To support prioritisation within our sustainability strategy, we have undertaken a materiality assessment aligned to recognised frameworks. This assessment helps us focus additional areas of effort while continuing our established commitments to social impact and environmental responsibility. Together, these elements reflect how sustainability is embedded within Q5's culture, governance and day-to-day operations.

## Resilience in Uncertain Times

# Thriving Amidst Macroenvironmental Change

Looking at the headlines today, one could be forgiven for thinking the ESG and sustainability movement has faltered. Yet amid political unrest, climate disasters, and growing inequality, it's clear that environmental and social risks are more pressing than ever. In this context, understanding the macroenvironmental trends around us is not just about compliance, it's about gaining a competitive edge by anticipating and responding to emerging risks and opportunities.

At Q5, sustainability has long been woven into our DNA. Born out of the 2008 financial crisis, we set out to build a consultancy that would solve not just for the next quarter, but for the long term, hence our name. Through our client work, we help build resilient organisations that thrive in times of transformation.

This report outlines our approach to navigating global risks and opportunities, and highlights some of the initiatives we're proud to support in pursuit of a more sustainable and hopeful future. Thank you for being part of this journey.



**Building healthy organisations to propel, people, economies and societies forward.**

Section One

# Foundation & Social Impact

## 06 Social Programmes

Established in 2010, the Q5 Foundation is the primary vehicle through which we deliver social impact. It reflects a long-standing commitment to tackling inequality, supporting communities and extending the reach of our expertise beyond our commercial work.

Through the Foundation, Q5 consultants provide pro bono consulting, mentoring and skills development to charities, social enterprises and young people. This work is delivered with the same level of professionalism, care and rigour that we apply to our client engagements, and is embedded into how we develop our people and contribute to the communities in which we operate.

## Section One

## Foundation &amp; Social Impact

# Social Programmes

Through the Q5 Foundation, Q5 utilises its core capabilities to deliver meaningful social impact. In 2025, more than eighty Q5ers committed over £1.2million worth of their consulting time and expertise.



## Pop Up Consulting:

We deliver high-impact strategic and operational support through pro bono Pop Up Consulting projects, bringing organisational expertise to charities, social enterprises, and community groups around the world. To date we have supported over 200 organisations. In 2025, here are some of the Pop Ups we have delivered:



embedding equity into organisational practices



tackling homelessness and poverty



helping children with their literacy skills and confidence



## Young People Initiatives:

Equipping the next generation with the tools and opportunities to lead change is core to our mission. In 2025, our Young People programmes expanded significantly, with mentoring programmes and skills workshops.

### Youth Panel

Engages 16-18 year-olds in quarterly sessions on careers, consulting skills and workplace trends.

### Futures Taskforce

Through quarterly sessions, university students conduct research and present their sector specific findings on the changing world of work.

### Emerging Consultants

In partnership with universities, students receive real world workshop experience and mentorship.



## Community Partnerships:

The Q5 Foundation is deeply embedded in the communities where we work. This year, our global offices continued to foster meaningful partnerships with local charities and causes.



Volunteered time and resources to help address food insecurity in the Houston community.



Australian based foundation working to end infant and maternal mortality in Sierra Leone,



Strategic Pop-Up Consulting activity to support people affected by poverty, and six Q5ers mentored social enterprise Founders though the Power Up London accelerator.



Facilitate consulting sessions, sponsored events and provided ongoing strategic support to a collaborative network of education organisations.



Leeds based charity providing support and creating positive opportunities for young people.



## Research collaborations:

Over the years, we have supported report creation in several areas, supporting meaningful change in improving minority representation in business, addressing inequalities in public services, tackling issues of poverty, social mobility, and jobs across multiple geographies for marginalised communities, and driving sustainability transformation. Powerfully combining research and analytics together with practical recommendations, these provide actors with the actionable insights and tools necessary to affect real change in society.

**The future belongs to organisations that leverage sustainability as a competitive advantage**

As macroenvironmental polycrises abound, our unwavering commitment to ESG excellence positions Q5 and our clients in the best possible posture – not only to weather adversity, but to reemerge stronger. We will continue measuring what matters, investing where it counts, and partnering for systemic change. This sustainability strategy is foundational to our business strategy.



