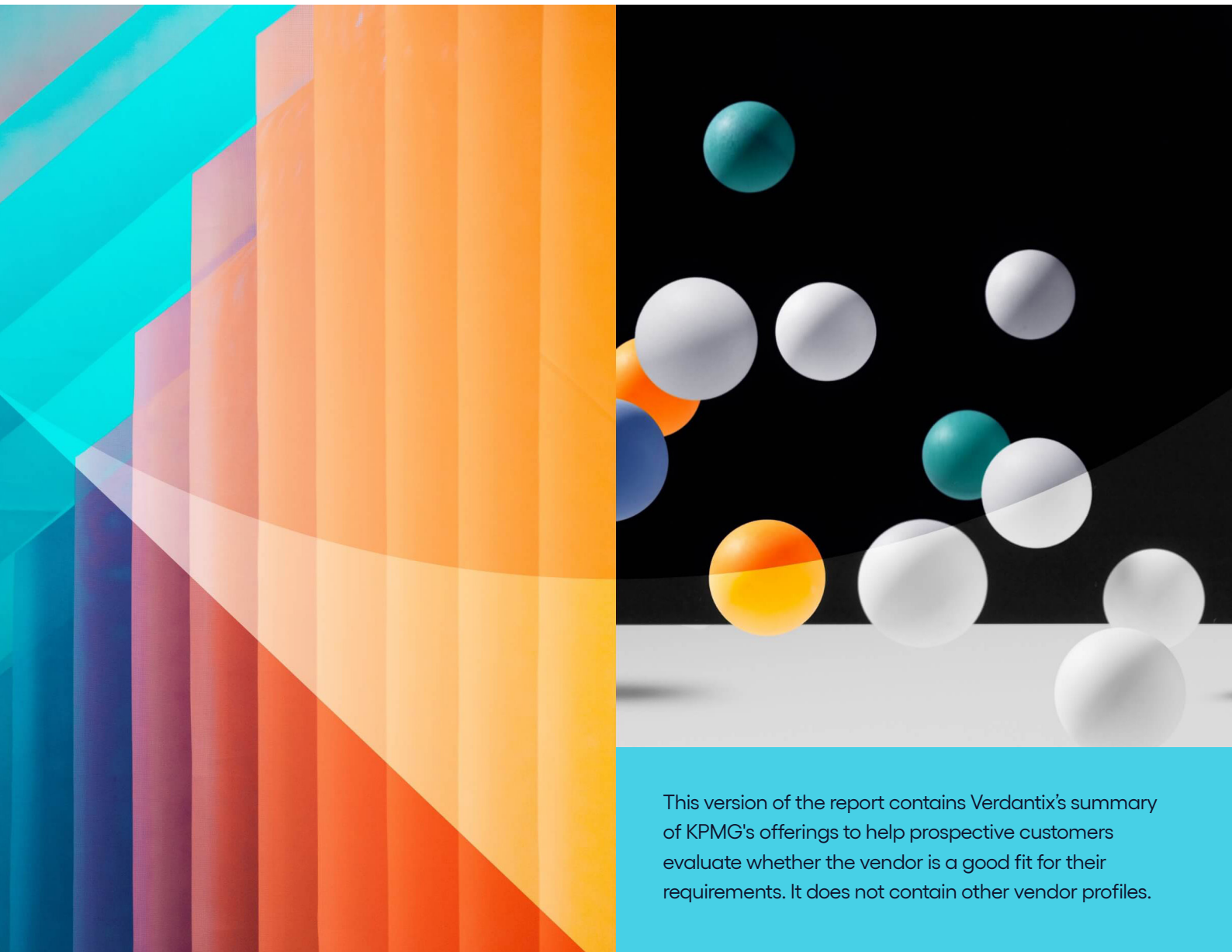


ESG & Sustainability

Green Quadrant: ESG And Sustainability Consulting 2024

By Priyanka Bawa, Elisa Molero
With Kim Knickle

January 2024



This version of the report contains Verdantix's summary of KPMG's offerings to help prospective customers evaluate whether the vendor is a good fit for their requirements. It does not contain other vendor profiles.

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This report provides a detailed, fact-based benchmark of 17 of the most prominent ESG and sustainability consulting providers in the market. Based on the proprietary Verdantix Green Quadrant methodology, our analysis entailed two-hour live briefings, client interviews and consulting firm responses to a detailed 72-point questionnaire, covering five demonstrated capability and six momentum categories. Verdantix analysis finds that the ESG and consulting market has grown substantially, in terms of customer demand and the number of consulting firms in the market, over the last two years. This is due to many factors: regulatory movement; the evolving priorities of customers, employees, and investors; closer board scrutiny of ESG performance; competitive pressure; and an increasing risk of litigation and reputational damage. Among the providers featured in the Leaders' Quadrant, four firms – BCG, ERM, EY and PwC – demonstrated the most comprehensive ESG and sustainability consulting capabilities.

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Organizations mentioned

23red, Accenture, acondas, AFARA, Africa Matters, Alexandria Real Estate Equities, Alphabet, Alteryx, Amazon, Amazon Web Services (AWS), Amdaris, American Tire Distributors, Amman Stock Exchange (ASE), Anaplan, Ansell, Anthesis, ANZ, Apollo, AquaCrop-OS, Arcadis, ArcelorMittal, Arcus Consultancy Services, ARIES (Artificial Intelligence for Environment and Sustainability), AstraZeneca, Attalea Partners, B4SI, Bain & Company, Bank of America, Bapcor, Barclays, Bayer, BayWa r.e., B Corp, Benchmark Gensuite, BG Bonnard & Gardel, Bio-bean, Birmingham City Council, BMW, Boohoo, Boston Consulting Group (BCG), Breitling, Bristol Myers Squibb, British Land, Bureau Veritas, Calibre, Capgemini, Capita Real Estate and Infrastructure (REI), Carbon13, Carbon Care Asia, CarbonChain, Carlyle Group, Carnstone, CDP, CDX, Chappuis Halder & Co., Charlescannon, Chile Financial Market Commission (CMF), Chubb Insurance, CIRPASS (Collaborative Initiative for a Standards-based Digital Product Passport for Stakeholder-Specific Sharing of Product Data for a Circular Economy), City of Amsterdam, civity Management Consultants, CLIMSystems, CO2 AI, Cognizant, Coho, Context Labs, conTREEbute, CoolPlanet, Cority, Corporate Citizenship, CPP Investment Board, CRH, Crowley, Dallas Fort Worth Airport (DFW), Dataland, DEKRA, Deloitte, Dentons, DHL, Diageo, Doconomy, Dominion Energy, DPS, Drax, E4tech, EBS Advisory, EcoOnline, Edrington, Eintracht Frankfurt, eIQ Mobility, Element Energy, Enablon, Enbridge, ENCORE, ENGIE, Enhesa, Ensogo, Envio Systems, Environmental Consultants, Envision Digital, EPEAT Registry, ERM (Environmental Resources Management), ESG, European Bank for Reconstruction and Development (EBRD), European Commission, European Financial Reporting Advisory Group (EFRAG), Evolution Markets, Exiger, EY (Ernst & Young), EYP Mission Critical Facilities, Fathom, Fertilizer Canada, Fortune, Frazier Healthcare Partners, Frostbyte Consulting, Giftge Consult, Global Reporting Initiative (GRI), Google, Green Domus, Greenly, Greenspector, Gulf Cooperation Council, Hank, HB Reavis, Hexaware Technologies, Hilti, Hilton, Honeywell, HXE Partners, HydroNET, IBI Group, IBIS Consulting, IBM, IBM Envizi, Intellex, International Financial Reporting Standards (IFRS) Foundation, International Sustainability Standards Board (ISSB), iPoint, JLL, John Wood Group, J.S. Held, JSW, Jungheinrich, Jupiter, Kayrros, KPMG, Landmark, LevelTen Energy, LIGANOVA, Maple Leaf Foods, McDonald's, McKinsey & Company, Merck, Metabolic, Metal One, MH Partners, Microsoft, MidEuropa, Mobica, MOBILITY ADO, Morrow Sodali, NatureServe, Ndevr Environmental, Nestlé, Net Zero Financial Services Providers Alliance (NZFSPA), NextEra Energy, Nike, NINT, Nippon Steel, OCT Emissions Solutions, OPTEL, Oracle, Orica, PACER, Padd Energy, Persefoni, Pfizer, PGGM, Phidex, Philips, Planet, Planet Labs, Possible Future, PwC, Qmerit, Quantitative Scientific Solutions (QS-2), Quantmetry, Qube, Quentic, Rabobank, Ramboll, RCG, Resultante Consultoria, Revolt, Rewired Earth, Rio Tinto, Royal Agrifirm Group, RWE, SAP, Salesforce, Schneider Electric, Schofer, Science Based Targets initiative (SBTi), Scottish Water, ServiceNow, SESAMm, Shell, SLR Consulting, Smiths Group, Sodra, Spadel, Sphera, Spherity, Sysco, Task Force on Climate-related Financial Disclosures (TCFD), Task Force on Nature-related Financial Disclosures (TNFD), Tata Consultancy Services (TCS), Thomson Reuters, TUFLOW, Turnkey, UK Advertising Standards Authority (ASA), UK Financial Conduct Authority (FCA), UN Development Programme (UNDP), Unilever, US Agency for International Development (USAID), US Department of Energy, US Securities and Exchange Commission (SEC), VelocityEHS, Wallbrook, Water Platform Company (WPC), Watershed, Williams, Wolters Kluwer, Women's Business Enterprise National Council (WBENC), Workiva, World Business Council for Sustainable Development (WBCSD), World Economic Forum (WEF), WSP, WWF, Xcel Energy, Xpansiv, Zara.

