



# **THE STORY OF '24:** TWENTY-FOUR WAYS SCHELLMAN INCREASED OUR IMPACT IN 2024



## WHO WE ARE

Your dynamic cybersecurity ally, empowering you to forge a safer and more resilient future.



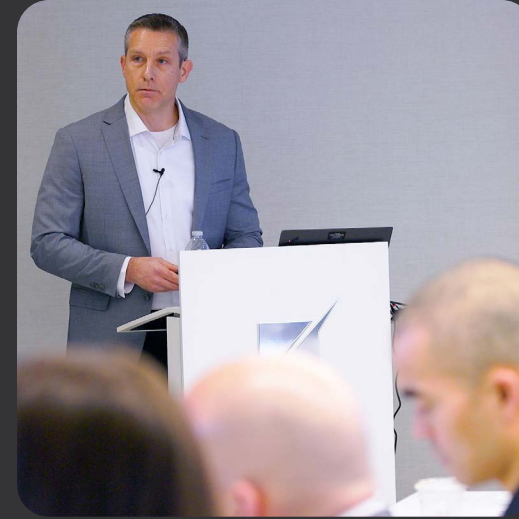
## MISSION

Provide a frictionless path to a secure digital future.



## VISION

Transform cybersecurity assessments from a burden to a strategic advantage.



## PURPOSE

To help our clients build trust with their customers.



## VALUES

- People come first
- Openness builds trust
- Never stand still



## GREEN MISSION

Committed to empowering our diverse & inclusive employees, clients, & partners to execute a sustainable business that has a positive impact on resources, people, & communities.

# SHELLMAN BASICS



**ONLY CYBERSECURITY FIRM IN THE TOP 50 CPAS**



**500+ PROFESSIONALS CURRENTLY SERVING 1,200+ CLIENTS**



**ANNUALLY PERFORM 3,900+ PROJECTS SPANNING 55+ COUNTRIES**



**GLOBAL ACCREDITATION FOR ISO 27001 & PCI DSS**



**PIONEER & LEADING FEDRAMP & CMMC PRACTICES**



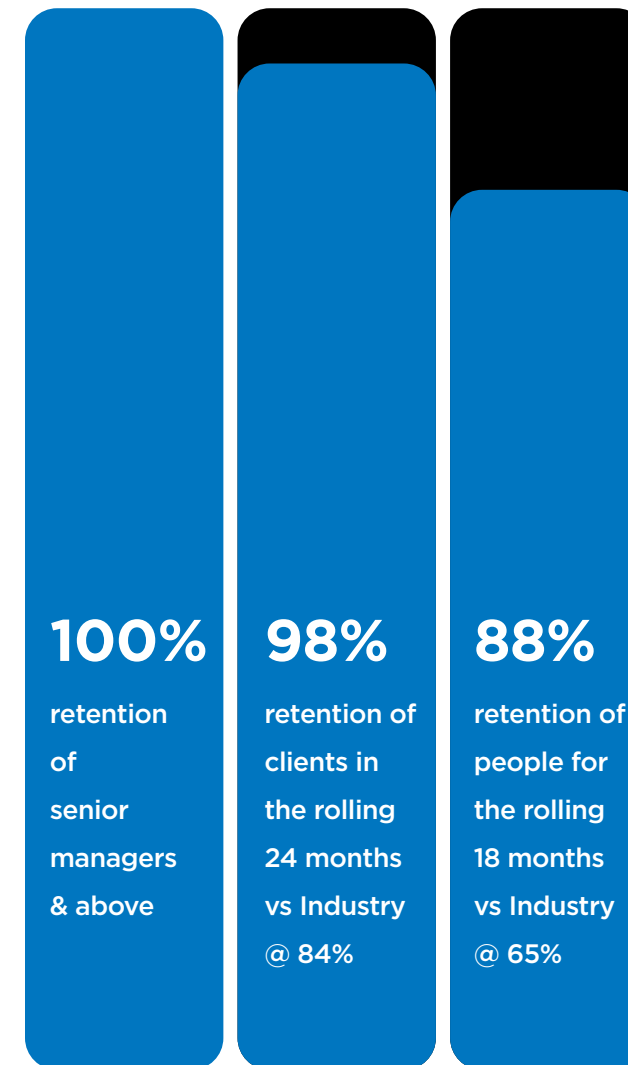
**PURPOSE BUILT PRACTICES AROUND PENETRATION TESTING & PRIVACY**



**ADVANCED CAPABILITIES IN CYBERSECURITY, SOFTWARE, CLOUD COMPUTING, FINTECH, AND WEB 3.0**

## CONSISTENCY & CONTINUITY

Schellman's industry-leading client and employee retention rates foster stability in an ever-changing landscape.



## AVERAGE YEARS EXPERIENCE



## AVERAGE YEARS AT SCHELLMAN



## AVERAGE COMPLETED REPORTS



**519**

TOTAL  
EMPLOYEES

**91**

TOTAL HIRES  
59 SD | 32 ISD

**4.06**

AVERAGE TENURE  
(YEARS)