## Section Two

# Environmental Impact

## 12 Net-Zero & Environmental Initiatives

Minimising our environmental impact is a core responsibility for Q5.

As a professional services firm, we are committed to operating to high environmental standards and to meeting our obligations to clients, regulators and wider society.

We maintain a formal Carbon Reduction Plan and have committed to achieving Net Zero emissions by 2035. Our environmental approach is embedded across governance, policy and decision-making, and is supported by regular measurement, reporting and independent assurance. The following section outlines how we put these commitments into practice across our operations and delivery.

## Section Two

## Environmental Impact

# Net-Zero & Environmental Initiatives

Below are examples of the initiatives and commitments that support our transition to Net Zero by 2035.

## Frameworks, Governance & Compliance

We are strengthening our sustainability strategy to encompass all elements of ESG, including the environmental commitments outlined in our Carbon Reduction Plan (2024). This plan sets out our commitment to achieve Net Zero by 2035, reducing our Scope 1, 2 and 3 emissions by 90% relative to our 2023 baseline. Our governance model links carbon to performance through its inclusion as one of the five core elements of our Global Board business report card which ensures sustainability progress receives executive oversight and is embedded in strategic decision-making. We are preparing to submit our transition plan to the Science Based Targets initiative (SBTi) for validation as "science-based."

## Reporting & Data

We are upgrading our emissions-tracking capabilities to strengthen data quality and transparency. A major change this year was shifting our expenses system to improve expense-level data granularity and enhance our understanding of Scope 3 emissions, which account for 98% of Q5's CO<sub>2</sub>e. This upgrade also enables more accurate categorisation of travel, accommodation, procurement and subsistence activity, providing the foundation for activity-based, rather than spend-based, emissions calculations and interventions in future years.

## Approach to Offsetting & Long-Term Removals

As part of our Net Zero pathway, we are using a long-term removals strategy that ensures we can remove the residual 10% of emissions that cannot be fully eliminated by our carbon reduction initiatives. We annually review and refine our offsetting portfolio to prioritise long-term, high-quality carbon removal solutions, that enable us to support nascent technologies and develop partnerships with removal partners that support our Net Zero pathway and have positive ecological impacts. Our portfolio increasingly focuses on long-term carbon removal technologies such as biochar and direct air capture (DACS), reducing our reliance on lower durability nature-based solutions.

## Site Management & Energy

We continue to integrate circular-economy principles into our physical office spaces. Recent renovations have prioritised reusing and sourcing second-hand furniture, minimising waste and extending product lifecycles. All offices have recycling systems, achieving over 50% recycling rates and receiving First Mile's Silver standard.

To reduce building-related emissions, we have committed to switch all global offices to renewable electricity tariffs by 2026, supporting our long-term Net Zero target. Additionally, we are exploring further opportunities in sustainable office procurement partnerships, e.g. we source our coffee through Puro Coffee, which supports rainforest & biodiversity protection.

## Ways of Working & Procurement

1.

### Travel, Accommodation & Subsistence

As business travel represents 74% of our measured emissions, we are strengthening our approach to reduce its impact. We are iterating our travel policy to ensure that carbon considerations are fully integrated into how we plan, approve and undertake internal and client travel. This includes exploring travel caps, further limiting business-class flights, and reducing internal flights altogether.

We continue to consider travel needs on a project-by-project basis, ensuring that journeys are only undertaken where they add clear value and that lower-carbon alternatives are prioritised wherever possible. In parallel, we are updating our accommodation and subsistence policies to favour suppliers with strong environmental credentials, shifting our spend towards low-carbon providers.

2.

### IT Spend

We are reviewing our IT procurement policy to include carbon and broader environmental considerations as evaluation criteria when selecting software, hardware and cloud-service suppliers (7% of our emissions). This supports our ambition to reduce emissions and extend device life through reuse, repair and sustainable procurement principles.

## Section Three

# Materiality Assessment & Topics

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To ensure our sustainability efforts are focused, credible, and aligned with what matters most, Q5 has taken a structured approach to understanding our environmental, social, and governance impacts. As our business and responsibilities continue to evolve, it is important that we prioritise the areas where we can have the greatest positive impact for both our stakeholders and the organisation.



