

FY23 Greenhouse Gas Emissions

STATEMENT AND METHODOLOGY REPORT

FY23 GREENHOUSE GAS EMISSIONS STATEMENT

Booz Allen's FY2023 greenhouse gas (GHG) emissions totaled 114,188.47 MTCO₂ equivalent (CO₂e). Scope 1 and Scope 2 emissions were down roughly 14% to 12,309.42 MTCO₂e from FY2022. Scope 3 emissions were 101,879.05 MTCO₂e, a roughly 428% increase from FY2022. Scope 3 emissions increased because of the addition of two categories: purchased goods and services and waste generated in operations, which added 37,625.77 MTCO₂e and 3,085.37 MTCO₂e, respectively.

Scope 1: Fleet Vehicles and Generators

Scope 1 emissions decreased by roughly 57% to 17.2 MTCO₂e from FY2022. The majority of the change was the result of decreased use of stationary combustion generators.

Scope 2: Facilities

Emissions from our facilities decreased by 14% to 12,292.18 MTCO₂e from FY2022. This decrease was caused by a reduction in leased square footage due to workspace consolidation and an increase in hybrid and full-time remote employee work models. These emissions are down roughly 19% compared to FY2020. This fiscal year, we are adding our NOx and SOx specific emissions to our statement, which were calculated at 13,278.32 NOx emissions and 10,285.82 SOx emissions within our Scope 2 reporting.

Scope 3: Purchased Goods and Services, Waste Generated in Operations, Business Travel, and Employee Commuting

Overall, Scope 3 emissions increased 423% to 101,879.05 MTCO₂e from FY2022. The addition of two Scope 3 categories (Category 1: Purchased Goods and Services and Category 5: Waste Generated in Operations) contributed to an additional 40,711.14 MTCO₂e. As our business travel began to return to pre-COVID levels, we saw an increase in air travel, hotel stays, reimbursed auto travel and the associated emissions. Business travel emissions increased by roughly 73% to 20,822.46 MTCO₂e from FY2022 as a result of this change. Based on our commuting survey data, this fiscal year more employees are regularly working from home, compared to FY2022. However, emissions resulting from commuting are up over 450% to 40,345.45 MTCO₂e. We have begun a detailed analysis to determine the source of this increase, but initial data suggest that when employees commute they are traveling further distances and somewhat negating any benefits achieved by non-commuters.

METHODOLOGY

Scope 1: Fleet Vehicles and Generators

For Booz Allen vehicles, we used vehicle make, model, and mileage data provided by the local Booz Allen office associated with the vehicle to calculate emissions. We converted the reported data into CO₂e emissions using World Resources Institute (WRI) GHG Protocol's tool for calculating emissions from mobile sources.¹ Emissions in the calculation include CO₂, CH₄, and N₂O, and the emissions factors and global warming potential values used were from the 2014 IPCC Fifth Assessment Report.

Booz Allen directly purchases and consumes diesel fuel for use in emergency generators on a small number of our sites. We track quantity of fuel purchased and utilize the WRI GHG Protocol's tool for stationary combustion² to calculate total emissions. Emissions in the calculation include CO₂, CH₄, and N₂O, and the emissions factors and global warming potential values used are from the 2014 IPCC Fifth Assessment Report.

Our Scope 1 emissions methodology and calculations were verified Apex Companies, LLC.

Scope 2: Facilities

Booz Allen's U.S. and international real estate holdings comprise approximately 2.5 million square feet of leased space. Booz Allen neither owns nor manages the buildings we occupy. Consequently, all facilities emissions fall within Scope 2. We calculate these emissions by estimating electrical consumption based on the number of occupied square feet in our domestic and international portfolio.

For both U.S. and international facilities, we used data from the U.S. Energy Information Administration's 2012 Commercial Buildings Energy Consumption Survey to determine the average kilowatt hours (kWh) of electricity buildings comparable to those in our portfolio consume per square foot each year. We then estimated our own kWh consumption by multiplying these national averages by the number of square feet in each Booz Allen facility.

In FY2023, we were able to access utility bill data for 19 Booz Allen facilities, comprising nearly 42% of our total leased square footage. For these facilities, we were able to retrieve actual kWh consumption, as opposed to estimating using the aforementioned process. After kWh consumption was determined, for U.S. facilities, we used the GHG emissions factors from the U.S. Environmental Protection Agency's (EPA) 2020 Emissions and Generation Resource Integrated Database to calculate each building's emissions (differentiated by region). The formula we used

¹ World Resources Institute (2015). *GHG Protocol tool for mobile combustion. Version 2.6*. Available for download at: <https://ghgprotocol.org/calculation-tools-and-guidance>

² World Resources Institute (2015). *GHG Protocol tool for stationary combustion. Version 4.1*. Available for download at: <https://ghgprotocol.org/calculation-tools-and-guidance>

to calculate emissions is: GHG emissions = Electricity consumed (in MWh) x EPA regional GHG emissions factor. We converted nitrogen dioxide and methane emissions to CO₂e using global warming potentials from the United Nations Intergovernmental Panel on Climate Change Fifth Assessment Report. Emissions in the calculation include CO₂, CH₄, and N₂O.