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The state of the ESG and sustainability consulting market

According to Verdantix calculations, the ESG and sustainability consulting market was worth more than \$14 billion in 2023 (see [Verdantix Market Size And Forecast: ESG And Sustainability Consulting 2022-2028 \(Global\)](#)), having grown rapidly over the past two years. The penetration of ESG and sustainability into core business discourse has led to organizations turning to consulting firms to support them on their sustainability journeys. Thus consulting services have evolved to meet a myriad of ESG and sustainability needs, encompassing strategy, reporting and disclosures, operational transformation and financial advisory, across concerns such as circular economy, social impact, supply chain sustainability, energy transition, carbon, climate and nature.

To help navigate the ESG and sustainability consulting market, this report provides a detailed assessment of the 17 most prominent service providers, and their sustainability practice offerings, for individuals who are responsible for selecting and deriving value from ESG and sustainability consulting services. This report answers the following customer questions:

- **What is the current state of the ESG and sustainability consulting services market?**
- **Which ESG and sustainability consulting firms lead the market?**
- **Which firms demonstrate the deepest capabilities in the ESG and sustainability consulting market?**
- **Which firms have the strongest momentum in the ESG and sustainability consulting market?**
- **How can an ESG and sustainability consultant support our firm on its sustainability journey?**
- **Which consulting firm can best support our firm's sustainability journey?**

To answer these questions, Verdantix assessed 17 ESG and sustainability consulting providers using a 72-point questionnaire, two-hour live briefings, and interviews with more than 37 ESG and sustainability consulting clients across a variety of industries, spanning finance and insurance, technology, retail and consumer goods, energy and utilities, manufacturing, construction and mining. The resulting analysis is based on the proprietary Verdantix Green Quadrant methodology, which is designed to provide an evidence-based, objective assessment of vendors offering comparable products or services.

The ESG and sustainability consulting market is growing

With organizations seeking to comply with changing regulations and get ahead of stakeholder expectations, businesses are searching for areas in which they can decrease risk and increase their competitiveness. The ESG and sustainability consulting market is rapidly evolving and growing to meet these organizational demands. Specifically, the market drivers impacting the demand for ESG and sustainability consulting services are:

- **Intense ESG regulatory movement around the globe.**
ESG-related regulatory movements are affecting organizations substantially, and by extension, the ESG and sustainability consulting market. This is occurring in two main ways. First, organizations are being regulatorily mandated to make effective ESG disclosures; in tandem, they are being rebuked for the poor quality of disclosures. With a broad expanse of ESG and sustainability-related regulations, no globally accepted disclosure framework, and minimal alignment across voluntary and mandatory frameworks, businesses are realizing that internal expertise and bandwidth are not enough to navigate this ever-evolving regulatory landscape. They are therefore increasingly seeking external advice from ESG and sustainability consulting providers for reporting and disclosures. Second, the penalties for bad ESG performance – the handling of non-financial misconduct, for example, is a regulatory priority for the Financial Conduct Authority (FCA) in the UK – are forcing organizations to partner with consulting firms to improve their sustainability performance through the development and implementation of sustainability strategies.



- **Publicly articulated net zero and decarbonization commitments.**

By [end-2023](#), 92% of global GDP was covered by some form of net zero targets, with 51.5% of the world's 2,000 largest publicly traded organizations by revenue having set such targets. With the very public articulation of these targets and commitments, the need for robust and credible transition plans has grown more acute, with organizations facing pressure to demonstrate progress towards their goals. As businesses seek to develop pragmatic, proportionate and realistic paths to their commitments, they are turning to consulting firms to determine their decarbonization strategies, help them understand and quantify the emissions impact of their operations and assets, and improve their emissions performance for operational processes and assets.

- **ESG-linked competitive advantage and business innovation.**

Some forward-looking organizations are taking a proactive approach to ESG and sustainability concerns, recognizing that focusing on the upside opportunities of ESG and sustainability can deliver a competitive advantage. Seeing ESG as a business imperative allows firms to understand it as a business opportunity too, with substantial commercial and growth options to build market differentiation and resilience. For instance, the automotive industry is currently in the midst of large-scale business transformation, with mega sustainability trends such as emissions reduction requiring firms to invest consistently in innovation strategies to gain competitive advantage. With the need to continually develop new strengths and instigate more agile R&D processes, businesses in this sector are partnering with consulting firms to build sustainability as a competitive advantage through business transformation. An example of such sustainability-linked competitive advantage can be seen in the case of Bio-bean, a British start-up that developed an eco-friendly biofuel made from coffee waste to power London's double-decker buses.

- **Expanding ambit of ESG concerns and greater ESG litigation and reputational risks.**

With increasing global acknowledgement of critical environmental, social and governance issues, the scope of these concerns is also expanding. Organizations must therefore engage in a continuous process of learning – unlearning and relearning what sustainability means – in a dynamic environment. Often, issues that seem unimportant at first can quickly escalate into global scandals, with businesses facing a constant threat of reputational damage due to the inadequate management of ESG and sustainability risks and opportunities. Through sentiment monitoring and anti-greenwashing services, as well as core sustainability strategy and implementation offerings, consulting firms make it easier for organizations to navigate such challenges.

In addition to these macro market drivers, key organizational stakeholders are pressurizing businesses to tackle matters such as climate change and human rights more effectively. Rapidly, these matters are seeping into how firms and their performances are evaluated and rewarded by their primary stakeholders. As a response, businesses are seeking external advice from ESG and sustainability consulting providers to demonstrate a credible 'licence to operate' and effectively respond to stakeholders in their local and global environments. Specifically, the demand for ESG and sustainability consulting services is affected by:

- **Higher investor expectations for improved ESG performance, including in the value chain.**

Investors and shareholders are fiercely vocal in demanding that firms integrate ESG reporting with financial reporting and improve their ESG performance. Rapidly, the management of concerns such as climate risk and human rights, especially in value chains, is percolating into how organizations and their business performances are evaluated and rewarded by investors – which then impacts their access to capital. For example, in September 2023, investors – including \$244 billion Dutch pension fund PGGM – sent a letter to Nike demanding that it fulfil its human rights responsibilities and ensure that its workers were paid the wages and severance pay they were owed. Such investor scrutiny requires firms to undertake meaningful actions to minimize adverse social and environmental impacts, including in the value chain, and to build long-term business resilience.



- **Closer board scrutiny of ESG and sustainability performance.**

Boards, responsible for business longevity as well as shareholder value, are acknowledging that such factors are increasingly linked to the incorporation of ESG and sustainability factors in core business and risk frameworks (see [Verdantix Strategic Focus: The Evolving Role Of The Board In An ESG & Sustainability Landscape](#)). Consequently, ESG and sustainability is rising in prominence on board agendas, with close attention being paid to organizational sustainability performance. By [end-2022](#), 54% of FTSE 100 firms had an ESG committee at the board level. Against this backdrop, boards are seeking expert advice from consulting firms, and are requiring organizations to enlist their ESG and sustainability services to conduct materiality assessments, identify sustainability concerns, formulate strategies and design data governance structures.

- **‘Eco-wakening’ of the consumer and shifting customer preferences.**

With growing consumer and customer demand for sustainable products and services, led by Generation Z’s insistence that businesses become environmental leaders – especially with regard to the treatment of waste and circular manufacturing – organizations are investing more in sustainable product design, development and packaging. This has, in turn, driven an increase in the circularity offerings of ESG and sustainability consulting firms, with strategic strengths for new business models that consider short- and long-term impacts on resources and operating models, and the need for operational expertise to co-create and redesign circular and sustainable products. Additionally, consumers are closely scrutinizing organizational action within a social context. In December 2023 Zara launched an advertisement campaign for its atelier line, which was attacked in some quarters as resembling images from the conflict in Gaza. The UK’s Advertising Standards Authority (ASA) received multiple complaints about the campaign, which was halted, with Zara describing the situation as a “misunderstanding”. The incident stands as a reminder for businesses of the need to consider their actions within a volatile social context. Organizations are increasingly relying on consulting firms to assess their impact on society and to help them develop ways to improve it.

- **Employee calls for action on sustainability concerns.**

Employee perspectives and engagement influence firms’ practices, and employee activism is driving increased action on ESG and sustainability concerns – especially with regard to climate change and social inequality. Building a sustainable organization has positive ramifications for employee attraction, engagement and retention, and, as businesses try to manage more ‘aware’ workforces, they are relying on consulting firms to help them navigate sustainability challenges. In a related manner, organizations are leaning on consultants to assist them with strategies to engage their employees, in order to meet their sustainability commitments. In some cases, corporate climate action is increasingly becoming an employee perk – in 2022, Bank of America offered employees who had worked at the bank for at least three years, and who earned less than \$250,000, \$4,000 to buy a new electric car.