## Section Three

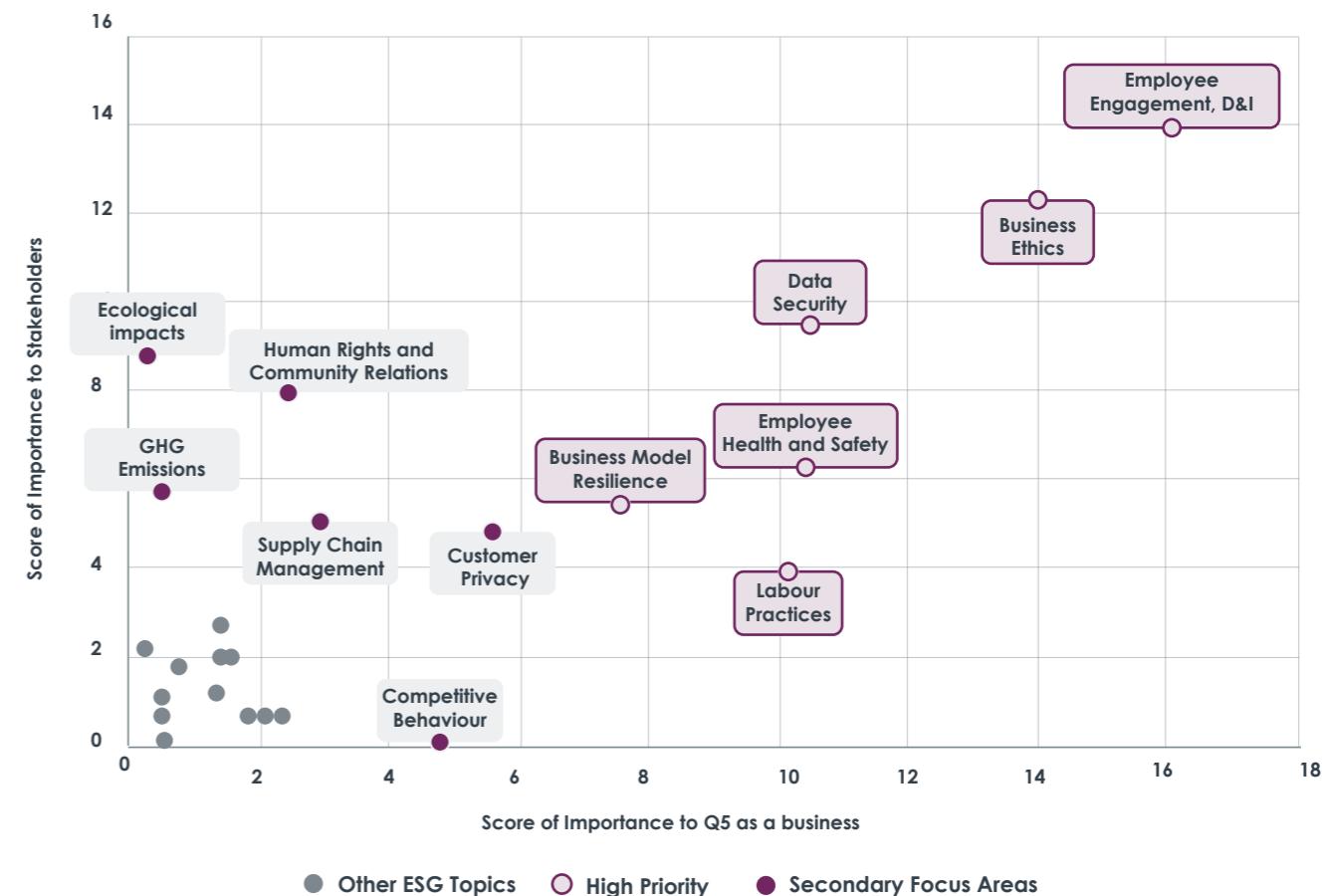
## Materiality Assessment &amp; Topics

# Materiality Assessment: Understanding What Matters Most

To support focus and prioritisation within our sustainability strategy, Q5 undertook a materiality assessment aligned to recognised ESG frameworks.

This assessment was designed to help identify areas of additional focus and investment, building on our established commitments to social impact through the Q5 Foundation and our environmental responsibilities. It provides a structured lens for prioritisation rather than a definition of the full scope of our sustainability activity.