**6.29%**

REGRETTABLE  
TURNOVER

**15.6%**

PROMOTION  
RATE

**15%**

MALE

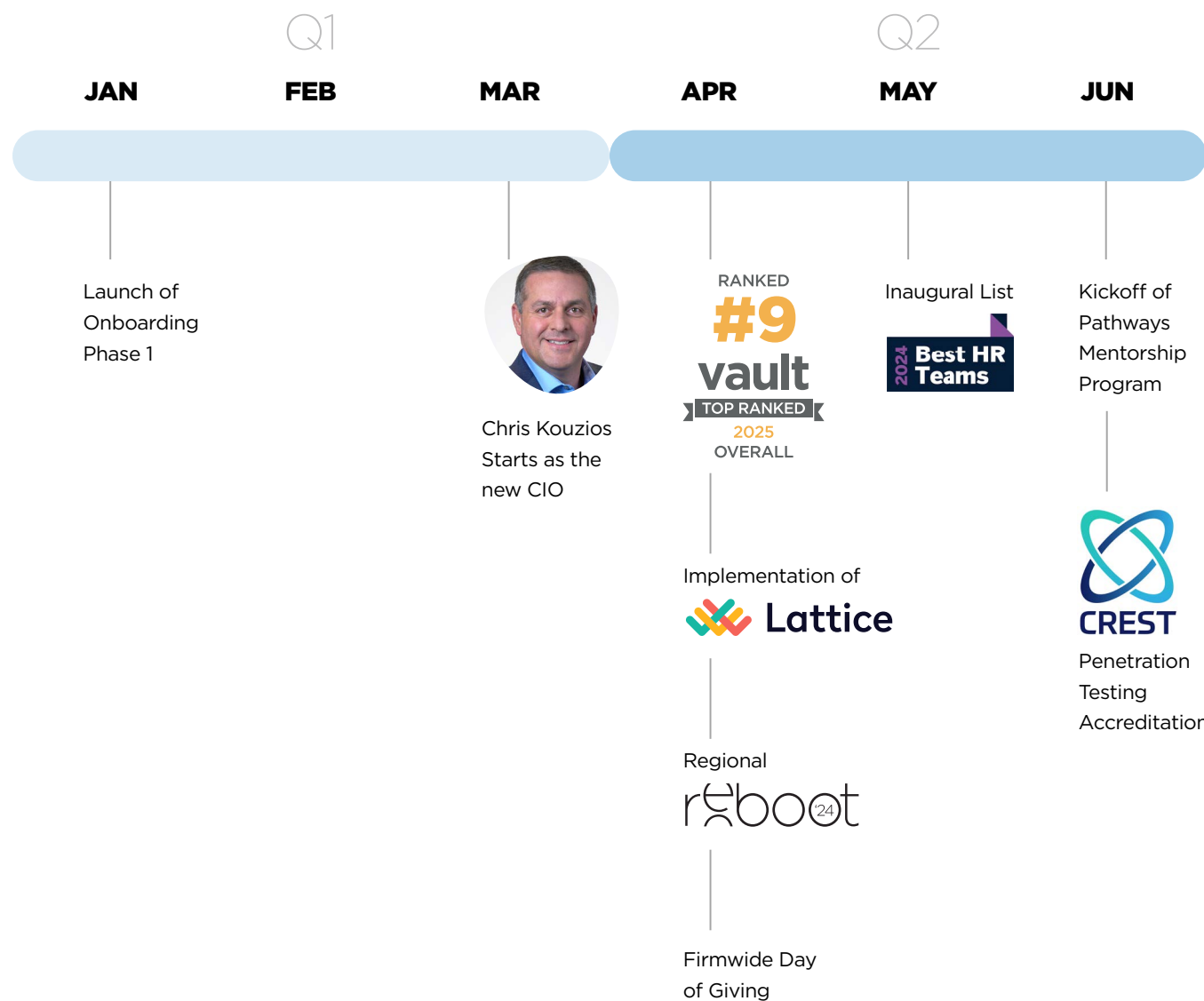
% OF PROMOTIONS BETWEEN GENDERS

**18%**

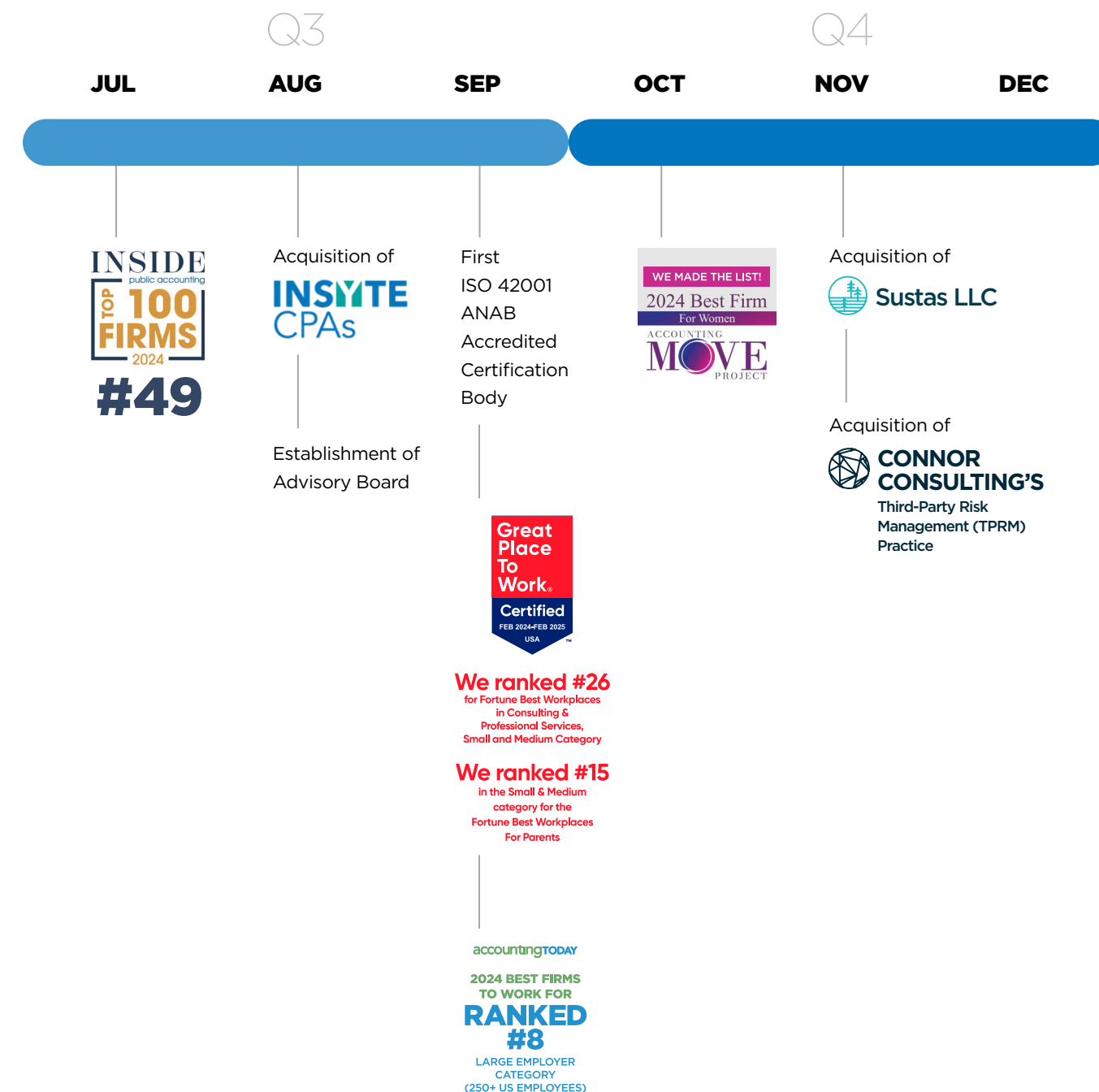
FEMALE

# 2024 BY THE NUMBERS

# THE YEAR IN



# REVIEW





## LETTER FROM THE CEO

2024 was a big year for Schellman—altogether, it was a continuation of our upward trajectory, something that would not have been possible if not for the collaboration among our people.

Their impact can't be understated, particularly as that was our theme for the year—Impact. In 2024, Schellman increased our impact on the industry, took steps to decrease our impact on the environment, and further optimized our impact on our clients and strategic partners. It was a year of tremendous overall growth in both external and internal ways, and this, our latest People and Talent Annual Report, reflects that.

This is just our second attempt at compiling all the data as a testament to all the work done and the success achieved last year. Now, with a second report under our belts, it's exciting to be able to tangibly compare all our latest progress

regarding innovating new solutions, developing our culture, and supporting our clients. In this—as always—we remain committed to our three core values—People come first, Openness builds trust, Never stand still.

2024 represented another year of building upon those three pillars, and this People and Talent Annual Report proves it. As we look forward to 2025 and its new challenges, we'll continue to focus on upholding those three values as we strive for greater heights. Thank you for being a part of our journey so far—we can't wait for what successes will come next.

*Avani M. Desai*

**AVANI DESAI**  
CHIEF EXECUTIVE OFFICER

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The central theme of Schellman's Story of '24 was Impact. From accelerating growth through acquisitions to achieving B-Corp Certification, the year was marked by surpassing goals, generating new ideas, and strengthening connections—all of which increased our impact.

Our achievements in 2024 included groundbreaking efforts in ISO 42001, an expanded range of services, and the successful pilot of a part-time program. Alongside these advancements, we attained a 93% score for Great Place To Work, earning us certification for the sixth consecutive year.

# INTRO

Equally important, we formed new partnerships and strengthened existing relationships—within the firm, with our clients, and in the community. We gave generously, recharged together at Reboot, and connected through our CARES events.

**Our journey over the year was rewarding, productive, and fun—and we're excited to share it with you! Read on to discover twenty-four ways Schellman leveled up in '24!**

# 1

## GROWTH THROUGH ACQUISITIONS

Over the year, we fueled our growth by acquiring two firms and a carve-out of one practice, all in line with Schellman's continued expansion as part of our strategic vision for 2024 and the future.

In August, Schellman acquired INSYTE CPAs, LLC. INSYTE's clients and personnel transitioned to Schellman as part of the transaction. Their shared client-centric approach to delivering tailored solutions and best-in-class service perfectly complements the strategic alignment between the two firms.

Headquartered in Birmingham, Alabama, and led by founder and Managing Partner Cindy Wyatt, INSYTE CPAs has built a stellar reputation in risk management, internal control, and business processes. The acquisition is aligned with our

plan to continue developing core services as part of our key growth strategy.

In November, Schellman announced the successful acquisition of Sustas, LLC, which specializes in sustainability reporting services. Sustas's clients and team members will integrate with Schellman, enhancing our ability to deliver customized, industry-leading sustainability compliance, consulting, and assurance solutions.

Located in Idaho and led by Founder and Managing Partner Stuart Block and Managing Partner Ben Montalbano, Sustas built a strong reputation for providing transparent and accurate sustainability reports.

Lastly, we finalized the acquisition of Connor Consulting's Third-Party Risk Management

(TPRM) practice in December. This marks another major step in Schellman's strategic growth through acquisitions, highlighting its dedication to delivering customized independent compliance and governance assessments.

Connor, headquartered in San Francisco with a globally distributed team, was founded in 2009 to provide strategic, integrated services across the compliance function.



**CINDY WYATT**  
BOARD ADVISOR



**STU BLOCK**  
DIRECTOR, ESG



**BENJAMIN MONTALBANO**  
TECHNICAL DIRECTOR, ESG





# 2

## ISO TRAILBLAZERS

# ISO

In September, Schellman proudly announced its accreditation by the ANSI National Accreditation Board (ANAB) as an International Organization for Standardization (ISO) 42001 certification body. With this achievement, Schellman became the first ANAB-accredited ISO 42001 certification body authorized to certify organizations against the world's leading Artificial Intelligence Management System (AIMS) standard.

ISO/IEC 42001, the first standard of its kind, provides a certifiable AI Management System (AIMS) framework. This framework ensures that AI systems are developed and deployed responsibly, ethically, and securely. It helps organizations manage AI risks while demonstrating their commitment to responsible AI practices.

Organizations seeking certification must meet the standard's requirements for establishing, implementing, maintaining, and continuously improving their AIMS. By doing so, they mitigate risks, build trust, and reassure customers, clients, stakeholders, and society of AI systems' safe and responsible development and use.

With this accreditation, Schellman further enhances its reputation in the cybersecurity field, demonstrating the subject matter expertise of its teams and reinforcing its position as an industry-leading, innovative firm.



*This is a significant achievement for not only our ISO and AI practices, but our firm overall. As a firm, we've prioritized AI governance in 2024 in terms of ensuring that our core service offerings can adapt and stay relevant to emerging technologies, such as AI. This ensures our ability to help our clients demonstrate that they're using this technology in a responsible manner, fostering trust amongst their customers and partners.*

**DANNY MANIMBO**  
PRINCIPAL



# 3

## BROADENING OUR SCOPE

As in many years past, we continued our growth trajectory by expanding our offerings by adding five new services. These are based on client requests and our commitment to staying at the forefront of compliance and technology. These factors underscore our dedication to remaining an industry-leading single assessor while ensuring we provide our clients with the highest technical knowledge and expertise.

### IRAP

Jumping into the Australian public sector, Schellman became one of the few U.S.-based firms supporting Australia's IRAP. In doing so, we help cloud service providers navigate the rigorous assessment process required to work with Australian government agencies.

### AI

We became the first ANAB-accredited certification body for ISO 42001, assisting organizations in implementing and certifying AI management systems for responsible and effective AI governance.

### DORA

The Digital Operational Resilience Act (DORA), an EU regulatory framework focused on enhancing ICT across the financial sector, had many global clients concerned about meeting the 2025 compliance deadline. Schellman services aided applicable institutions in ensuring that the requirements were met, ensuring they can withstand and respond appropriately to ICT-related disruptions.