For international facilities, we substituted EPA regional emission factors with International Energy Agency (IEA) CO₂ emissions factors specific to each country. Emissions in the calculation include CO₂.

Our Scope 2 emissions methodology and calculations were verified by Apex Companies, LLC.

Scope 3: Purchased Goods and Services, Waste Generated in Operations, Business Travel, and Commuting

PURCHASED GOODS AND SERVICES

FY2023 is the first year we are including emissions associated with purchased goods and services in a greenhouse gas inventory that use the amount of emissions generated per dollar spend. The EPA values are organized by commodity code and use a taxonomy created by the Bureau of Economic Analysis (BEA). While the BEA commodity taxonomy does not directly align with the taxonomy used by Booz Allen (which is generally consistent with - with some departure from - UN Standards Products and Services Code), Booz Allen compared and made the best match of our general ledger codes to the EPA commodity codes. Booz Allen extracted supplier spend by general ledger account and sorted by sourceable spend - spend for which Booz Allen has direct purchasing control. Note that we excluded any spend that we did not have a choice about whether or not to purchase because it was directly billable to our client-related activities. The spend is ultimately charged back to our clients and used to support their work.

Total sourceable spend was sorted using a pivot table to create a total summation of invoice amount by general ledger categories. This data was then reorganized and resorted by spend category and appropriate commodity conversion factors were applied. We focused on the top 25% of supplier categories by spend. This accounted for roughly 91% of our total sourceable indirect spend.

WASTE GENERATED IN OPERATIONS

We use the EPA's guidance for estimating emissions per person per day per year based on historical municipal solid waste data.³ The value for "# of employees" is taken from the firm's

³ The emission factor was sourced from the EPA Document, "Documentation for Greenhouse Gas Emission and Energy Factors Used in the Waste Reduction Model (WARM)" dated November 2020. (https://www.epa.gov/sites/default/files/2020-12/documents/warm_management_practices_v15_10-29-2020.pdf).

most recent 10-K (filed with the SEC for FY2023 on May 26, 2023).⁴ For FY2023 that number is 31,900 employees.

BUSINESS TRAVEL

Our calculations include estimated emissions from employee business travel, which we define as work-related air travel, car rentals, billable personal miles, and hotel stays. These estimates were provided by our travel providers, who work closely with us to track the environmental impact of each trip. We also estimate emissions associated with employees' commutes to and from work. All business travel and commuting emissions are Scope 3. Emissions in the calculations include CO₂, CH₄, and N₂O.

AIR TRAVEL

GHG Protocol emissions factors were used to estimate CO₂ emissions associated with all domestic and international flights recorded by our travel service provider. Flights were differentiated by length (long-, medium-, and short-haul), mileage, seat class, and type of aircraft.⁵

A small minority of our employees were unable to make their travel plans using our travel service provider. Consequently, their data is not represented. In addition, the data does not reflect flights that were cancelled or rerouted, or changes in travel plans (e.g., some flights were not taken but remained in the system).

AUTOMOBILE

Our main rental car agencies (i.e., National, Enterprise, Avis, and Hertz) used EPA Climate Leaders emissions factors to estimate CO₂e emissions associated with domestic and international reserved car mileage. We receive this data in quarterly reports identifying miles traveled, vehicle class, type of fuel, duration of travel, and other key information. Rental cars reserved by employees using other vendors or methods were not factored into the emissions estimate as this data was unavailable.

To determine emissions from employees on their personal vehicles, we retrieved mileage data from employee reimbursements allocated for personal vehicle travel for work engagements. We then converted the reported automobile mileage into CO₂e emissions using GHG Protocol's tool for calculating CO₂ emissions from mobile sources.⁶ The emissions factors and global warming potential values used are from the 2014 IPCC Fifth Assessment Report.

HOTELS

For hotel reservations made with our travel service provider, we receive an annual report with the number of rooms, room nights, and country of each hotel stay. We use United Kingdom

⁴ Booz Allen's [FY23 Annual Report on Form 10-K](#)

⁵ Factors and calculations for conversion are for global data (<https://ghgprotocol.org/about-us>).

⁶ World Resources Institute (2015). *GHG Protocol tool for mobile combustion*. Version 2.6. Available for download at: <https://ghgprotocol.org/calculation-tools-and-guidance>

Government GHG Conversion factors for Company Reporting to convert the number of room nights per country to estimated CO₂e emissions. A small minority (less than 5%) of hotel stays took place in countries for which there was no available emissions factor. These rooms were not included in the calculation.