A comprehensive materiality assessment was conducted in alignment with SASB and GRI frameworks with stakeholder engagement to capture leadership, employee, and customer sentiment. Through detailed interviews and quantitative analysis, we mapped 26 ESG topics against their impact on our business and importance to stakeholders, revealing six key priorities for strategic focus - our material topics.





### Section Three

## Materiality Assessment & Topics

# Employee Engagement, Diversity & Inclusion

## What It Means and Why It Matters

Employee engagement and DEI are core to Q5's sustainability strategy. We're committed to a workplace where everyone feels valued and empowered to contribute. Diverse teams drive innovation and better decisions, while inclusion boosts performance, retention, and advocacy. Beyond business impact, fostering equity and respect is vital for long-term resilience and ethical responsibility.

## Current Initiatives

### Annual engagement survey:

For the past two years, Q5 has run a company-wide survey to capture data and insights on employee engagement and the make-up of the business. This allows leadership to better understand the employee experience and identify areas for improvement.

### Year-on-year benchmarking:

Through the use of Culture Amp, Q5 compares engagement and inclusion metrics annually to track progress, measure sentiment, and set priorities for the following year.

### Integration of DEI with engagement:

DEI initiatives are not treated as separate programs but are intentionally woven into overall employee engagement efforts. This ensures that inclusion is embedded in everyday culture.



## What We're Looking to Do Next

To build on this foundation, Q5 is focused on advancing its employee engagement and DEI agenda in the near future:

### Improve transparency:

While avoiding rigid quotas, Q5 will enhance how it reports diversity metrics and progress to employees and stakeholders.

### Strengthen action plans:

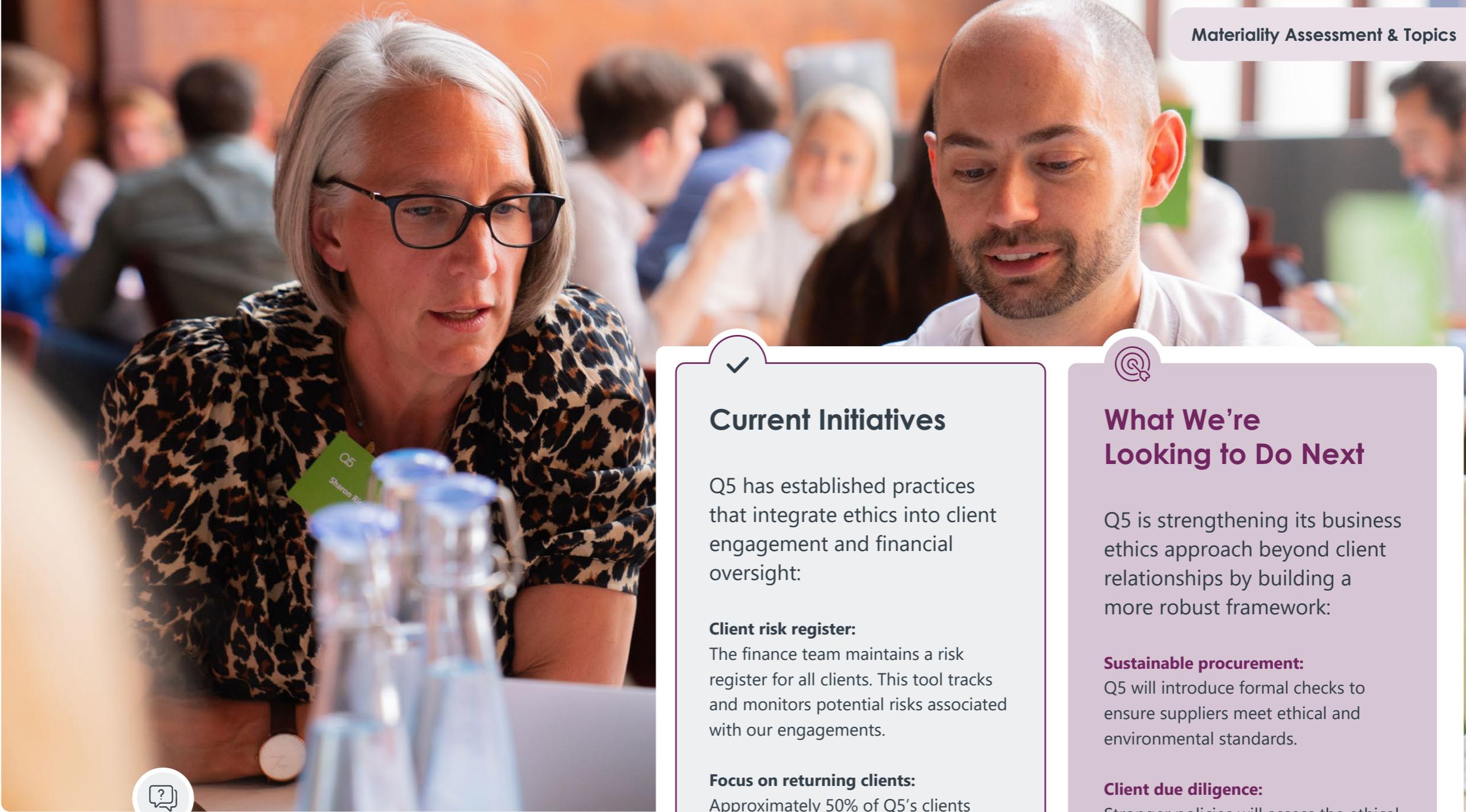
Feedback from Culture Amp and other tools will guide targeted actions to address concerns and reinforce positive trends.