### SSDF

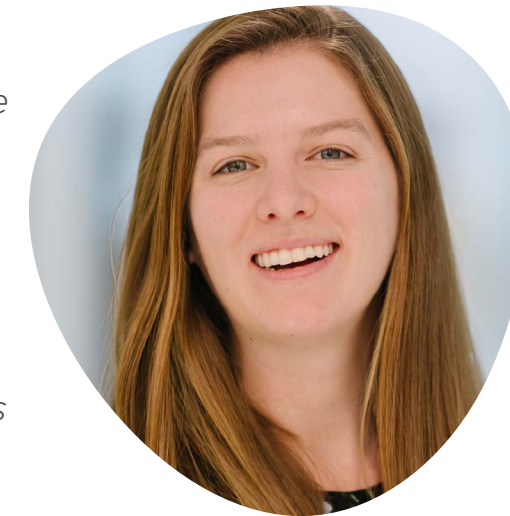
With the CISA Attestation requirements for critical and non-critical software developers, Schellman leveraged our 3PAO expertise to help clients validate their secure software development practices against NIST's Secure Software Development Framework (SSDF), ensuring compliance and security.

### ITGC & BUSINESS CONTROLS TESTING

We expanded our suite of services by leveraging our extensive knowledge base to provide independent testing of IT general controls (ITGC) and business controls, supporting financial audits, compliance requirements, and internal risk management.

### LOOKING FORWARD

For 2025, we're focused on pursuing additional ISO accreditations, expanding our services in Europe, and supporting clients in managing their third-party risks, among other initiatives.



*In 2024, the launch of five new services expanded Schellman's market presence, strengthened client relationships, and reinforced our dedication to being at the forefront of emerging compliances. These new offerings provided clients with critical support in navigating evolving regulatory requirements while enhancing Schellman's differentiation in the market. I am proud that Schellman continues to deliver the highest quality services every day while meeting the needs of our clients.*

### KATE WEBER

DIRECTOR OF SERVICES & STRATEGY

# 4

## DELIVERING TAILORED RISK SOLUTIONS

In December, Schellman announced the acquisition of Connor Consulting's Third-Party Risk Management (TPRM) practice. This transaction represents a key milestone in Schellman's strategic expansion through acquisitions and underscores its commitment to providing tailored independent compliance and governance assessments.

Cybersecurity concerns are growing, especially within the supply chain, as organizations contend with rising threats from third-party vulnerabilities. The evolving landscape of global technology and cybersecurity regulations highlights the need for strong governance and compliance strategies. To effectively address these challenges, organizations must prioritize Third-Party Risk Management (TPRM) through comprehensive audits, assessments, and expert guidance.

Schellman's strategic integration of the Connor carve-out—previously a key component of its GRC services—into its TPRM offerings reflects its increasing focus in this area. By enhancing third-party oversight, Schellman supports organizations in navigating the evolving cybersecurity landscape and reinforcing their supply chains against emerging threats.

By integrating the TPRM practice into its operations, Schellman will enhance its ability to deliver comprehensive, tailored solutions for managing third-party risk. These services will complement Schellman's deep expertise in key areas such as SOC, ISO, Microsoft's Supplier Security and Privacy Assurance (SSPA), and FedRAMP assessments, along with its extensive knowledge of broader cybersecurity frameworks. This acquisition highlights Schellman's commitment to expanding its capabilities while upholding the people-first, quality-driven approach that clients rely on.



*This acquisition marks another exciting chapter in Schellman's growth and commitment to innovation. By welcoming the exceptional team from Connor, we not only expand our capabilities in third-party risk management but also reaffirm our dedication to delivering unmatched compliance solutions. Our focus is on empowering organizations with the tools and insights they need to thrive in an increasingly complex and regulated business landscape—all while staying true to our core values of independence, quality, and client-centric service.*



**DOUG BARBIN**

NATIONAL MANAGING PRINCIPAL

# 5

## ELEVATING OUR LEADERSHIP



In 2024, we experienced exciting changes within our Executive Leadership Team, including welcoming a new addition.

Christopher Kouzios joined us as the firm's new Chief Information Officer in March. With over 30 years of experience in security and compliance operations and management across major healthcare technology and professional services companies, Christopher is a proven leader with deep information and data security expertise. His impressive track record at WellDyne, HealthDyne, and Optum highlights his ability to deliver outstanding results. Bringing exceptional expertise in information security initiatives, Kouzios was brought on to lead Schellman's technology initiatives, including advancing our Artificial Intelligence efforts.

### **CHRISTOPHER KOUZIOS** CHIEF INFORMATION OFFICER

Another key milestone was the addition of six distinguished leaders to our inaugural Advisory Board, a strategic move to strengthen our leadership team.

This pivotal step signifies Schellman's commitment to fostering innovation, maintaining a competitive edge, and driving strategic growth. By assembling a diverse team of industry experts and thought leaders, Schellman aims to gain meaningful insights and perspectives on how to best navigate evolving market dynamics and capitalize on emerging opportunities.

# CONGRATS

TO OUR 2024 LEADERSHIP PROMOTIONS!

### PRINCIPAL



**ANDREW BRODERICK**

### MANAGING DIRECTOR



**STUTAY MONGA**



**NICK RUNDHAUG**



**JOSH TOMKIEL**



**MARCI WOMACK**

### DIRECTOR



**MATT CRANE**



**BRYAN HARPER**



**MATT HUNGATE**



**CHRIS LIPPERT**



**TODD MILLER**



**STEVE MINDRUP**



**TERRY O'BRIEN**



**ERIC SAMPSON**



**CHRIS SMITH**



**KATE WEBER**



**SABRAH WILKERSON**

# 6

## CYBERSECURITY, GLOBALLY

With a 10-year history of Penetration Testing Services and delivering quality offensive security assessments, Schellman became a CREST-accredited provider in June. This accreditation allows Schellman to serve clients in markets around the globe.

CREST is a global, not-for-profit membership organization representing the cybersecurity industry. Established in the UK in 2006, CREST now has regional chapters across the Americas, Asia, Australasia, and EMEA. Rather than prescribing specific penetration testing methodologies, CREST emphasizes the entire business process, from scoping to the quality assurance controls in place for reporting. While Schellman already employs CREST Registered Penetration Testers, this next step of organizational accreditation further demonstrates our commitment to upholding the highest standards in methodologies, processes, and reporting.



*Achieving CREST certification is more than a milestone for Schellman – it is a cornerstone in our mission to ensure robust and resilient cyber defenses for our clients. Our clients can trust that our services are delivered with excellence and integrity, backed by a team that meets internationally recognized standards. This accreditation not only enhances our ability to conduct thorough penetration tests but also further cements Schellman as a trusted advisor in the cybersecurity realm, capable of navigating complex security landscapes with precision and expertise.*

**KENT BLACKWELL**  
DIRECTOR



# 7

IN-HOUSE  
INNOVATION

# 2.0

Throughout the year, we focused on improving efficiency for our internal teams through updates and enhancements to AuditSource 2.0. This comprehensive audit platform allows our team of professionals to efficiently request information, execute testing, attach evidence, and generate thousands of reports annually. Providing our clients with the best possible audit experience remains a top priority, and we are continually exploring new ways to streamline the process. This includes optimizing our platform's functionality to ensure it is simple and user-friendly. Whether implementing new features or addressing issues that arise, we are committed to listening to valuable feedback and delivering exceptional service. Our dedication to innovation and customer care sets us apart, and we look forward to continuing our growth and evolution in the years ahead.



*It's been exciting to get past the initial phases of AuditSource 2.0 and to see our progress throughout the year. This has been a collaborative effort across the firm, with contributions from numerous departments, resulting in a firm-wide impact on future efficiency. The collaborative functionalities offer centralized, project-specific communication between team members and across departments, which helps with issuing client deliverables. In Q3 and Q4, the TE team finalized roughly 1,879 reports utilizing AuditSource 2.0. It has been great to see how concerns and issues have been addressed, and we are eager to see the impact this will have on the report finalization process in 2025.*



## **MISTY JACUSIS**

MANAGER OF TECHNICAL EDITING

## **LOOKING AHEAD**

As we move into 2025, our focus will shift toward overall system enhancements and maintenance, as most service lines are now fully implemented. We will continue to refine and optimize the platform to ensure sustained performance and support as more services evolve.

# 8

## ADVANCING OUR TECHNOLOGY

Throughout the year, we focused on improving efficiency for our internal teams through updates and enhancements to AuditSource 2.0. This comprehensive audit platform allows our team of professionals to efficiently request information, execute testing, attach evidence, and generate thousands of reports annually. Providing our clients with the best possible audit experience remains a top priority, and we are continually exploring new ways to streamline the process. This includes optimizing our platform's functionality to ensure it is simple and user-friendly. Whether implementing new features or addressing issues that arise, we are committed to listening to valuable feedback and delivering exceptional service. Our dedication to innovation and customer care sets us apart, and we look forward to continuing our growth and evolution in the years ahead.

### LAUNCH OF schellman PORTAL

The Schellman Portal is our central hub for managing operations and client collaboration. In the initial release, we've launched three major features:

#### companies & engagements

Project Managers will use the C&E app to sync companies and create engagements in AuditSource, standardizing the project creation process and increasing efficiency.

#### PROJECT HIERARCHY

This read-only feature centralizes hierarchy data, enabling accurate reporting and seamless integration with marketing, finance, accounting, and scheduling.

#### CONFLICT OF INTEREST

##### (SCHELLMAN PULSE)

A conflict check process that supports our ability to review clients and engagements while supporting our strong ethical standards and perform assessments without compromising the ability to act impartially.

### LAUNCH OF THE CORPORATE API & OPEN API

The Corporate API (aka API Hub) is the central connector between our internal tools (AuditSource 1.0 & 2.0) and SaaS Platforms (Hubspot, Workday, Quickbase). It enables automating workflows and synchronizing data between systems, reducing manual effort and improving efficiency.