The scale and scope of ESG and sustainability consulting projects are expanding

With a substantial increase of touchpoints with ESG across an organization’s operations, and the consequent wider recognition of these, the scale and scope of ESG and sustainability consulting services generally, and projects more specifically, have expanded over the last two years. In examining key trends, Verdantix notes that:

- **Projects generally originate in one of the four ESG and sustainability service lines.**

The nature of ESG and sustainability consulting engagements varies, depending on organizational needs, with firms seeking a broad variety of outcomes spanning technical expertise, regulatory compliance, performance improvement, leadership training and strategic advice. Verdantix analysis identifies four ESG and sustainability consulting segments in the broader landscape: ESG and sustainability corporate strategy; ESG and sustainability data management, reporting and disclosures; operational transformation; and ESG financial advisory (see **Figure 1** for an illustration of projects that fall within each service line, and see [Verdantix Market Size And Forecast: ESG And Sustainability Consulting 2022-2028 \(Global\)](#)). In the Verdantix market



size and forecast study, we considered ESG assurance services as part of the ESG and sustainability data management, reporting and disclosures service line; however, assurance services are excluded from this Green Quadrant benchmark.

- **More complex projects cut across ESG issues and service lines.**

Often, projects stem from a particular need – but sometimes, they grow in scope to cut across sustainability issues or consulting service lines. For instance, ESG reporting and disclosure projects might evolve into larger strategy schemes, as firms realize, through the consulting process, the need to improve their ESG performance overall, with an impact on the development of their sustainability strategy. This also leads to ESG strategy projects becoming iterative and dynamic. At times, organizations might also underestimate the scale and scope of their ESG issues, with small mandates at the outset resulting in the eventual piggybacking of larger projects. Increasingly, sustainability teams that specialize in different topics and methodologies within consulting firms are being encouraged to collaborate and knowledge-share more systemically.

Figure 1
ESG and sustainability consulting service lines

Service line	Sub-category	Definition	Example projects
ESG & sustainability corporate strategy		Consulting engagements regarding strategic decisions and initiatives related to ESG and sustainability objectives, encompassing governance, ESG risks and opportunities, ESG programme strategy, ESG stakeholder engagement and management, materiality assessment, and sustainability performance and target-setting.	ESG strategy development, such as ESG target-setting, materiality assessment, performance assessment and ESG performance benchmarking
ESG & sustainability data management, reporting and disclosures	ESG & sustainability corporate reporting and disclosures	Consulting engagements to interpret and satisfy diverse disclosure requirements (mandatory and voluntary) for external and/or internal reporting activities, as well as broader governance issues increasingly interconnected with ESG, such as anti-corruption, corporate taxation, board diversity and governance, cyber security and customer privacy. This includes engagements such as ESG data management and identifying KPIs and metrics.	Reporting processes and reporting strategy definition, KPIs and metrics identification, reporting in line with global frameworks and standards, ESG data management and collection based on reporting requirements
	ESG assurance	Consulting engagements, including services, for pre-assurance, limited assurance and reasonable assurance of corporate sustainability disclosures, both voluntary and regulated.	Evaluation of reporting processes and procedures, internal controls and ESG data governance
	ESG & sustainability digital transformation	Consulting engagements to inform operational ESG and sustainability information architectures, integrations, workflows, processes, and cross-functional visibility and data access.	ESG software selection, deployment and implementation, including ESG and sustainability data and information digital management

Figure 1 (continued) ↓



Figure 1 (continued)

Operational transformation	Environmental resource management	Consulting engagements advising on and supporting resource consumption monitoring and improvements such as water stewardship and waste reduction.	Resources consumption monitoring, environmental impact assessment, resources reduction strategy implementation and progress tracking
	Social impact	Consulting engagements advising on and supporting social impact improvements, such as human rights and labour standards, employee/board DEI, community engagement and volunteering.	Internal and external social engagements monitoring, including DEI and community engagement, social performance improvement strategy implementation and progress tracking
	Product circularity	Consulting engagements to achieve product sustainability efforts, such as lifecycle assessment and analysis, product eco-design, product traceability and circular economy.	Lifecycle assessment analysis, materials traceability assessment, recycling management, circular economy strategy implementation and progress tracking
	Supply chain sustainability	Consulting engagements to improve supply chain visibility for sustainability reporting and performance improvements, and to minimize associated ESG risks, such as through supplier mapping, supplier risk assessments, and the tracing of goods to the raw material source location (e.g. identifying conflict minerals).	ESG and sustainability supplier mapping and transparency enhancement, supplier engagement and collaboration, supply chain ESG risk assessment, responsible sourcing, supply chain sustainability optimization
	Energy transition	Consulting engagements to support energy transition implementations, including the implementation of asset-level decarbonization projects (such as building, data centre, industrial plant, emissions-intensive plant, electricity supply, supply chain and fleet decarbonization projects). Also covers overarching net zero programme management.	Energy efficiency projects, technical engineering strategy, on-site energy generation, green vehicle procurement, EV charging infrastructure implementation
ESG financial advisory		Consulting engagements to identify, assess, evaluate and integrate ESG and sustainability factors during processes involving M&A due diligence and investment or financial decision-making. Clients may be financial institutions and/or corporates.	Portfolio ESG performance monitoring, portfolio ESG risk assessment, portfolio investment and divestment strategy based on ESG performance, M&A due diligence

Source: Verdantix analysis, Verdantix Market Size And Forecast: ESG And Sustainability Consulting 2022-2028 (Global)

- **There is a pronounced focus on operationalizing ESG and operational transformation.**

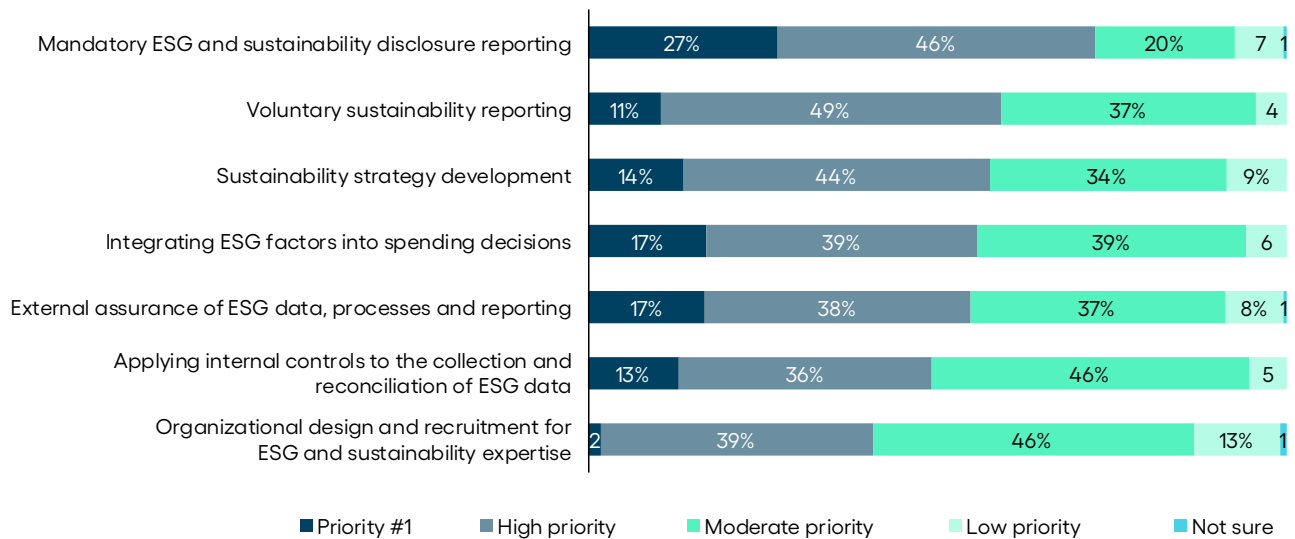
With an ever-increasing number of firms having set sustainability strategies and targets, businesses are looking for advice on implementing their roadmaps to achieve these targets. Of the total number of projects listed across the 17 vendors in this Green Quadrant, almost half pertain to operational transformation support – further substantiating the movement to an era of implementation. Specifically, 2023 saw consulting firms advise on a slew of projects related to circularity and supply chain sustainability. These projects often encompass sustainable production, a pathway to nature-positivity, and total value creation models. For supply chains, engagements revolved around enhancing supply chain risk monitoring and evaluation, as well as supplier engagement. Further, there was notable energy transition work in 2023, with an uptick of interest in green hydrogen.



Figure 2

Funding priorities for ESG-related processes over the next two years

To what extent is it a priority for your firm to fund improvements in the following processes over the next two years?



Note: Data labels are subject to rounding; percentages less than 8% are written as numbers.