### Embed DEI across the employee journey:

Inclusive practices will be deepened from recruitment through development to ensure fairness, opportunity, and belonging.

### Diversity data collection:

Q5 will start to gather data through anonymous surveys and at the point of employee onboarding to understand the diversity of its workforce. This includes asking employees how they identify, which creates a clearer picture of representation within the business.



### Section Three

## Materiality Assessment & Topics

# Business Ethics

### What It Means and Why It Matters

Business ethics is central to sustainable practice, guiding how we engage with clients, suppliers, employees, and society. At Q5, high ethical standards protect our reputation, strengthen relationships, and ensure our work benefits communities. Ethical conduct also reduces risk - by vetting partners, we avoid reputational harm and regulatory issues. More than compliance, ethics means upholding integrity, fairness, and trust.



### Current Initiatives

Q5 has established practices that integrate ethics into client engagement and financial oversight:

#### **Client risk register:**

The finance team maintains a risk register for all clients. This tool tracks and monitors potential risks associated with our engagements.

#### **Focus on returning clients:**

Approximately 50% of Q5's clients are repeat clients or build on trusted relationships, reducing exposure to unknown ethical risks and reinforcing trusted partnerships.

#### **Terms and conditions framework:**

Q5 has recently implemented a terms and conditions document, which sets a baseline of expectations and accountability for ethical behaviour in business relationships.



### What We're Looking to Do Next

Q5 is strengthening its business ethics approach beyond client relationships by building a more robust framework:

#### **Sustainable procurement:**

Q5 will introduce formal checks to ensure suppliers meet ethical and environmental standards.

#### **Client due diligence:**

Stronger policies will assess the ethical track record of all clients consistently and transparently.

#### **Governance integration:**

Ethical policies will be embedded into decision-making and risk processes for a systematic, auditable approach.

#### **Expanded risk monitoring:**

The client risk register will grow to include supplier risks, offering a broader view of ethical exposure.

## Section Three

## Materiality Assessment &amp; Topics

## Data Security



## What It Means and Why It Matters

Data security is a key ESG priority for Q5, essential to maintaining trust across clients, employees, and stakeholders. In today's digital world, protecting sensitive data is a business-wide responsibility that reduces risk, ensures compliance, and safeguards reputation. Data Security also supports Q5's broader sustainability goal - through ethical data handling, resilient systems, and responsible tech choices that consider accessibility and environmental impact.



## Current Initiatives

Q5 has built a robust data security framework combining technical safeguards, monitoring, and recovery planning. Key initiatives include:

**Disaster recovery:**

Annual plans ensure continuity and rapid IT restoration.

**Security upgrades:**

NIST-based prioritisation, guided by Secure Score and penetration tests.

**Vulnerability management:**

CVE-linked monitoring, audited under Cyber Essentials Plus.