- Our Open API continued to grow by integrating completely with AuditSource 2.0 transitioning our API customers from AuditSource 1.0.

### CREATION OF THE AI TEAM

We brought AI expertise in-house with a dedicated team focused on integrating AI across our systems. By embedding intelligence into our workflows, this team will help Schellman streamline operations, reduce manual effort, and continuously improve how we deliver value to clients.

## QUICKBASE UPDATES

We also released significant updates in Quickbase supporting major Internal Service Delivery and Service Delivery activities:

- Contract Entry integration with Workday, allowing for simplified and instant submission of customer contracts and their associated projects, project roles and worktags, project plans, project task resources, and billing schedules
- Revenue Recognition integration with Workday, connecting project related information with financial reporting on an automated basis for revenue recognition
- Project Risk Assessment feature set, enabling enhanced risk management controls and authorization for attestation work during the sales process through the reporting phase

## TECH ENABLERS UPDATES

We've enhanced our operational efficiency by bringing our Service Desk support in-house, resulting in significant cost savings while improving our responsiveness and service quality. Our cloud infrastructure has been optimized to align with AWS best practices, strengthening our technical foundation.

We continue to advance our digital transformation by modernizing our document management and collaboration capabilities while ensuring enterprise-grade security and accessibility.



*The technology initiatives we launched in 2024 are strengthening Schellman's core infrastructure and creating a more connected organization. Our new Schellman Portal and Corporate API are the first steps toward a unified platform to improve how our teams work and serve clients. As we implement AI capabilities, enhance our data insights, and modernize our systems, these tools will reduce manual tasks and give our people more time to focus on valuable client work. Our technological investments establish a robust foundation that supports both Schellman's growth and our commitment to efficient, high-quality service delivery.*



## BRANDON DOHMAN

SENIOR DIRECTOR OF PRODUCT MANAGEMENT



## LOOKING AHEAD

### AI

In 2025, we are introducing an AI engine yet preserving the human expertise that sets us apart. The result is more time for our teams to focus on complex problem-solving and delivering exceptional client value.

### CLIENT PORTAL

Our new client portal aims to create a seamless digital experience where project visibility meets effortless collaboration. Through this unified platform, we are creating new ways for our clients to access their assessments, documents, and insights while building stronger, more transparent partnerships.

### DATA & INSIGHTS

The Schellman data lake combines powerful analytics with strict governance to transform how we use our data. This unified approach delivers clearer insights for better decision-making while ensuring data quality and security at every step.



### PROJECT MANAGEMENT & CONTRACTING TOOL

We are streamlining operations with new project management and contract platforms that provide clear visibility into our engagements and commitments. These integrated tools work together to enhance how we schedule, track, and deliver services while giving us deeper insights into client relationships.

### TECH ENABLERS UPDATES

We are strengthening our core technology infrastructure through strategic platform enhancements and security improvements. This includes implementing enterprise-wide Active Directory, optimizing our cloud storage, and enhancing our collaboration tools through Teams and Zoom integration.

Alongside these infrastructure updates, we're elevating our security posture through advanced AI security monitoring and DarkTrace implementation, while upgrading our hardware through targeted laptop refresh programs for both our general operations and specialized pen testing teams.



# 9

## FORWARD-THINKING IDEAS

SchellmaNators are shaping our firm's future! Our annual GameChangers event invites all employees to submit their innovative ideas to leadership. Whether it's a new service offering, an improvement to our operations, or a creative solution to a client challenge, this event provides an excellent opportunity for our team to make an impact and showcase their creativity and innovative ideas. The 2024 winner, Nate Kocan, presented First Time Resolution, a key performance indicator we've established to track our audit performance to provide valuable insight into our processes. This KPI helps guide decision-making, enabling us to make our audits more efficient for both Schellman and our clients.

# G

## GameChanger

**20+ IDEAS SUBMITTED**

**12 FINALISTS**

**1 WINNER**



*Participating in Schellman's 2024 GameChangers competition was an incredible opportunity to showcase my innovative idea: First Time Resolution. This annual experience highlights Schellman's commitment to empowering employees to drive impactful change while fostering a culture of innovation and continuous improvement. I'm grateful for the platform to contribute ideas that benefit both our firm and clients.*



### **NATE KOCAN**

MANAGER

### **LOOKING AHEAD**

GameChangers will continue in 2025, and we're excited to see all of the bold and forward-thinking ideas, ranging from making transformational updates to assessment processes to improving the client experience. Each idea has the potential to create lasting change in how we evolve and serve our clients.

# 10

## CONTINUOUS LEARNING & DEVELOPMENT



At Schellman, enhancing expertise by expanding knowledge and acquiring new skills is a top priority. This growth is essential not only for our employees but also to ensure we deliver the most up-to-date and high-quality service to our clients.

Schellman's KaLM (Knowledge and Learning Management) Team's 2024 initiatives included the creation of an integration process to formally provide a bridge between the classroom and training sessions delivered to associates as they begin their first projects with clients and experienced project teams. Schellman's Emerging Talent Utilization Program (SETUP) program is designed to promote the real-world application of the concepts and practices learned during the Emerging Talent Training Program. As the name suggests, the SETUP program positions our Associate professionals to successfully enter the world of client service delivery through collaboration with KaLM and Service Delivery team leaders.

### EXTERNAL OFFERINGS

**6**  
**SPEAKING ENGAGEMENTS**

**500+**  
**CLIENTS TRAINED**

**\$220K**  
**APPROX REVENUE**

**15**  
**NUMBER OF PUBLIC WEBINARS**

**1,269**  
**TOTAL ATTENDEES**

**85**  
**AVERAGE PER EVENT**

**2,231**  
**TOTAL REGISTRANTS TOTAL**

**149**  
**AVERAGE PER EVENT**

**55%**  
**AVERAGE ATTENDANCE RATE**

### INTERNAL OFFERINGS

**SHELLMAN ETPP  
PROGRAM PARTICIPANTS**

**2023 CLASS**  
**82%**  
**PASS RATE ON ISO 27001**

**2024 CLASS**  
**All**  
**PASSED CCSK**

**SHELLMAN EMPLOYEES  
CISSP**

**22**  
**TRAINED**

**CISA**  
**37**  
**TRAINED**

**NEWLY CERTIFIED TRAINERS**  
**9**



### **TRAIN THE TRAINER PROGRAM**

*I thoroughly enjoyed this training and found it to be one of the most valuable experiences I've had. It pushed me to see topics and ideas through a number of different perspectives, make new connections, as well as embrace feelings of discomfort. Sully's leadership and teaching throughout the course came across very mindful to help improve our own delivery styles, and how we can better present to a diverse audience.*

### **ETTP PROGRAM**

*I just wanted to thank you for your time and investment in our growth this summer. As we get started on projects, I really appreciate the concepts you demonstrated. It certainly did not look like your first time teaching, and I think the entire class shares that sentiment - you killed it. The deeply technical aspects of the job are perhaps my largest deficiency, and I look forward to leveraging your lessons and continuing to grow in this area.*

### **EXTERNAL IN-PERSON TRAINING**

*Overall, great experience working with Sully, he is a valued partner for Apriva, we appreciate his knowledge and guidance on our recent engagement and look forward to working with him again or recommending him to others.*

### **ISO 42001 FUNDAMENTALS -(EXTERNAL CLIENT TRAINING)**

*Three very good days of training. I feel the time was well spent. Remote training, with people at very different levels of knowledge & experience, is a very difficult environment. Ryan and Emirhan did a great job of keeping to the promise to bring everyone along through the training. Schellman's depth allows you to bring in experts like Danny and Cory. Good approach, good content and most importantly willing to tackle any question raised. Really like the idea of a follow-up session.*



### **ANONYMOUS**



*Our Knowledge and Learning Management team is deeply committed to fostering a culture of continuous learning and growth. We believe that in an ever-evolving world, staying ahead means constantly acquiring new skills, sharing knowledge, and adapting to change. By providing innovative tools, resources, and training opportunities, we empower our employees to expand their expertise and stay current with industry trends. We are dedicated to creating an environment where learning is not just encouraged but embedded in our daily operations, ensuring that every team member has the opportunity to grow, succeed, and contribute to the organization's success.*



## **SABRAH WILKERSON**

DIRECTOR OF KNOWLEDGE & LEARNING MANAGEMENT

### **LOOKING AHEAD**

In 2025, we plan to expand our certification programs and increase our cross-training opportunities to include topics such as PCI, Sustainability, and more. We are also launching our newest leadership development program, Leading With Purpose.

Our team will welcome another Emerging Talent Program for those professionals entering the field from college and continue spreading our knowledge at various conferences and other speaking engagements.





**2024 CLASS**

**20 STARTS**

**2025 CLASS**

**31 OFFERS EXTENDED**

**20 ACCEPTED**

**15 MALES**

**5 FEMALES**

**7 FROM HACU**



2024 was another exceptional year for our Emerging Talent Program. In its third full year, we welcomed a new group of talented students to the firm and introduced several internal initiatives. We launched the Emerging Talent Bay Page, providing valuable information and resources to help the firm and Associates understand the Emerging Talent Program. Additionally, we began hosting quarterly professional development meetings for first-year Associates to support their ongoing professional growth and development.

Externally, we held recruiting events at 12 different schools, including 1 HBCU (Historically Black College or University) and 1 HSI (Hispanic-Serving Institution), to continue our commitment to diversity and connection with underrepresented students. We also attended multiple first-generation luncheons to connect with students. We strengthened our relationship with the University of Houston's Management Information Systems Student Organization (MISSO), which partners with employers in mutually beneficial relationships to help jump-start careers. MISSO believes in actualizing academic pursuits with real-world professional development.