Source: Verdantix Global Corporate ESG & Sustainability Survey 2023

N=400

- Emphasis on regulatory preparedness, and compliance and disclosure reporting, is growing.**

With over 70% of respondents in the 2023 Verdantix global corporate ESG and sustainability survey prioritizing mandatory ESG and sustainability disclosure reporting for funding improvements in the next two years, and 65% anticipating an increase in spend on consulting services to improve the same (see **Figure 2** and see [Verdantix Global Corporate Survey 2023: ESG & Sustainability Budgets, Priorities And Tech Preferences](#)), it comes as no surprise that the ESG and sustainability consulting market is witnessing a flurry of reporting and disclosure-related projects. Organizations are relying on consulting firms to prepare for upcoming regulations from the US Securities and Exchange Commission (SEC) and the enforcement of the EU's Corporate Sustainability Reporting Directive (CSRD) (see **Figure 3** for a regional overview of ESG and sustainability regulations), as well as to help them make effective disclosures, for instance, through integrated financial and ESG reporting. Organizations require the assistance of consulting firms to demonstrate, through their disclosures, a stronger compatibility of business models with a net zero and nature-positive future. Responding to these needs, in 2023 consulting firms strengthened their reporting and disclosure offerings by launching specific solutions for the CSRD – such as gap assessments and double materiality – and for SEC preparedness, along with bolstering their capabilities to reconcile data processes with voluntary disclosure frameworks such as those of the Global Reporting Initiative (GRI) the International Sustainability Standards Board (ISSB) and the Task Force on Climate-related Financial Disclosures (TCFD).

- E, S and G are evidently interconnected within projects.**

In recent years, sustainability has branched out from E-centric issues to encompass more focused considerations of S and G. The multifaceted pressure that comes from all aspects of E, S and G presents a complex challenge for firms in a dynamic regulatory landscape. For instance, modern slavery as an ESG problem has social and governance ramifications, but can also involve environmental aspects relating to people working in polluted or dangerous conditions. Firms are therefore seeking support to develop and implement strategies that look at ESG as a coherent framework, compared with previously siloed E, S and G thinking. This is most evident in the increasing reframing of energy transition projects as 'just transition' projects, with significant community and social impacts.



Figure 3

Regional overview of ESG and sustainability regulations: 2022-2025

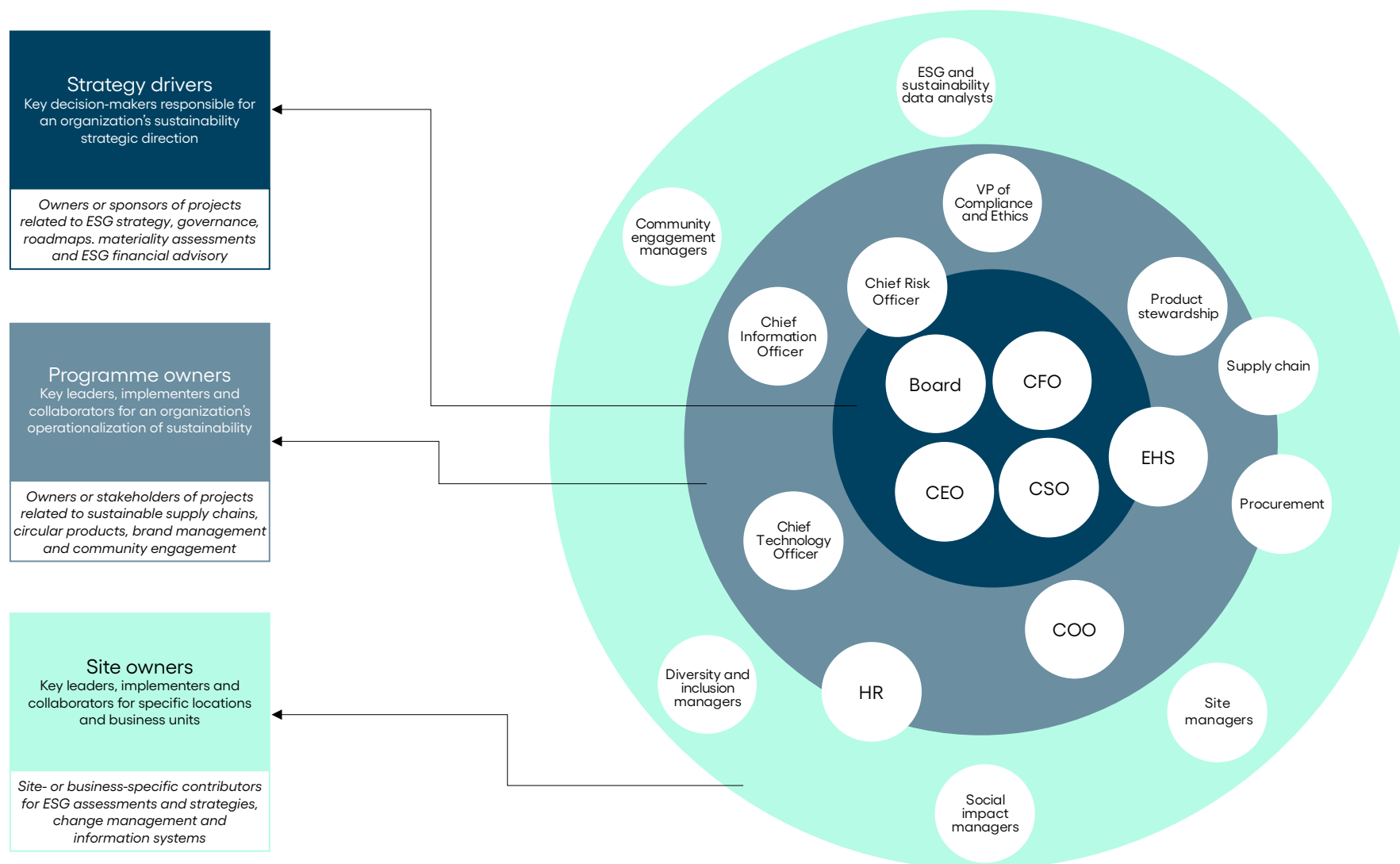
Region	Regulation
Europe	Corporate Sustainability Reporting Directive (CSRD)
	European Sustainability Reporting Standards (ESRS)
	EU Corporate Sustainability Due Diligence Directive (CSDDD)
	EU Taxonomy
	EU Sustainable Finance Disclosure Regulation (SFDR)
	EU Emissions Trading System (ETS)
	German Supply Chain Due Diligence Act
	UK Climate-Related Financial Disclosure Regulations
	UK FCA Diversity and inclusion on company boards and executive management
	Switzerland Binding TCFD reporting
	Switzerland Ordinance on Due Diligence and Transparency Regarding Minerals and Metals from Conflict Areas and Child Labour (VSoTr)
North America	US Inflation Reduction Act (IRA)
	US SEC Climate Disclosure Rules
	US SEC ESG Disclosures for Investment Advisers and Investment Companies
	Canada Climate Risk Disclosure Rules
	Canada Fighting Against Forced Labour and Child Labour in Supply Chains Act
APAC	Australia Climate Change Bill 2022
	India Energy Conservation (Amendment) Bill 2022
	Japan Amendment of Financial Instruments and Exchange Act
	South Korea Stewardship Code
LATAM	Brazil TCFD mandatory disclosures
	Chile Financial Market Commission General Rule No. 461
MENA	Gulf Cooperation Council (GCC) ESG Disclosure Metrics
	Amman Stock Exchange (ASE) ESG mandatory GRI sustainability report

Source: Verdantix analysis



Figure 4

Owners and internal stakeholders of ESG and sustainability consulting engagements



Source: Verdantix analysis



Figure 5

Types of ESG work: ESG standalone engagements and broader engagements with ESG components

	ESG standalone engagements	Broader engagements with ESG components
Need	Specific expertise sought for particular sustainability concerns, challenges and improvements, such as baselining of environmental and social sustainability performance, data management for ESG compliance, ESG reporting preparedness, and climate risk assessments.	ESG and sustainability are integrated as concerns within projects that are seeking broader outcomes, such as sustainability-informed M&A transactions, with due diligence encompassing financial, operational and ESG topics; and tax strategy projects that may factor in incentives and credits available through green tax incentives.
Focus	Narrow and specific, with a focus on ESG and sustainability.	Broad and overarching, with ESG and sustainability one of multiple lenses.
Common key stakeholders	ESG and sustainability teams, as well as specific functions that are impacted by a particular challenge.	Integrated teams with relevant subject-matter experts.
Example of ESG strategy consulting engagement	Developing nature-positive strategies and roadmaps.	Portfolio strategy combining legacy business with new businesses, whilst remaining sustainable.
Example of operational transformation consulting engagement	Sustainable operating models, establishing traceability within supply chains.	Organizational transformation, with elements of ESG and sustainability consulting services.

Source: Verdantix analysis

- **Different organizational stakeholders are owners of ESG projects.**

Consulting firms are increasingly interacting with a variety of stakeholders for their ESG and sustainability engagements. Ownership of consulting engagements varies, based on the size and structure of the organization, the nature of the project and the source of organizational funding (see **Figure 4** for an illustration of the influx of owners and internal stakeholders of sustainability consulting engagements that Verdantix is commonly witnessing). For example, for embedded sustainability services, key stakeholders may be internal audit and investor relations functions. With pressure to improve organizational sustainability performance coming from different sources, such as investors, customers and regulators, internal stakeholders and decision-makers have expanded to encompass the entire C-Suite – specifically, CFOs and chief risk officers (CROs), in addition to CEOs and chief sustainability officers (CSOs). For instance, for energy transition or circular economy projects that mandate a change in corporate strategy and operating models, the entire C-Suite plays an important role. Additionally, boards are engaging consulting firms to develop strategic perspectives on sustainability. Investors are also enlisting consulting firms to assess, report and improve portfolio-wide sustainability performance. For standalone ESG engagements, ‘C-Suite minus one’ leadership roles are making key purchasing decisions for ESG and sustainability consulting services, with some degree of sign-off and advocacy from the CFO.