**ISO27001:**

Accreditation has improved security governance. (Data Team)

**Client standards:**

Rigorous assessments ensure compliance in handling data.

**Staff training:**

Role-based skills, annual reviews, incident and emerging threat focused training.

**Sustainable IT:**

Accessibility and carbon neutrality factor into tech choices.

**Data protection:**

Loss prevention, secure disposal, and policy reviews.

## What We're Looking to Do Next

While strong foundations are in place, Q5 recognises that data security is an evolving challenge and is committed to further strengthening its approach:

**Top-down culture of security:**

As user behaviour remains the biggest area of risk, Q5 will focus on embedding a stronger security-first mindset across the organisation through leadership-driven initiatives, awareness training, and practical guidance for staff.

**Enhanced monitoring and reporting:**

Building on current frameworks, Q5 aims to further expand real-time monitoring and more transparent reporting of security risks and improvements.

**Future-ready IT strategy:**

As part of business model resilience, Q5's IT team is exploring new technologies, including AI tools such as ChatGPT, to enhance efficiency while anticipate emerging risks.

**Continual alignment with global standards:**

As cyber regulations and best practices evolve, Q5 will regularly review and adapt policies to maintain compliance with frameworks such as ISO27001, and industry benchmarks.



### Section Three

## Materiality Assessment & Topics

# Employee Health and Safety

### What It Means and Why It Matters

Employee health and safety are vital to Q5's ESG strategy. A safe, supportive workplace boosts wellbeing, reduces absenteeism, and improves performance. This includes mental health, resilience, and access to resources for work-life balance. Q5's investment in wellbeing reflects its commitment to employee care, social responsibility, and long-term sustainability - fostering a safe, inclusive, high-performing culture.



### Current Initiatives

Q5 has established a range of measures and resources to ensure the health, safety, and wellbeing of employees:

**Comprehensive healthcare coverage:** Medical healthcare and insurance are offered to all employees, providing access to essential treatments and services.

**Employee Assistance Programmes:** For employees who choose not to opt into healthcare coverage, confidential support services are available, including access to counselling sessions and wellbeing resources.

**Mental health support:** Q5 has trained a network of mental health first aiders across its offices, ensuring employees have accessible support when needed. In addition, the business is working to train all Q5 mentors to be able to provide further mental health support and guidance.

**Regular feedback and improvement sessions:** Team meetings and webinars are held to evaluate current health and wellbeing offerings, gather employee feedback, and identify opportunities to enhance programmes.



### What We're Looking to Do Next

Q5 is committed to strengthening its employee health and safety practices further, with a focus on both proactive prevention and ongoing wellbeing:

**Expand mental health training:** Building on the network of mental health first aiders, Q5 will continue training its mentors and leaders to support employees in recognising and addressing mental health challenges.

**Enhanced wellbeing programmes:** Based on employee feedback from team sessions and webinars, Q5 aims to expand resources for mental, physical, and emotional wellbeing to meet evolving employee needs.

**Continuous review of offerings:** Regularly reassessing medical insurance, EAPs, and support structures to ensure they align with best practice and employee expectations.

## Section Three

## Materiality Assessment &amp; Topics

## Labour Practices



## What It Means and Why It Matters

Labour practices are central to Q5's ESG priorities, ensuring fair pay, safe conditions, and respect for workers' rights. Strong practices support compliance, employee wellbeing, and business performance. Beyond compliance, Q5 promotes fairness, equality, and opportunity - building trust, attracting talent, and supporting long-term sustainability.



## Current Initiatives

Q5 has taken proactive steps to ensure fair and responsible labour practices across the organisation:

**Compliance with statutory requirements:**

Q5 adheres to all relevant labour laws and regulations across the markets in which it operates.

**Fair pay commitment:**

In the UK, Q5 pays the London Living Wage rather than the national minimum wage, ensuring employees receive compensation that reflects the real cost of living.

**Active monitoring of labour law changes:**

Q5 regularly reviews and adapts its practices in line with evolving labour legislation, ensuring that the company remains compliant and ahead of regulatory expectations.

**Focus on employee experience:**

Labour practices are not only seen as compliance measures but as part of Q5's commitment to being "incomparable" as an employer, a workplace where people want to stay and thrive.