**LOOKING AHEAD**

We're excited to welcome another great associate class starting in the summer of 2025. These 20 students were recruited from 11 schools in 6 different states nationwide.



# 12

## ENHANCING OUR EMPLOYEE EXPERIENCE



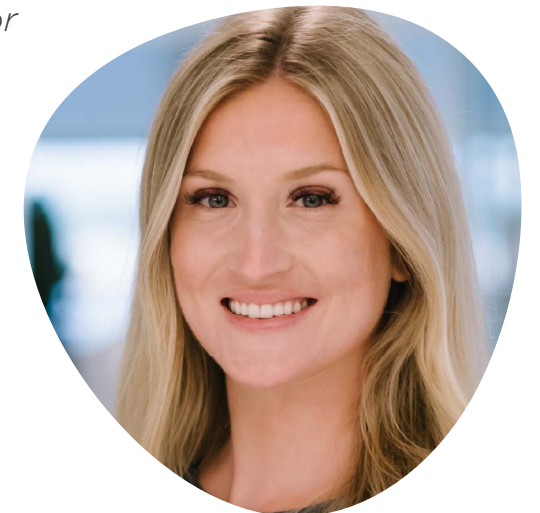
Among other initiatives, the People and Talent team launched two programs designed to support our team throughout their journey at Schellman and ensure they have the resources needed to thrive.

**Onboarding:** In January, Schellman launched a revamped onboarding process for our new team members, encompassing the full lifecycle of their first year with the firm. Schellman's new hire onboarding experience is designed to help employees efficiently complete operational tasks, such as Workday assignments, while immersing them in the Schellman culture. New hires should clearly understand what to expect next in their operational tasks while becoming fully integrated into the company. By the end of their first year, new employees will have comprehensive knowledge of all service lines, Executive Leadership Team members, career path options, communication channels, and the full range of programs offered at Schellman. Additionally, CARES presents an overview of each group on a rotating basis, ensuring a solid understanding of the initiative and all the opportunities available for involvement.

Success will be measured by several KPIs, including tracking the completion of onboarding tasks, reducing regrettable turnover, and increasing the number of new hires who join a CARES Group.



*Revamping our onboarding program has been such a rewarding experience! It's been fun to streamline everything for greater efficiency and organization, and I'm excited to see how much smoother the process will be for new hires. This new program will definitely set the stage for their success right from the start!*



**GINGER BROSNAHAN**  
PEOPLE EXPERIENCE MANAGER



## MENTORSHIP

In June, Schellman launched the first phase of the Schellman Pathways Mentorship Program, with a pilot initiative focused on the Women's Mentorship Network (WMN). This program paired 10 mentors with mentees, providing mentors with an excellent opportunity to share their knowledge and expertise while making a lasting impact on professional growth. For mentees, the program offered valuable insights and guidance to help them achieve their career goals.



*Building your network is incredibly important within your organization and the Schellman Women's Mentorship program has created an avenue for women to make meaningful connections with individuals they may not have met otherwise. The mentorship program has established an inspiring environment in which women have the opportunity to set goals, share ideas, and reflect on our progress, all while supporting each other in continuous growth. It is an honor to be a mentor within the program and I can only hope my mentee has learned as much from me as I have from her.*



### **CAROLINE AULBACH**

MANAGER



# 3

FOR 24  
TIPS FOR OUTLOOK,  
TIPS FOR EXCEL I & II

# speaking volumes

inspiring insights to help  
understand the depths of our firm

# 11

FOR 24

## LOOKING AHEAD

The People & Talent Team has an exciting list of new and ongoing initiatives for 2025, including Onboarding Phase 2, the launch of the Engagement and Grow tools in Lattice, and our Communication Strategy and Plan. Additionally, we plan to evaluate and learn from the first group of the Mentorship Program to expand and enhance it in future phases.



Listening to our employees is key to all our values. Regular surveys enable us to track progress, adapt to emerging opportunities, maintain strong connections, and take action to move Schellman forward together.

### **PEOPLE COME FIRST**

Surveys allow us to understand what our team needs, what motivates them, and what challenges they face.

### **OPENNESS BUILDS TRUST**

By offering opportunities for our team to voice their perspectives, we can proactively address them, enhancing employee satisfaction and engagement.

### **NEVER STAND STILL**

Through surveys, we gain valuable insights through the data collected to make strategic decisions, leading to better outcomes.

External Surveys are also invaluable in offering insight into employee sentiment and helping us assess how we compare to top workplaces. In 2024, we ran the following surveys: Vault, Inside Public Accounting, Accounting Today/ Best Accounting Firms, The MOVE Project, Best HR Teams, and Great Place To Work.

Based on the results from the GPTW survey, we formed four Focus Groups:

## **CULTURE**

At Schellman, our culture is always a top priority. We established this group in 2023 to strengthen it and continued its work into 2024. We focused on generating ideas and suggestions to foster inclusivity and belonging while ensuring we have fun along the way!

### **Key Initiatives From the Culture Focus Group:**

- Set consistent leadership expectations and cohesion in supporting participation in events
- Create built-in Decompression Time as part of our work

## **FRONTLINE MANAGER**

Based on our findings, this is a stage where we can focus on providing the necessary support, resources, and tools for success and growth. It's also an opportunity to advocate for what's needed and, most importantly, listen to ideas and feedback for continuous improvement.

### **Key Initiatives From the**

#### **Frontline Manager Focus Group:**

- Schedule a quarterly Eye-To-Eye with Managers and Senior Managers to provide them with dedicated time to discuss suggestions or areas of improvement
- Creation of a cohesive Manager Reference Guide with input from Managers across all service lines to clearly define responsibilities and duties, as well as provide information on how to do tasks and find information

## **ASSOCIATE ENGAGEMENT**

Given that some of our lower scores came from our younger demographic, many of whom are Associates, we want to focus on gaining a deeper understanding of their thoughts and challenges to ensure the best possible success and outcomes.

### **Key Initiatives From the**

#### **Associate Engagement Focus Group:**

- Quarterly survey starting one quarter after the finish of the ETP, to gauge gaps and progress
- Encourage interaction and connections by joining YPN (Young Professionals Network) Group

## **PERSONAL PURPOSE**

How do our values parallel those of the firm? Within this group, we explored our sense of purpose, identified ways to enhance the feeling of making a difference, and worked on crafting our own Personal Purpose Statement.

### **Key Initiatives From the**

#### **Personal Purpose Group:**

- Personal Purpose Campaign, including a webinar to guide creating a Personal Purpose Statement.

RANKED  
**#9**  
**vault**  
TOP RANKED  
2025  
OVERALL  
(from #22 in 2023)

INSIDE  
public accounting  
TOP 100  
FIRMS  
2024  
**#49**  
(from #52 in 2023)

accountingTODAY  
2024 BEST FIRMS  
TO WORK FOR  
**RANKED #8**  
LARGE EMPLOYER  
CATEGORY  
(250+ US EMPLOYEES)  
(from #4 in 2023)

WE MADE THE LIST!  
2024 Best Firm  
For Women  
ACCOUNTING  
**MOVE**  
PROJECT

2024 **Best HR  
Teams**  
(Made the Inaugural  
List of only 39 Companies)

**We ranked #26**  
for Fortune Best Workplaces  
in Consulting &  
Professional Services,  
Small and Medium Category

**We ranked #15**  
in the Small & Medium  
category for the  
Fortune Best Workplaces  
For Parents

**Great Place To Work®**  
Certified  
FEB 2024-FEB 2025  
USA

**93%** of employees at **Schellman** say it is a great place to work compared to **57%** of employees at a typical **U.S.-based company.**

Schellman **93%**  
Typical Company **57%**

Source: Great Place To Work® 2021 Global Employee Engagement Study.

- 98%** - Our customers would rate the service we deliver as "excellent."
- 97%** - Management is honest and ethical in its business practices.
- 97%** - When you join the company, you are made to feel welcome.
- 96%** - Management trusts people to do a good job without watching over their shoulders.
- 96%** - Our facilities contribute to a good working environment.



*The value of surveys goes beyond asking and listening—it's about acting on the results. Our Focus Groups, formed from survey data, empower our team to drive change and improvement. Seeing the ideas generated put into action underscores the effectiveness of the process.*



**LORI JENDRUCKO**  
TALENT BRAND & CULTURE MANAGER

**LOOKING AHEAD**

We're excited to introduce another feature of the Lattice Platform, Engagement, in 2025. The Engagement Survey will serve as the data comparison baseline and include an eNPS. The Employee Net Promoter Score is a leading indicator for employee outcomes like productivity and retention and helps uncover the most actionable steps to improve our employee experience.

# 14

## IMPROVED PERFORMANCE MANAGEMENT

Lattice is a cloud-based performance management platform designed to help HR professionals track employee productivity and progress. Powered by AI, it equips HR teams to enhance managerial effectiveness, streamline people operations, and use workforce insights to drive business impact. Lattice integrates tools, workflows, and data to support business leaders in developing engaged, high-performing teams and fostering strong organizational cultures.

Previously, we've used Workday for performance management, including quarterly reviews and feedback. However, its functionality has been limited in supporting our goal of continuous feedback and a stronger focus on growth and development. In April of 2024, Schellman transitioned to Lattice, which will enhance these functions and provide additional tools and resources to create higher-quality development opportunities, build leadership capabilities, and enable real-time feedback.



vs.