- **Standalone ESG engagements are rising, as are broader arrangements with ESG components.**

Within the ESG and sustainability consulting market, we are witnessing two kinds of ESG consulting engagements – standalone ESG engagements and broader engagements with ESG components (see **Figure 5**). This impacted how we conceptualized ESG consulting engagements for this Green Quadrant, and consequently, how we evaluated firms. As a result of the rise in specific sustainability concerns, we are seeing a concomitant upsurge in ESG standalone engagements. Sustainability services, meanwhile, are being embedded in broader projects for two reasons: first, consulting firms, as part of their own sustainability priorities, and to provide accretive value to their clients, are endeavouring to incorporate sustainability into most client work; second, buyers of consulting services are asking for ESG services as a component of broader projects, as they too recognize sustainability as a business imperative and aim to integrate it within all their business processes. Sometimes, consulting firms may also be enlisted for broader business projects which then piece into standalone ESG projects – or vice-versa, with standalone ESG engagements frequently expanding into the provision of additional assistance to the client as they grow their ESG processes and operations.

ESG consulting service buyers benefit from a market composed of players with diverse backgrounds but similar investment priorities

ESG and sustainability issues often require multi-disciplinary perspectives, and the consulting market is made up of diverse players that can enable their clients' sustainability journeys in different ways. This wide range of participants in the ESG and sustainability consulting space is extremely beneficial for buyers of ESG consulting services. Considering the key characteristics of the ESG and sustainability consulting market, Verdantix finds that consulting firms:

- **Showcase strong sustainability consulting capabilities, from a range of heritages.**

The ESG consulting market has existed in some form for decades, with most firms profiled in this Green Quadrant having provided some manner of sustainability consulting services over this period. It is a fragmented market with mature players, despite the newness of certain sustainability concerns and regulations. The heritages of the major players are diverse, with each bringing a unique vantage point. For instance, firms with an engineering or environmental services background are often well-positioned to operationalize ESG strategy. In this study, we consider large, well-established firms, rather than boutique specialists; as a result, all firms analysed within this Green Quadrant exhibit strong capabilities across multiple service lines, and considerable momentum, due to substantial investment in the expansion of expertise.

- **Usually enjoy longstanding client relationships.**

Most ESG engagements are multi-year – they are either already built on existing longstanding relationships or result in the creation of such relationships. Most sustainability consulting firms have repeat-buyers of their services. This can be attributed to the fact that ESG and sustainability are enduring concerns at present, with dynamic and evolving nuances. Increasingly, a resident consultant model is emerging, whereby organizations have one consulting partner throughout their overall ESG and sustainability journeys, but may hire more specialist sustainability firms for specific projects. Organizational clients may therefore end up working with a number of ESG and sustainability consulting partners, as they navigate this landscape.

- **Must navigate a resource-short market through dedicated training and firm-wide collaboration.**

The demand for skilled professionals to enable and ensure a 'green transition' significantly exceeds the supply of such professionals. [Only one in eight workers](#) has one or more 'green skills'. On the one hand, this lack of sustainability skills increases the premium associated with consulting firms who manage to maintain expertise in a resource-short market; on the other, it causes a significant problem for sustainability consulting firms themselves. To address this, ESG consulting firms have launched dedicated learning programmes to enhance green skills in their larger employee base, in order to leverage their capabilities for sustainability engagements. Consulting firms with broader expertise also utilize experts from across the business to



provide industry knowledge for sustainability engagements. In addition, some consulting firms have initiated programmes to increase green skills in the wider economy. Moreover, firms are relying on diverse skillsets – such as those of data analysts, engineers, scientists and social scientists, environmentalists, biotechnologists, management consultants and regulatory experts – to provide better services to their clients, as well as to manage a shortage of resources.

- **Are leveraging digital solutions to scale and increase insights.**

Over half the firms in this Green Quadrant mentioned continuing investment in data, digital, AI and generative AI (GenAI) in the coming two to three years. Consulting firms are using digital tools for scalable ESG consulting services and to deliver crucial insights that require granular sustainability data and advanced analysis. Digital tools allow consulting firms to maximize value creation for their clients by using data to drive effective ESG-related decision-making and to increase efficiency in ESG-linked processes. These tools are a combination of proprietary and third-party software leveraged through partnerships. With software and service partnerships becoming increasingly common in the ESG sector (see **Figure 6**), this ecosystem approach to sustainability programme management supports end-to-end sustainability strategy implementation, as well as the production of investor-grade data and effective disclosures and reporting (see [Verdantix Market Overview: The ESG & Sustainability Software And Services Partnership Ecosystem](#)). ESG consulting firms are also making strategic acquisitions to advance their data and digital capabilities – especially around climate technology and carbon emissions calculation and reporting – and are developing ESG use cases for GenAI.

Figure 6

Examples of partnerships between ESG and sustainability consulting and software firms

Consulting firm	Software partners
Anthesis	Alteryx, Amdaris, CDX, Hexaware Technologies, Landmark, Microsoft
Arcadis	Cority, Enablon, Honeywell, One Click LCA, Sphera
BCG	Anaplan, CO2 AI, Doconomy, Jupiter, SAP, Workiva
Bureau Veritas	Capgemini, Enhesa, Envision Digital, Greenly, Kayrros, OPTEL
Capgemini	AWS, Google, Greenspector, Microsoft, Salesforce, SAP
Cognizant	CoolPlanet, IBM Envizi, Metabolic, Microsoft, Salesforce, SAP
Deloitte	Alphabet (Google), Oracle, Salesforce, SAP, ServiceNow, Workiva
ERM	Enablon, Persefoni, Planet, Salesforce, SAP, Sphera
EY	IBM, Microsoft, SAP, ServiceNow, Thomson Reuters, Wolters Kluwer
JLL	NextEra Energy/elQ Mobility, LevelTen Energy, Qmerit, Schneider Electric
J.S. Held	Cority, Enablon, Ensogo, Intellex, VelocityEHS, Workiva
KPMG	Context Labs, CoolPlanet, Microsoft, ServiceNow, Watershed, Workiva
PwC	Enablon, Microsoft, Salesforce, SAP, Sphera, Workiva
Ramboll	Fathom, iPoint, NatureServe, SESAMm
SLR Consulting	AquaCrop-OS, CarbonChain, IBM Envizi, Spherity, TUFLOW, Turnkey
WSP	Benchmark Gensuite, Cority, EcoOnline, Enablon, Intellex, VelocityEHS

Note: Figure shows a maximum of six partners for each firm. Many of the consulting firms have more partners.

Source: Verdantix analysis

Figure 7

ESG and sustainability consulting market transactions in 2023

2023	Transaction	Description
January	Acquisition	Deloitte acquires sustainability-focused law firm MH Partners
January	Acquisition	Xpansiv acquires carbon and energy advisory firm Evolution Markets
January	Acquisition	Cognizant acquires IoT software engineering services provider Mobica
February	Acquisition	EY acquires ESG consulting provider Attalea Partners
February	Acquisition	ERM acquires climate and renewable energy advisory firm Coho
March	Acquisition	ERM acquires sustainable finance advisory firm NINT
April	Acquisition	WSP acquires advisory and engineering services provider Calibre
May	Acquisition	SLR Consulting acquires ESG strategy firm Carnstone
June	Acquisition	Accenture acquires dedicated sustainability consultancy Green Domus
June	Acquisition	EY South Africa acquires ESG advisory firm EBS Advisory
June	Merger	Anthesis merges with ESG advisory firm Wallbrook
June	Acquisition	J.S. Held acquires strategic advisory firm Africa Matters
July	Investment	Carlyle Group acquires majority stake in ESG consulting firm Anthesis
August	Acquisition	Morrow Sodali acquires ESG strategy and implementation firm HXE Partners
August	Acquisition	Ramboll acquires specialist management consultancy civity
August	Acquisition	SLR Consulting acquires ESG advisory firm IBIS Consulting
September	Acquisition	J.S. Held acquires environmental services firm Environmental Consultants
September	Acquisition	Capgemini acquires the Financial Crime Compliance (FCC) division of Exiger
October	Acquisition	ESG acquires energy consulting firm Phidex
November	Acquisition	Ramboll acquires sustainability strategy implementation firm acondas

Source: Verdantix analysis

- **Are investing vast resources to strengthen consulting capabilities and tap into new markets.**

Driven by market demand, the last three years have witnessed consulting firms build dedicated practices for ESG and sustainability. In 2023, specifically, consulting firms invested critical material and human resources in strengthening these dedicated sustainability practices. As an example, in the 2022 version of this report, the threshold of dedicated ESG and sustainability consultants for a firm to qualify for inclusion in the Green Quadrant was 50: in the current version, this has increased eight times, to 400. The years 2022 and 2023 also witnessed ESG and sustainability consulting firms pushing for inorganic growth through acquisitions. Such acquisitions had five major objectives: building depth in existing sustainability consulting service lines; adding new lines; expanding geographical coverage; deepening industrial penetration; and acquiring digital tools and technologies. Boutique firms with energy transition and climate risk consulting expertise, along with firms with carbon and climate data and digital capabilities, and sustainability consulting firms in Latin America and Australia, proved particularly attractive targets for acquisition (see **Figure 7** for an overview of market transactions in this space in 2023). In the last two years, the 17 firms that participated in this Green Quadrant made a total of 76 acquisitions.