## What We're Looking to Do Next

Q5 recognises the need to continue evolving its approach to labour practices to meet employee expectations and stakeholder demands:

**Develop a measurement framework:**

Q5 is considering a more structured approach to measuring and reporting on labour practices, ensuring transparency and accountability.

**Explore new areas of improvement:**

Through research and consultation, Q5 aims to identify additional actions that could strengthen its labour standards and make it an even better place to work.

**Strengthen beyond compliance:**

The company will continue moving beyond statutory requirements, aligning with leading practice in fair pay, wellbeing, and workplace rights.

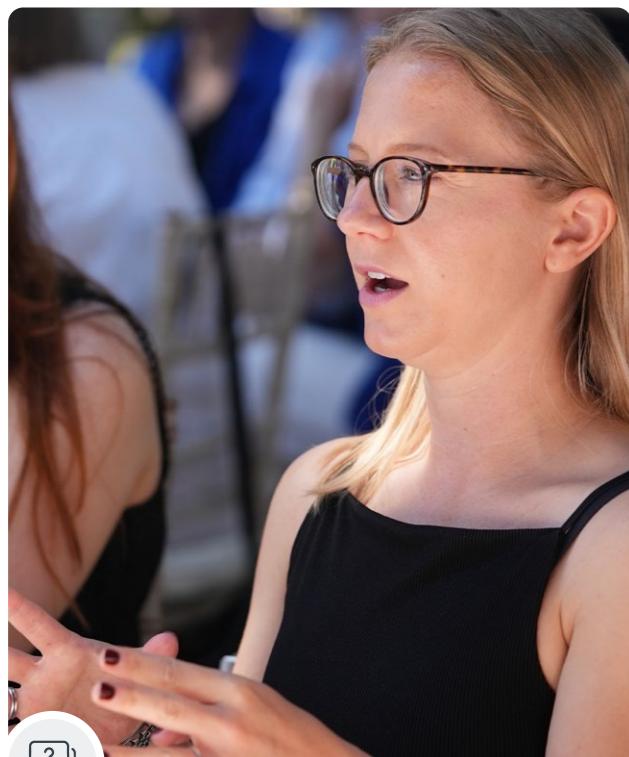
**Engage employees in shaping policies:**

By inviting feedback and suggestions, Q5 aims to ensure that labour practice improvements reflect the real needs and expectations of its people.

## Section Three

## Materiality Assessment &amp; Topics

# Business Model Resilience



## What It Means and Why It Matters

Business model resilience enables Q5 to adapt to market shifts, tech change, and evolving client needs. For a consultancy, it means thriving through uncertainty by evolving services and building long-term sustainability. Resilience also supports other ESG goals - aligning services with sustainability and using emerging tech like AI responsibly to stay relevant and deliver client value.



## Current Initiatives

Q5 is embedding resilience into its business model through forward-looking strategies and adaptive practices:

### AI exploration:

Trialling AI internally and externally, supported by industry updates on trends and risks.

### AI risk register:

Tracks and manages risks to ensure ethical, responsible use.

### Quarterly reviews:

Evaluates market shifts and client needs to guide investment and scaling.

### Flexible targets:

Quarterly goals adapt to changing market conditions.

### Sector adaptation:

Services evolve to stay relevant across industries.

### Sustainability focus:

Tracks client demand for ESG credentials and adjusts offerings accordingly.



## What We're Looking to Do Next

To further enhance resilience, Q5 is focused on building agility, foresight, and sustainability into its operating model:

### Expand AI integration:

Building on current trials, Q5 will look at practical ways to embed AI across projects, operations, and knowledge management, while continuing to monitor risks.

### Deepen sectoral foresight:

Q5 plans to strengthen its quarterly market review process by incorporating more data-driven insights and scenario planning to anticipate future disruptions.

### Link resilience to sustainability strategy:

By explicitly aligning business resilience with sustainability goals, Q5 can position itself as a partner of choice for clients increasingly prioritising ESG in their procurement decisions.

### Build long-term adaptability:

Resilience efforts will extend to longer-term planning horizons, ensuring Q5 is equipped to respond not only to cyclical market changes but also to structural industry transformations.

# **Q5. The art and science of organisational health.**

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