- |                                |   |  |
|--------------------------------|---|--|
| • Quarterly Eval (Bonus)       | → | • Quarterly Review (Bonus)                 |
| • Self Eval                    | → | • 1-1 (Phase 2)                            |
| • Additional Reviewers         | → | • Feedback                                 |
| • Commitments for Next Quarter | → | • Goal-setting (Phase 2 - Leadership Only) |
| • No Career Growth Discussion  | → | • Grow (Phase 3)                           |
|                                |   | • Upward Feedback (Phase 3)                |

### LATTICE PLATFORM KICKOFFS IN 2024:

- Reviews – quarterly reviews, upward feedback, merit questions
- Updates – brief touchpoint to gauge how employees are doing for the week
- 1:1 – document career growth, challenges, action items, use for reviews
- Feedback – use for reviews and improvement in role
- Upward Feedback – get valuable anonymous feedback from direct reports



*The People team was so excited about the possibility of growing our performance management capabilities at Schellman. The time was right to move the firm into the next stage – finding a product that can enhance a workforce's capabilities and provide knowledge to guide them along the way. Lattice was the best tool for our needs, and we've released many features that help to cultivate a strong culture of transparency where people come first. 2025 will bring even more tools from Lattice that we're excited to launch!*



### KATE MIDDENDORF

MANAGER OF PEOPLE EXPERIENCE

### LOOKING AHEAD

#### LATTICE PLATFORM KICKOFFS IN 2025:

- Grow – career development and growth planning
- Goals – create and track professional milestones and metrics
- Engagement – surveys and culture enhancement
- Calibration/Talent Reviews – workforce planning and employee development data
- Performance Improvement Plans – development action activities

# 15

Flexible

## FLEXIBLE WORK OPTIONS

### FLEXIBLE WORK OPTIONS

In July, we introduced alternative employment opportunities that reflect our core values as a firm dedicated to promoting exceptional work-life balance, flexibility, and choice.

Our Part-Time Pilot Program, launched in June, was a resounding success. We brought on three FedRAMP Senior Associates who worked 20-25 hours weekly from July through November. By integrating part-time Senior Associates, we not only enhance the team's productivity but also create a pipeline of vetted, experienced candidates who can transition into full-time roles in the future, should they choose to do so. Additionally, marketing these types of roles strengthens Schellman's brand as a forward-thinking employer that offers flexible options.

We welcomed our first-ever interns to the firm this summer and fall, with placements in our Accounting, IT, and Marketing departments. For Marketing, we partnered with Ohio State University through the Athletics Bucks Go Pro 2.0 internship program, which offers student-athletes valuable real-world work experience before graduation. We are grateful for the opportunity to introduce these students to Schellman, as they contributed to our teams and gained exposure to the professional virtual work environment.



# 16

## EXCEPTIONAL, EVOLVING BENEFITS



Schellman takes great pride in offering an industry-leading benefits package. Each year, we reassess our offerings based on valuable feedback from our employee survey to ensure we provide the most relevant and impactful benefits. Our commitment to delivering a comprehensive package that meets the evolving needs of our team is a top priority. We've enhanced our benefits in 2024 with new additions such as fertility coverage and Perks At Work.

The integration of fertility benefits through Cigna underscores Schellman's commitment to supporting our team at every stage of their career, providing vital resources for their personal growth and well-being. By offering fertility benefits, we make family-forming resources and care more accessible to our employees, including support through education, counseling, medication, procedures, and other services designed to assist them on their journey to parenthood.

The Perks At Work platform is designed to simplify savings while offering more than typical discounts. It provides truly valuable perks that make employees feel appreciated and supported. One of the standout benefits is employee pricing—exclusive access to the best-in-market deals available only to our team members.

In addition to expanding our benefits, Schellman continues to support our team's total wellness, emphasizing mental health. Employees have access to three different programs that offer coaches and communities that help them deal with stress, anxiety, depression, and more.

Last year, we added a Decompression Time code to give our employees mental reset opportunities during the day. This time is intended for brief moments throughout the day to step away from their desk, take a walk, stretch, or simply relax for a few minutes to clear their mind and recharge. These breaks help maintain focus and productivity, especially between meetings or tasks.

### SCHELLMAN'S TOTAL REWARDS

Our Total Rewards package clearly reflects how much we value our employees. It goes beyond salary and bonuses, offering a wide range of industry-leading, progressive benefits. We conduct an annual survey to gather valuable employee feedback, as we are committed to continuously enhancing our offerings to meet the evolving needs of our people.

- DIRECT COMPENSATION**
  - Base Pay
  - Pay Increases
- BONUSES**
  - Quarterly Discretionary
  - Team Member Referral
  - Sales Referral
  - CPA
- HEALTH & WELLNESS**
  - 10% 401(k)
  - Medical, Dental, Vision Insurance
  - Premiums Covered for Employee
  - Supplemental Insurance
  - Lasik Reimbursement
  - Invisalign Reimbursement
  - Short-term Disability
  - Long-term Disability
  - Dependent Care Flexible Spending
  - Employee Assistant Programs
  - Basic & Voluntary Life Insurance
  - Pet Insurance
- LEARNING & DEVELOPMENT**
  - In-house Training, Orientation, & CPEs
  - Paid Certifications
  - Educational Assistance
  - Tuition Reimbursement
- WORK-LIFE EFFECTIVENESS**
  - 6 Company Holidays
  - Jump-start Your Holidays
  - 3 Weeks of Paid Time Off
  - 3 Weeks of Firmwide Closure (1 Week for the 4th of July, 2 Weeks for the Holiday Season)
  - 2 Weeks of Sick Time Off
  - Floating Holidays
  - Mental Health Day
  - Parental Leave
  - FMLA
  - Focus Fridays
- TECHNOLOGY & EQUIPMENT**
  - Bring Your Own Device
  - Monthly Reimbursement
- GIVING BACK**
  - 24 Hours Per Year for Volunteer Time Off
  - Annual Day of Giving
  - Charitable Giving Match
- PERSONAL**
  - Corporate Trip
  - Tenure Recognition
  - Little Things Program
  - Holiday Gifts

# 17

## BUILDING CONNECTIONS THROUGH CARES



SchellmanCARES was formalized as our corporate social responsibility (CSR) program in 2018 to create a platform for initiatives that reflect our growing and evolving team's values, interests, and needs. This employee-led initiative embodies our commitment to the causes we are most passionate about: Charity, Advocacy, Resources, Employee Engagement, and Service (CARES). Under the CARES umbrella, we foster a sense of pride and belonging while making a meaningful impact on both our people and our communities.

CARES also creates opportunities for employees to connect with team members they may not typically interact with, which is particularly valuable in a remote work environment. With a wide range of focus areas and initiatives—11 in total so far—there's something for everyone to get involved in.

Along with our Employee Advocacy and Resource Groups, initiatives such as Little Things (quarterly gifts for our team members), Book Club (a great opportunity to connect while discussing the book of the quarter), and Unwind After The Grind (after-hours Zoom meet-ups that showcase the talents of our SchellmaNators) also fall under the CARES umbrella.

### Employee Advocacy Groups (EAG)

- schellman BRAVO
- schellman PRIDE
- schellman PRISM
- schellman WIN
- schellman eco
- schellman SPIRRIT
- schellman able

### Employee Resource Groups (ERG)

- schellman WELL
- schellman YPN
- schellman FAM
- schellman PAWS

### Employee Engagement Initiatives (EEI)

- little things
- BOOK CLUB
- Unwind AFTER THE GRIND



*Schellman Bravo celebrated the birthdays of each military branch by presenting a history of the branch during its designated birth month. Even with over 30 years of experience, I found it to be a valuable learning experience. It was fascinating to see how each presenter brought their own unique approach to sharing information about their respective military branches. The event was a great success, providing the Schellmanators in attendance with insight into the history of each branch. We will continue this educational theme starting in March, when a team of three Navy SEALs will join our Schellman BRAVO call to share their perspectives.*