- **Have a growing focus on nature and biodiversity-related consulting services.**

Responding to the increasing recognition that nature is inherently linked to climate risks, as well as the launch of the framework of the Task Force on Nature-related Financial Disclosures (TNFD) and the biodiversity-related disclosure requirements of the EU Taxonomy and the Sustainable Finance Disclosure Regulation (SFDR), many ESG and sustainability consulting firms have added dedicated nature and biodiversity services to their suites, with a number even launching specific practices in this area (see our nature-related sustainability consulting prediction for 2024 in [Verdantix Market Insight: 10 Predictions For ESG And Sustainability In 2024 And Beyond](#)). Front-end advisory services for biodiversity and nature help firms develop nature-positive strategies, conduct biodiversity impact assessments, baseline nature dependencies and impacts, design implementation roadmaps, and report on biodiversity and natural capital impacts through the TNFD.

Green Quadrant for ESG and sustainability consulting

Organizations across multiple industries and geographies are seeking support from ESG and sustainability consulting firms to navigate an evolving regulatory landscape and find opportunities, while improving sustainability performance. Consulting firms are responding to the needs of their clients by deepening subject-matter expertise, adding specialized service offerings and leveraging digital tools and technologies.

For the purposes of this report, Verdantix defines ESG and sustainability consulting as:

“Services, comprising skilled professionals, methodologies and data resources, that support corporates and financial organizations on ESG and sustainability corporate strategy; data management, reporting and disclosures; operational transformation; and ESG financial advisory.”

This Green Quadrant study benchmarks ESG and sustainability consulting offerings against four service lines: ESG and sustainability corporate strategy; ESG and sustainability data management, reporting and disclosures; operational transformation; and ESG financial advisory.

Green Quadrant methodology

The Verdantix Green Quadrant methodology provides buyers of specific products or services with a structured assessment of comparable offerings across vendors at a particular point in time. The methodology supports purchase decisions by identifying potential suppliers, structuring relevant purchase criteria through discussions with buyers and providing an evidence-based assessment of the products or services in the market. To ensure objectivity of the study results, the research process is defined by:

- **Transparent inclusion criteria.**

We work to analyse all providers that qualify for inclusion in the research. In this Green Quadrant, we only included those providers who accepted our invitation and provided us with an impression of their firms' market positioning through a completed questionnaire, a live two-hour briefing and client references.

- **Analysis from a buyer's perspective.**

We spoke with 37 ESG and sustainability consulting buyers to understand their relevant buying requirements, in order to weight the evaluation criteria in the model that drives the Green Quadrant analysis graphic. Additionally, we integrated findings from our global corporate ESG and sustainability survey of 400 senior decision-makers, many of whom have engaged with ESG and sustainability consulting firms such as those analysed in this Green Quadrant. The data-driven survey findings inform how we define the relevant consulting categories and sub-categories that propel the Green Quadrant graphical output.



- **Scores based on available evidence.**

To assess the expertise, resources, business results and strategies of individual providers, we collected evidence from public sources and conducted interviews with multiple representatives of each service provider, as well as industry experts. Where providers claimed to be ‘best in class’, we challenged them to present related evidence.

- **Reliance on professional integrity.**

As it would be unfeasible to check all data and claims that providers make, we emphasize the need for professional integrity. Competitors and existing customers can check each provider’s assertions, as they are placed in the public domain through this report.

- **Comparison based on relative capabilities.**

We constructed measurement scales ranging from 0.0 to 3.0 to evaluate performance for each assessment category. A provider’s position in the market can change over time, depending on how its offering and success evolves compared with its competitors. This means that even if a provider adds new capabilities, makes a strategic acquisition or receives new investment, its Quadrant positioning may not improve relative to that of other consultants, if these competitors also enhance their offerings. Verdantix repeats the Green Quadrant analysis for a product or service market annually, or every two years, to capture these transitions over time.

Evaluated firms and selection criteria

Verdantix defines vendor inclusion criteria to ensure that the Green Quadrant analysis only compares firms with the potential to support implementations of comparable scale and complexity. The 17 ESG and sustainability consulting providers included in this study were selected because they possess:

- **Capabilities across all four Verdantix-defined ESG and sustainability service lines.**

To ensure that participants can deliver a wide range of ESG and sustainability consulting projects – and thereby ensure a competitive analytical playing field for the report – we included vendors in this Green Quadrant only if they demonstrated capabilities across all of the following capability categories: ESG and sustainability corporate strategy; ESG and sustainability data management, reporting and disclosures; operational transformation; and ESG financial advisory.

- **At least 400 dedicated ESG and sustainability consultants.**

Firms qualified for participation within the Green Quadrant if they possessed at least 400 dedicated ESG and sustainability consultants. Although firms with a smaller consulting and advisory capacity may be able to provide similar capabilities to those of their larger counterparts, our research finds that they cannot ensure a suitable breadth of project delivery across the categories, to meet the needs of all buyers.

- **Upwards of 1,000 full-time consultants globally.**

We only included firms with at least 1,000 full-time consultants globally. We established this hurdle in order to screen out small boutique consulting firms.

- **A global presence for ESG and sustainability consulting services.**

To qualify for this benchmark study, participants must operate out of or have a significant presence in at least three regions – Asia-Pacific (APAC), Europe, Middle East and North Africa (MENA), Africa, Latin America and the Caribbean, and North America.

Based on the inclusion criteria above, this report evaluated 17 ESG and sustainability consulting providers: Anthesis, Arcadis, BCG (Boston Consulting Group), Bureau Veritas, Capgemini, Cognizant, DEKRA, Deloitte, ERM, EY, JLL, J.S. Held, KPMG, PwC, Ramboll, SLR Consulting and WSP. All providers profiled in this study actively participated through briefings and provided responses to a 72-point questionnaire. Verdantix also sent a pre-invitation to define inclusion criteria to Accenture, Bain & Company, McKinsey & Company and Tata Consultancy Services (TCS), but these firms did not engage in the process.



Evaluation criteria for ESG and sustainability consulting providers

Verdantix defined the evaluation criteria for this ESG and sustainability consulting Green Quadrant through a combination of interviews with senior executives, desk research, discussions with multiple customers, and staff expertise. In full, this year's Green Quadrant analysis compares offerings from 17 ESG and sustainability consulting firms, using a 72-point questionnaire (excluding one point of client references), covering five categories of demonstrated capabilities and six categories of market momentum. Individual metrics were classified as follows:

- **Demonstrated capabilities metrics.**

The capabilities dimension, plotted on the vertical axis of the Green Quadrant graphic, was used to measure each consulting firm's ESG and sustainability consulting based on the breadth and depth of that firm's service approach, its differentiators against other providers, and its proven experience in each area. In specific categories, where applicable, additional questions covering technical expertise, digital offerings and regulatory support were used to measure performance. In total, we assessed the providers across 31 demonstrated capability criteria, representing five distinct capability categories. Post-client references, one point was added to the demonstrated capability section.

- **Momentum metrics.**

The momentum dimension of the analysis, captured on the horizontal axis of the Green Quadrant graphic, was used to measure each consulting firm based on its vision, strategy and organizational resources; ESG and sustainability consulting client base; ESG deal dimensions (both for standalone and broader projects); revenue (by firm, consulting practice and ESG consulting practice); and in-house sustainability performance. In total, we assessed the providers across 41 momentum criteria, representing six distinct momentum categories.

The combination of high-level criteria scores in the demonstrated capabilities and momentum sections generated the Green Quadrant graphic and rankings.

Figure 8 and **Figure 9** provide details of the study criteria, along with the weighting of each primary criterion, shown inside the parentheses. **Figure 10** and **Figure 11** indicate the scoring for all participants against the criteria. **Figure 12** consists of the Green Quadrant graphic, summarizing the positioning of all consulting firms in this benchmark study.



Figure 8

Demonstrated capabilities for ESG and sustainability consulting

Demonstrated capabilities	
ESG and sustainability service offering overview (20%)	What are the ESG and sustainability consulting services you offer clients? Which client examples highlight the breadth of your ESG and sustainability expertise and depth of capabilities? What are the ways in which you differentiate your approach from others in the market? Which job titles do you typically sell your ESG and sustainability services to? How often do engagements for ESG and sustainability services typically operate as standalone engagements and how often as a component of other projects? What industry-specific ESG and sustainability capabilities and/or expertise do you provide in your three most important industry segments? How do you leverage internal software and digital solutions to support the delivery of your ESG and sustainability engagements? How do you leverage external software and digital solutions to support the delivery of your ESG and sustainability engagements? Which specific ESG and sustainability certification programmes do you support? Please describe any new offerings you have added to your ESG and sustainability services portfolio in the last 12 months.
ESG and sustainability corporate strategy (20%)	Please provide client examples to highlight the breadth of your ESG and sustainability strategy expertise and depth of capabilities. How many projects in this area has your firm worked on in the last two years? Please list any ways you differentiate your approach from others in the market. What partnerships are in place with technology vendors in this area?
ESG and sustainability data management, reporting and disclosures (20%)	Please provide client examples to highlight the breadth of your ESG and sustainability data management, reporting and disclosures expertise, and depth of capabilities. How many projects in this area has your firm worked on in the last two years? Please list any ways you differentiate your approach from others in the market. For which regulations, standards or frameworks do you provide specific support? What partnerships are in place with technology vendors in this area?
ESG operational transformation (20%)	Please provide client examples to highlight the breadth of your ESG and sustainability operational transformation expertise and depth of capabilities. How many projects in this area has your firm worked on in the last two years? Please list any ways in which you differentiate your approach from others in the market. What partnerships are in place with technology vendors in this area?
ESG financial advisory (20%)	Please list typical scopes you undertake in projects for ESG advisory to investors and provide client examples to highlight your expertise and depth of capabilities. How many projects in this area has your firm worked on in the last two years? Please list any ways you differentiate your approach from others in the market. What partnerships are in place with technology vendors in this area?