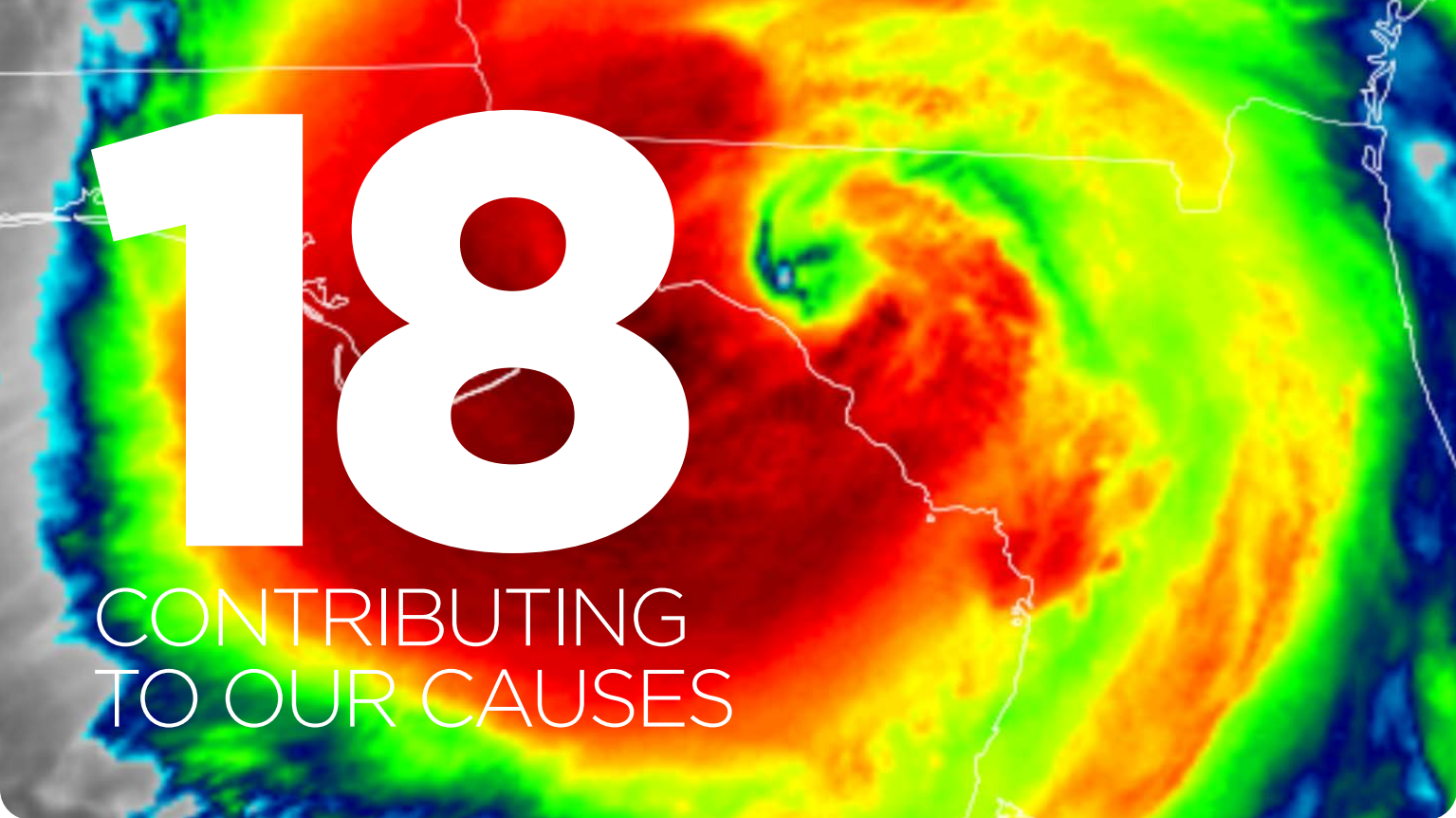


**TODD BUSSWITZ**  
MANAGER

**CARES GROUPS  
HAVE DOUBLED  
SINCE INCEPTION  
IN 2018.**

**APPROXIMATELY  
80% OF THE FIRM  
BELONGS TO A  
CARES GROUP.**





Schellman continued focusing on community citizenship and positively impacting the world in 2024. Through YourCause, we manage and track charitable giving and volunteer hours while gaining access to a wide range of vetted nonprofit organizations to support. Our \$2,500 charitable contribution match underscores our commitment to and belief in the importance of giving back to the community.

Alongside the causes supported through YourCause, SchellmaNators showed incredible generosity in supporting our Florida team members affected by the devastation of Hurricanes Helene and Milton. Together, we raised over \$15,000 and donated travel points to provide temporary housing for those displaced by the storms.

#### TOP 5 GIVING CAUSES



**TOTAL AMOUNT DONATED THROUGH YOURCAUSE IN 2024: \$146,941.12**

**EMPLOYEE DONATIONS: \$78,581.29**

**SHELLMAN MATCH: \$68,359.83**

**TOTAL AMOUNT DONATED TO HURRICANE RELIEF: \$15,273.50**

**MORE THAN 140 EMPLOYEES GAVE TO CAUSES**

**MORE THAN 90 CHARITIES SUPPORTED**

**MORE THAN 275 CHARITIES SUPPORTED SINCE 2018**

**VTO HOURS: 1346**



At Schellman, we embrace diversity and celebrate individuality. We empower our employees to be their authentic selves and foster a culture of belonging where everyone can thrive. As with every year, we made it a priority throughout 2024 to provide opportunities for our team to increase their level of knowledge about inclusiveness and support minority groups through sponsorships and volunteering.

### **INCLUDE WITH DR. LIZ**

We continued our partnership with Dr. Liz Wilson, a Behavioral Scientist specializing in inclusion transformation. In August, she spent the day with our Leadership team, guiding them through her Include Change Method, which equips organizations with the knowledge and strategy to cultivate an inclusive environment. As a result of this session, our Inclusion Strategy was developed, serving as a blueprint for future initiatives, including Focus Groups and training programs.



### **CARES PRESENTS: INCLUSIVE LANGUAGE**

In September, CARES groups shared their knowledge of the importance of using Inclusive language. In addition to an overview of Inclusive Language and key DEI terms, presentations included:

**PRIDE** **SEXUAL ORIENTATION AND GENDER IDENTITY INCLUSIVE LANGUAGE**

**able** **DISABILITY AND NEURO-INCLUSIVE LANGUAGE**

**PRISM** **RACE/ ETHNICITY INCLUSIVE LANGUAGE**

**FAM** **AGE-RELATED INCLUSIVE LANGUAGE**

### **SPONSORSHIPS**



As October is Cybersecurity Awareness Month, Schellman celebrated by partnering with ISACA. We kicked off the ISACA Scholarship Foundation campaign which ran throughout the month. The firm had two options to support underrepresented individuals to enter security professions:

#### **DONATIONS**

Since its inception in 2022, the ISACA Scholarship Foundation has awarded over 400 scholarships to students from 25 countries, 52% of whom have been women. These scholarships are for undergrad and graduate students pursuing degrees in IT audit, risk, security, assurance, and cybersecurity.

#### **VOLUNTEER TIME**

ISACA Foundation Scholarship Application Reviewer is an opportunity to review applications and score them based on established metrics. Volunteers can greatly impact a student's education and career trajectory.

## ACCOUNTING PIPELINE DIVERSITY SYMPOSIUM/ACCOUNTING SCHOLARS LEADERSHIP WORKSHOP

Also in October, Schellman participated in our first Accounting Pipeline Diversity Symposium, organized by the AICPA and CIMA—together forming the Association of International CPAs. As advocates for diversity, both organizations facilitated meaningful dialogue and collaboration during the event. Over two days, professionals from across the accounting and finance sectors gathered to connect, collaborate, and explore best practices for nurturing a sustainable and diverse talent pool.

The Symposium ran alongside the annual Accounting Scholars Leadership Workshop, which hosted approximately 100 talented accounting and finance students. The Workshop aims to:

- Increase representation within the CPA profession for ethnically diverse and underrepresented populations
- Strengthen students' professional skills and deepen their understanding of the value of earning the CPA credential
- Provide students with invaluable networking and relationship-building opportunities

Schellman proudly sponsored several students to attend the Workshop, supporting this growing initiative and helping to expand access for more students in the future.



## CAPA

CARES groups FAM and PRISM partnered with CAPA and their National Youth Leadership & Innovation Showcase. The Chinese American Parent Association Alliance (CAPA) is a dynamic and rapidly growing organization network in the DMV area, dedicated to empowering communities and shaping future leaders.

The November event allowed high school and college students to showcase their community service projects, civic engagement projects, or entrepreneurial business plans. There was also an open mic session at the end.



*CAPA Alliance is an organization that is based out of the DMV area and is focused on empowering the AAPI communities and shaping future leaders. As a first-generation immigrant, I find that this organization provides opportunities to give exposure to the students and help shape their interests. At least with my background and where I grew up, these opportunities were hard to come by; hence, why I have a strong desire to support this cause.*

## VINCENT LU SENIOR ASSOCIATE

DEI - CHANGE IN ELT - RACE/ETHNICITY	MALE	FEMALE	COUNT
White (Non Hispanic or Latino)	2	4	6
Asian (Non Hispanic or Latino)	2	0	2
Black or African American (Non Hispanic or Latino)	0	1	1
<b>TOTAL</b>	<b>4</b>	<b>5</b>	<b>9</b>

# 20

## RECHARGE & GIVE BACK



While we appreciate our remote structure, connecting with team members in person is always invaluable. The Regional Reboots provided an excellent opportunity for our people to strengthen relationships while taking time to relax and recharge. Beyond the social aspect, we also took the opportunity to hold our annual Day of Giving while the teams were together. Each region partnered with a different charity, using their time to give back to the community.

**CALIFORNIA (SAN LUIS OBISPO) (PRADO DAY CENTER)**

**FLORIDA (ORLANDO, FL/) (ORLANDO HEALTH)**

**MID-ATLANTIC (MIDDLEBURG, VA) (JILL'S HOUSE)**

**MIDWEST (CHICAGO, IL) (RONALD MCDONALD HOUSE)**

**MOUNTAIN REGION (SCOTTSDALE, AZ) (THE FOSTER ALLIANCE)**

**NORTHEAST (TARRYTOWN, NY) (CRADLES TO CRAYONS)**

**NORTHWEST (VANCOUVER, WA) (RONALD MCDONALD HOUSE)**

**OHIO VALLEY (LOUISVILLE, KY) (FEED THE KIDS COLUMBUS)**

**TEXAS (FT. WORTH) (RONALD MCDONALD HOUSE)**

**SOUTHEAST (NASHVILLE) (HANDS-ON NASHVILLE)**





B Corp certification is a designation given to businesses that meet high social and environmental performance standards, accountability, and transparency. Sponsored by B Lab, this certification is not just another checklist. It's a movement rooted in a bold vision—to transform the global economy into one that works for everyone and the planet. The challenges we face—inequality, environmental degradation, and declining well-being—require more than incremental changes.

In recognition of that, B Lab's Theory of Change calls for a fundamental shift in how we view the role of business in society: B-Corps are evaluated not just on financial performance but on their impact on employees, communities, the environment, and customers. B-Corps commit to considering the interests of all stakeholders, not just shareholders, in their decision-making. By openly sharing their impact scores, B-Corps create a culture of transparency and continuous improvement.

For Schellman, becoming B-Corp certified was a natural evolution, not a revolution. Creating a positive impact has always been part of our DNA. Our commitment to our people, clients, and community has been a cornerstone of our identity from day one—B-Corp certification formalizes what we've always believed: business can and should be a force for good.

## SEVERAL KEY FACTORS DROVE OUR DECISION TO PURSUE B-CORP CERTIFICATION

### ALIGNMENT WITH COMPANY VALUES

B-Corp certification provides a structured framework for measuring, improving, and being accountable for our social and environmental impact, ensuring that our actions match our core values and mission.

### ADVANTAGES IN ATTRACTING AND RETAINING TALENT

We aim to be an employer of choice for individuals who share our passion for making a difference. B-Corp certification signals to prospective and current employees that we are committed to a positive impact.

Ultimately, B-Corp certification represents more than just a badge—it signifies a fundamental shift in how we view business and its societal role.

### IMPROVEMENT OF CLIENT RELATIONSHIPS

Many of our clients are also committed to sustainability and social responsibility, and so in becoming B-Corp certified, we can now demonstrate our shared values and strengthen our partnerships into deeper, more meaningful client relationships.

### LEADERSHIP BY EXAMPLE

Our B-Corp certification is a testament to our belief that businesses can drive significant positive change. We hope to inspire others to adopt a more responsible and sustainable approach.

## OVERALL B IMPACT SCORE

Based on the B Impact assessment, Schellman earned an overall score of 82.5. The median score for ordinary businesses who complete the assessment is currently 50.9.





*Achieving B-Corp certification is a significant milestone in our ongoing integration of social and environmental considerations into our core business strategies and operations. Successfully becoming certified validates our ongoing efforts to positively impact our clients, partners, employees, communities, and the environment.*

**AVANI DESAI**

CEO



# 22

## INCREASING SUSTAINABILITY

The strategic move of acquiring Susta's, a firm specializing in sustainability reporting services, reinforces Schellman's expanding Sustainability practice, solidifying our position as a leader in environmental and sustainability compliance reporting. Their expertise will be invaluable as our clients navigate the increasing importance of sustainability in today's market. This partnership is a major step forward in delivering meaningful results and expanding our commitment to ethical and sustainable business practices. With the addition of Susta's expertise and Schellman's new ISO 14001 accreditation, this acquisition will enable clients to showcase responsible business practices and effectively navigate the evolving regulatory landscape, including the SEC's climate disclosure rules, California's Climate Accountability Package, and Europe's CSRD.

Schellman's recent ISO 14001 accreditation from the ANSI National Accreditation Board (ANAB) further amplifies its sustainability capabilities by empowering the firm to guide clients in implementing environmental management frameworks that support sustainable growth and regulatory compliance.

The ISO 14001 standard offers a structured EMS framework, guiding organizations to enhance environmental performance, adhere to regulatory requirements, and improve operational efficiency. This fosters long-term resilience and minimizes environmental impact.



# 23



ENRICHING OUR SERVICE & KNOWLEDGE, FORGING STRONGER RELATIONSHIPS

Schellman began over twenty years ago as a specialized SOC audit firm. While we continue to issue more than 2,000 SOC reports annually, our clients' trust has driven our growth. This trust is built on our commitment to consistently delivering the best experience for our clients, driven by our high level of support and expertise. 2024 was no exception, as we focused on initiatives aimed at enhancing both: Client Expansion, Relationship, and Cross-Serving: We've consistently championed the importance of coaching leaders to collaborate with our clients, helping them grow their compliance programs and expand their market presence, which ultimately drives the growth of our business together.



### ELITE 100 PROGRAM

The Elite 100 program was a resounding success in 2024, strengthening our relationships with top enterprise clients.

### NEW SERVICES IN 2024

We launched several new services throughout the year, including Secure Software Development Framework (SSDF) assessments and sustainability initiatives. Doug Barbin, President of Schellman & Company, LLC and National Managing Principal of Schellman Compliance, LLC, played a key role in these efforts, culminating in the successful acquisition of Sustas at the end of the year.

### PRICING/STAFFING IMPROVEMENTS

We made significant strides in rightsizing our staffing and aligning our delivery models with client needs. This included developing a more agile delivery approach, which clients considered a significant benefit.

### CROSS-TRAINING INVESTMENTS

We made substantial investments in cross-training, beginning with PCI, and anticipate this trend continuing.



*What we do isn't about selling more work or generating revenue from our clients. When you take the time to truly understand what they need to sell to their customers and how our services enable that, the work naturally follows. I witness it every day in our strongest leaders. The principals and directors who exceeded their personal goals in 2024 did so not because they were better 'salespeople' but because they were better listeners and partners to their clients. They put in the work to help their clients grow.*



### DOUG BARBIN

PRESIDENT & NATIONAL MANAGING PRINCIPAL





We surpassed our cross-sell total in revenue against goal for the year.



Our Client Council, comprised of top leaders from Digital Realty, Oracle, SAP, Zoom, and Zscaler, provided invaluable insights on how to serve our clients better.



Our E100 clients generated significant first-year cross-sell opportunities beyond existing work in 2024. More importantly, we solidified our position as a trusted compliance advisor.

### KEY CLIENT AND SERVICE ADVANCEMENTS IN COMPLIANCE THAT WE CONTRIBUTED TO INCLUDE:

- 15+ new ISO 42001 certifications for AI, including Amazon Web Services.
- More ISO, SOC, and FedRAMP work for AI pioneers like OpenAI and Scale.ai and existing clients like Zscaler and Zoom, who have invested heavily in AI.
- We continue to be the FedRAMP marketplace leader (#1 in assessment volume)
- The SSDF new service highlighted above yielded net new revenue, with Cisco leading the charge, proactively attesting to their compliance with these strict but necessary government standards.
- With the Sustas acquisition closing in December, we added new revenue to 2025, enabling us to deliver on this exciting new practice.
- By rethinking project planning, we successfully rightsized our work for clients, balancing assigned time with their needs.

### LOOKING AHEAD

Cross-selling will continue to be a priority. We are rebranding it as 'cross-serve' to reflect our role as strategic compliance partners to our clients more accurately. This includes:

- Continuing to promote the E100 program while expanding this level of service to the next tier of clients.
- Implementing similar strategies for clients in the 101 to 250 range through the Emerging Enterprise Program.
- Foster a 'cross-serve' mindset across Schellman at all firm levels.

Mentoring and supporting our next-generation leaders as they assume greater responsibility on their journey.

We will continue to promote the new sustainability, ISO AI, and other new services in 2025.

# 24

## MAKING HEADLINES

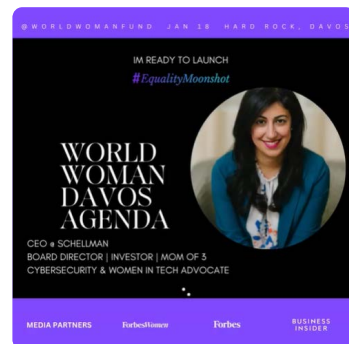


In 2024, Schellman's CEO, Avani Desai, continued her exceptional work as our highly respected leader, driving the firm forward, and as a prominent figure in the industry. A powerful force at the forefront of emerging technology, she is recognized as a thought leader, engaging speaker, and boundary-pushing champion for women and minorities in technology. Here are some key highlights from 2024, showcasing her outstanding journey throughout the year:

Q1

JAN

Speaker at the Davos World Economic Forum, representing the World Woman Foundation and Cybersecurity Future Foundation



Speaker at Cloud Security Alliance's Virtual AI Summit



Named one of 2023's Most Powerful Women in Accounting by AICPA & CIMA and CPA Practice Advisor Magazine



FEB

Featured in AI Today.io



Speaker at Information Systems Security Alliance's Women In Security



MAR

DEI Panel at KnowBe4 KB4CON



Featured in the University of Florida-Warrington College of Business News



Q2

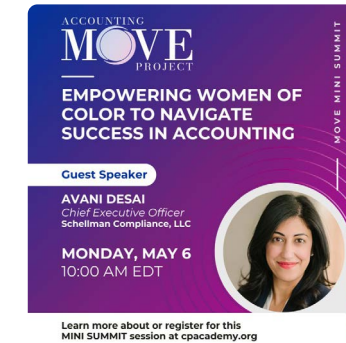
APR

Ranked on the Forbes 2024 Top 200 CPAs



MAY

Speaker at the Accounting MOVE Project Mini Summit



JUN

Speaker at the AICPA Engage Conference



Joins the AICPA as a Council Member



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JUL

Q3

AUG

SEP

Finalist for the United Cybersecurity Alliance's Cybersecurity Woman Leader of the Year 2024 Awards



Speaker at the Beta Alpha Psi International Conference



Panelist at InfoSec World



OCT

Q4

NOV

DEC

Featured in the Cloud Security Alliance's Community Spotlight



Speaker at the CNBCTEC Summit



Speaker at the Women In Trust Summit



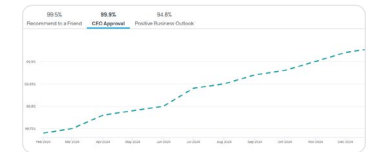
Speaker at the Accounting Today PE Summit



Speaker at the AICPA & CIMA Women's Global Leadership Summit



Maintained a consistent 99%+ CEO Approval rating on Glassdoor throughout the year



# THE STORY OF '24: TWENTY-FOUR WAYS SCHELLMAN INCREASED OUR IMPACT IN 2024



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