Source: Verdantix analysis



Figure 9

Momentum criteria for ESG and sustainability consulting

Momentum	
Dedicated ESG and sustainability consulting practice: vision, strategy and organizational resources (20%)	When was your firm's dedicated ESG and sustainability consulting practice set up? What is the average number of years of experience in the ESG and sustainability sector across your dedicated ESG and sustainability team? Please elaborate on the skillsets that you have within your dedicated ESG and sustainability team. How do you ensure you have the right skillsets within your team to serve your clients? Please describe relevant training practices. How are you acquiring relevant talent? What firms have you acquired within the past two years to enhance your ESG and sustainability consulting capabilities? Please detail any other information on market presence specific to ESG and sustainability, such as industry conference sponsorships/speeches, ESG thought-leadership/webinars, etc. How do you see your ESG and sustainability consulting services changing over the next two to three years? Please describe your vision for scaling up your capabilities and/or expanding your scope in an evolving ESG and sustainability services market.
ESG client base (20%)	What was the total number of clients using your ESG and sustainability consulting services in 2022? What was the total number of clients using your ESG and sustainability consulting services as of September 1, 2023? In the last two years, where were your ESG and sustainability clients located? In the last two years, in which industries were your ESG and sustainability consulting engagements delivered? In the last two years, what percentage of your ESG and sustainability consulting engagements was delivered to large firms (revenue >\$1bn), medium firms (revenue between \$250m and \$1bn) and small firms (revenue <\$250m)?
ESG deal dimensions: standalone engagements (15%)	In the last two years, what was the total number of clients for standalone ESG and sustainability consulting engagements that your practice delivered? In the last two years, what was the total number of standalone ESG and sustainability consulting engagements that your practice delivered? In the last two years, how many of your standalone ESG and sustainability consulting engagements had deal revenue of more than \$1m; deal revenue of more than \$500K but less than \$1m; deal revenue of more than \$100K but less than \$500K; and deal revenue of less than \$100K? In the last two years, what was your average revenue per standalone ESG and sustainability consulting engagement? In the last two years, what was your average revenue per standalone ESG and sustainability consulting engagement with large firms, medium firms and small firms?
ESG deal dimensions: ESG and sustainability services as a component of other projects (15%)	In the last two years, what was the total number of clients that your practice served through consulting engagements where ESG and sustainability services were a component? In the last two years, what was the total number of consulting engagements where ESG and sustainability services were a component? In the last two years, how many of your consulting engagements where ESG and sustainability services were a component had deal revenue more than \$1m; deal revenue more than \$500K but less than \$1m; deal revenue more than \$100K but less than \$500K; and deal revenue less than \$100K? In the last two years, what was your average revenue per consulting engagement where ESG and sustainability services were a component? In the last two years, what was your average revenue per consulting engagement where ESG and sustainability services were a component with large firms, medium firms and small firms?
Revenue (20%)	What was your firm's total annual revenue in the last financial year? Please provide the following information for the entire consulting practice: Total (consulting) revenue in the most recent reporting period (\$); total (consulting) revenue in the year prior (\$); total number of consulting engagements in the most recent reporting period (#); total number of consulting clients for all consulting engagements in the most recent reporting period (#); average revenue per consulting engagement signed or delivered, in the most recent reporting period (\$). Please provide the following information, specifically for the ESG and sustainability consulting practice: Total (ESG and sustainability consulting) revenue in the most recent reporting period (\$); total (ESG and sustainability consulting) revenue in the year prior (\$); total number of ESG and sustainability consulting engagements, in the most recent reporting period (#); total number of ESG and sustainability consulting clients in the most recent reporting period (#); average revenue per ESG and sustainability consulting engagement signed or delivered, in the most recent reporting period (\$).
Consulting firm in-house ESG and sustainability performance (10%)	How big is your in-house ESG and sustainability team, working on your firm's own sustainability? When was it established? What are your ESG and sustainability objectives, targets and KPIs? How have you performed against your ESG and sustainability objectives, targets and KPIs to date? Do you have any business certifications or accreditations that you would like to share with us (e.g. B-corp, GRI-certified, WBENC-certified, etc.)?

Source: Verdantix analysis



Figure 10
Consulting firms' scores: demonstrated capabilities

Demonstrated capabilities	Anthesis	Arcadis	BCG	Bureau Veritas	Capgemini	Cognizant	DEKRA	Deloitte	ERM	EY	JLL	J.S. Held	KPMG	PwC	Ramboll	SLR Consulting	WSP
ESG and sustainability service offering overview	2.3	2.0	2.9	1.6	1.8	2.3	1.5	2.2	2.9	2.7	1.7	1.3	2.4	2.5	2.1	2.1	2.3
ESG and sustainability corporate strategy	1.5	1.8	2.8	1.3	1.3	1.5	1.3	2.0	2.3	2.3	1.3	1.5	2.0	2.0	1.5	2.0	2.0
ESG and sustainability data management, reporting and disclosures	1.8	1.8	2.0	1.6	1.8	1.8	1.6	2.2	2.0	2.2	1.8	1.6	2.2	2.2	1.6	1.8	2.0
ESG operational transformation	2.3	2.5	2.5	1.8	2.3	1.8	1.3	2.0	2.8	2.5	0.8	1.3	2.0	2.3	2.5	2.5	2.5
ESG financial advisory	1.8	1.5	2.3	0.8	1.3	1.3	0.5	2.0	2.8	2.3	1.8	1.5	2.0	2.3	1.5	1.5	1.5

Vendor provides evidence of market-leading capability, supported by a broad set of references to customer examples	3
Vendor provides evidence of strong capability, supported by a broad set of references to customer examples	2
Vendor provides evidence of moderate capability, with limited references to customer examples	1
No response provided or publicly available, or supplier has a weak offering	0

Source: Verdantix analysis



Figure 11
Consulting firms' scores: momentum

Momentum	Anthesis	Arcadis	BCG	Bureau Veritas	Capgemini	Cognizant	DEKRA	Deloitte	ERM	EY	JLL	J.S. Held	KPMG	PwC	Ramboll	SLR Consulting	WSP
Dedicated ESG and sustainability consulting practice: vision, strategy and organizational resources	2.1	2.2	2.8	1.4	2.7	1.6	1.3	2.5	2.9	2.7	1.9	1.5	2.5	2.6	2.4	2.2	2.7
ESG client base	2.0	1.0	1.5	2.0	1.0	0.5	2.0	3.0	2.0	3.0	1.5	2.0	1.5	2.0	2.0	3.0	3.0
ESG deal dimensions: standalone engagements	1.8	1.0	2.0	1.5	1.5	1.5	1.0	2.3	2.3	2.0	1.8	1.8	1.8	2.3	1.5	2.0	2.0
ESG deal dimensions: ESG and sustainability services as a component of other projects	N/A	1.0	2.5	1.8	1.5	1.5	0.8	2.8	N/A	1.8	1.3	1.8	1.5	1.5	1.0	N/A	1.5
Revenue	1.3	1.4	2.4	1.9	1.7	1.7	0.9	2.7	1.9	2.6	2.0	1.2	2.5	2.5	1.6	1.4	2.2
Consulting firm in-house ESG and sustainability performance	1.8	1.5	2.8	2.0	2.8	2.5	2.0	2.3	2.8	2.8	2.8	1.3	2.3	2.8	2.0	2.0	2.3

Vendor provides evidence of market-leading momentum	3
Vendor provides evidence of strong momentum	2
Vendor provides evidence of moderate momentum	1
No response provided or publicly available, or vendor has weak momentum	0

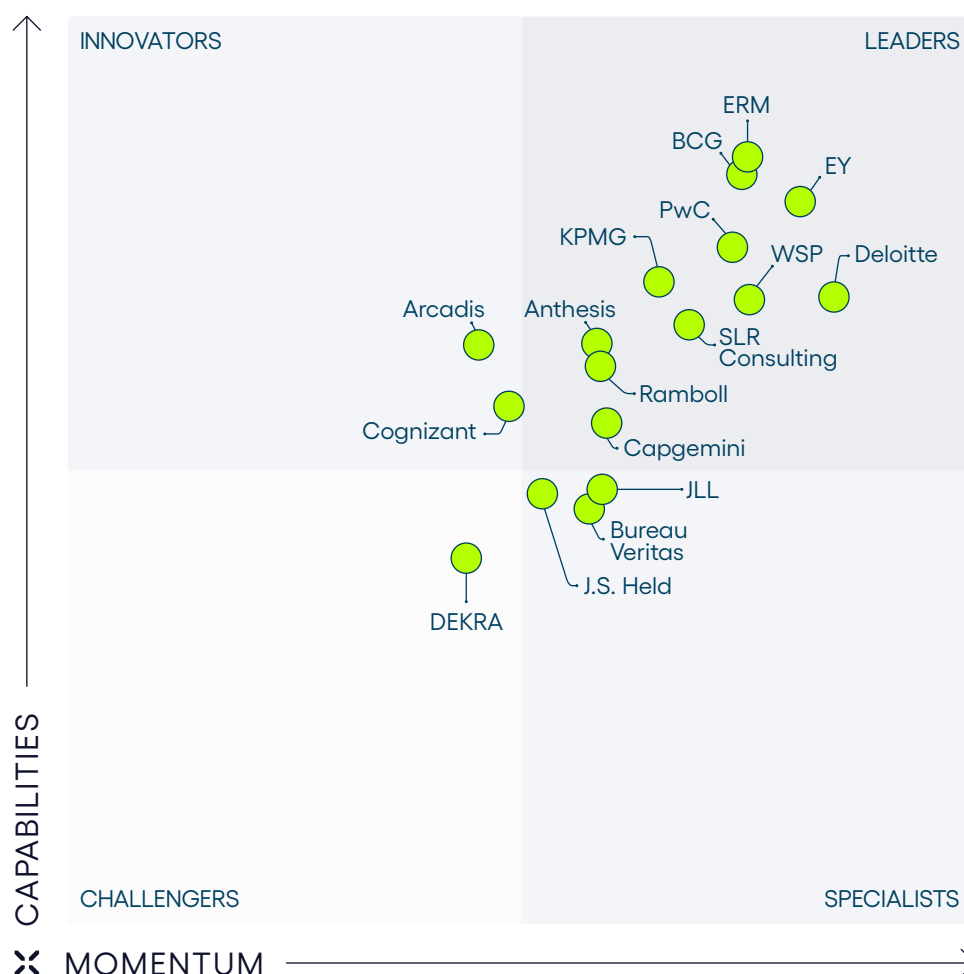
Note: Anthesis, ERM and SLR Consulting are pure-play sustainability consulting firms and all their projects are standalone engagements. As a result, we have not evaluated or scored these firms on 'ESG deal dimensions: ESG and sustainability services as a component of other projects.'

Source: Verdantix analysis



Figure 12

Green Quadrant for ESG and sustainability consulting services 2024



Capabilities

This dimension measures each firm on demonstrated capabilities for ESG and sustainability consulting services across five categories, as outlined in **Figure 8**.

Momentum

This dimension measures each firm on strategic success factors across six categories, as outlined in **Figure 9**.

Source: Verdantix analysis



KPMG overview

Information

With roots that can be traced back over 150 years, KPMG was incorporated in 1987 as a professional services network and has been providing sustainability services for over 15 years. Its ESG services portfolio is structured around assurance, strategy, transformation and implementation, reporting, decarbonization, climate and nature, tax and legal, value and deals, supply chain, circular economy, social and governance services. KPMG's alliance-based offerings, along with its ESG Academy and its acquisition of Resultante Consultoria have strengthened its ESG and sustainability service offering in the last two years.

Vendor info

Firm name	KPMG
Headquarters	London, UK
Employees	>100,000
Dedicated ESG & sustainability consultants	1,000 to 5,000
Revenues	>\$10bn
Example customers	Apollo, City of Amsterdam, Philips, Södra, Williams

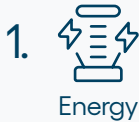
Customer regional presence

APAC	
Europe	
Middle East and North Africa	
Africa	
Latin America and the Caribbean	
North America	

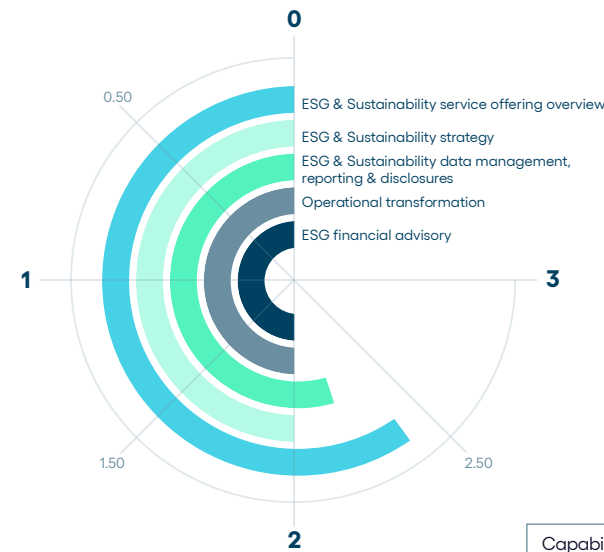
% Customer base

○ 0% <10% 10%-25% 25%-50% above 50%

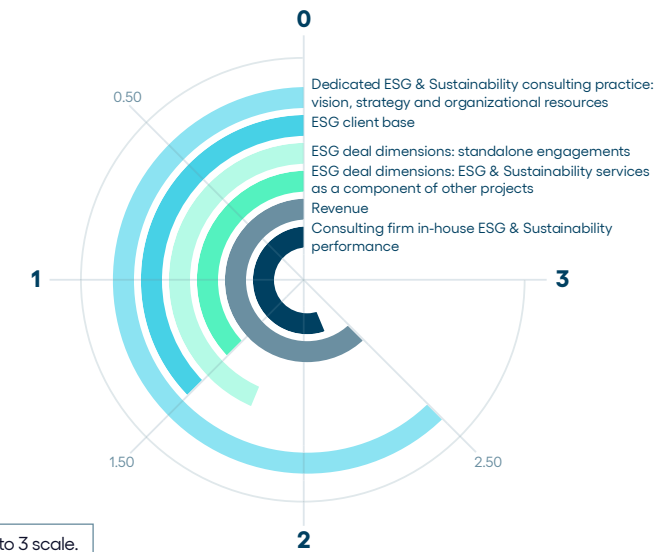
KPMG's highest industry penetration



Demonstrated capability scores



Momentum scores



Capability scores on a 0 to 3 scale. A score of 0 means no capability and 3 means market-leading capability.



Analyst insight: KPMG leverages its institutional expertise to provide holistic sustainability solutions

Through the integration of sustainability into its broader offerings, KPMG has enhanced its ability to support large firms seeking to address sustainability concerns holistically. The following section evaluates KPMG's ESG and sustainability offering, to demonstrate its capabilities and differentiators and provide selection advice for buyers. Based on the Green Quadrant analysis, Verdantix finds that KPMG has strengths in:

- **Embedding ESG expertise within its larger services portfolio.**

As part of KPMG's corporate ESG strategy, the firm intends to make ESG the watermark that runs through its global organization. This is motivating the firm to increasingly integrate sustainability considerations in broader technology and business transformation programmes, through the construction of cross-functional teams. For example, KPMG aligns its due diligence provision with its ESG due diligence offering through the application of a proprietary ESG framework to all deal valuation support, thus ensuring incorporation of ESG advice into standard due diligence projects. KPMG's sustainability consulting practice also has strengths in incorporating tax and legal implications – such as environmental taxation and incentives – into its climate, sustainable finance, governance and supply chain engagements.

- **Powering extensive ESG data management, reporting and disclosure capabilities through technology.**

KPMG scored 2.2/3.0 for its data management, reporting and disclosure capabilities. The firm has expertise in helping organizations develop and execute ESG reporting strategies based on mandatory reporting standards – such as the EU Corporate Sustainability Reporting Directive (CSRD), the EU Taxonomy and the standards of the International Sustainability Standards Board (ISSB) – as well as voluntary frameworks, and in establishing the necessary data and technology infrastructure to support reporting. KPMG's sustainability practice has deep capabilities in the identification of disclosure obligations in over 100 countries, through its ESG Regulatory Horizon database. Leveraging its proprietary ESG Data Mapping tool, the firm can pinpoint the data elements needed to calculate more than 4,000 metrics and translate them between different regulatory frameworks. Both of these tools are incorporated in its Powered Sustainability solution, a digital platform that extends the value and functionality of its alliance partner solutions, such as those from Microsoft (Sustainability Manager) and Workiva. KPMG demonstrates a strategy lens for its ESG reporting engagements by benchmarking clients' material topics, metrics and ratings against peers and industry trends. It also showcases an extensive network in the ESG reporting landscape, serving as a member of ESG standard-setting boards such as the ISSB, the Task Force on Climate-related Financial Disclosures (TCFD) and the Task Force on Nature-related Financial Disclosures (TNFD), at national and international levels.

- **Providing integrated sustainability solutions for large firms.**

Large firms at various levels of ESG maturity, looking for integrated sustainability solutions, should approach KPMG, to profit from its synergistic approach to sustainability. KPMG is also well-suited to firms that require a strategy lens for climate, carbon, circular economy, and water- and nature-related reporting and disclosures. In addition, businesses should contemplate using KPMG's services for projects involving the testing of governance models for ESG-relevant inadequacies, and to benefit from the provider's capabilities in anticipating and managing ESG-related reputational risks, and threats from potential litigation and shareholder activism. The firm's largest sustainability practices are in North America, Europe and Asia-Pacific (APAC) and it is well-placed to serve firms in these geographies. With a significant and growing presence in Latin America and the Caribbean, businesses operating within this region should also shortlist KPMG.



Independent insight and analysis

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