EMPLOYEE COMMUTING

We used the average-data method of converting average daily commuting distance into annual average commuting distance by multiplying the one-way distance by two for the daily return trip and by the average number of days worked per year (excluding weekends and days spent on business travel, vacation, or working from home). We then used conversion factors provided by EPA's Emission Factors for Greenhouse Gas Inventories, and AR5 - IPCC Fifth Assessment to determine Total GHG emissions for employee commuting.

We use data from our annual employee commuting survey (first launched in 2016) to estimate emissions from employees' commutes to and from Booz Allen offices and client sites at the start and end of each workday. The survey is voluntary and has traditionally experienced low participation rates, creating limitations in our ability to draw inferences from year-over-year trends, however participation rates are increasing, and the data appears to be stabilizing.

The survey captures a wide range of data on employees' daily commutes, including distance and mode of transportation. Using guidance provided by the WRI GHG Protocol's Technical Guidance for Calculating Scope 3 Emissions⁷, we converted the average daily commuting distance into annual estimates for each mode of transportation. We used the conversion factors to determine the CO₂e emissions produced for each mode, then combined them to determine an aggregate commuting footprint. The emissions factors and global warming potential values used are from the 2014 IPCC Fifth Assessment Report.

Our Scope 3 emissions methodology and calculations were verified by Apex Companies, LLC.

⁷ GHG Protocol, 2013. *Technical Guidance for Calculating Scope 3 Emissions. Category 7: Employee Commuting.* Available for download at: <https://ghgprotocol.org/scope-3-calculation-guidance-2>

APPENDIX A: BOOZ ALLEN GREENHOUSE GAS EMISSIONS HISTORICAL STATEMENT

	FY20	FY21	FY22	FY23
SCOPE 1	33.26	32.00	40.54	17.24
Fleet	2.62	2.55	7.92	4.50
Stationary Combustion	30.65	29.45	32.62	12.74
SCOPE 2	15,113.48	13,825.00	14,298.82	12,292.18
Domestic U.S.	14,746.53	13,535.42	14,052.82	12,105.21
International	366.95	289.58	246.00	186.97
SCOPE 3	81,259.27	9,885.16	19,312.34	101,879.05
Purchased Goods and Services				37,625.77
Waste Generated in Operations				3,085.37
Business Travel	35,158.50	3,764.62	12,009.64	20,822.46
Employee Commuting	46,100.77	6,120.54	7,302.70	40,345.45
GRAND TOTAL	96,406.02	23,742.16	33,651.70	114,188.47

Note: All values are measured in metric tons CO₂-equivalent.

APPENDIX B: BOOZ ALLEN GREENHOUSE GAS EMISSIONS REDUCTION TARGETS

In 2015, Booz Allen first set greenhouse gas emissions targets to reduce our Scope 2 emissions, primarily related to domestic facilities, by 15% from our 2014 baseline, both per square foot and per employee. We have achieved and maintained our performance against both metrics ahead of our goal date of 2026.

In 2021, Booz Allen committed to a long-term target to reach net-zero greenhouse gas emissions no later than 2050. We will set verifiable targets for relevant scope 1, scope 2, and scope 3 emissions through the Science Based Targets initiative (SBTi), which independently assesses corporate emissions reduction targets in keeping with what climate science says is needed to meet the goals of the Paris Agreement.

We are proud to join the Business Ambition for 1.5°C campaign. This commitment to establishing data-driven and meaningful reduction goals begins a two-year effort to set targets that make sense for our business and its operations and craft these targets to meet the rigorous criteria set by SBTi for approval. Our fiscal year 2020 emissions will set the baseline for our targets.

APPENDIX C: APEX EMISSIONS VERIFICATION STATEMENT



VERIFICATION OPINION DECLARATION GREENHOUSE GAS EMISSIONS

To: The Stakeholders of Booz Allen Hamilton Inc.

Apex Companies, LLC (Apex) was engaged to conduct an independent verification of the greenhouse gas (GHG) emissions reported by Booz Allen Hamilton Inc. (Booz Allen) for the period stated below. This verification opinion declaration applies to the related information included within the scope of work described below.

The determination of the GHG emissions is the sole responsibility of Booz Allen. Booz Allen is responsible for the preparation and fair presentation of the GHG emissions statement in accordance with the criteria. Apex's sole responsibility was to provide independent verification on the accuracy of the GHG emissions reported, and on the underlying systems and processes used to collect, analyze and review the information. Apex is responsible for expressing an opinion on the GHG emissions statement based on the verification. Verification activities applied in a limited level of assurance verification are less extensive in nature, timing and extent than in a reasonable level of assurance verification.

Boundaries of the reporting company GHG emissions covered by the verification:

- Operational Control
- Worldwide
- Exclusions: Natural gas combustion emissions at leased spaces and fugitive refrigerant emissions
 - 9% of relevant spend was excluded from Scope 3 Purchased Goods and Services

Types of GHGs: CO₂, N₂O, CH₄

GHG Emissions Statement:

- **Scope 1:** 17 metric tons of CO₂ equivalent
- **Scope 2 (Location-Based):** 12,292 metric tons of CO₂ equivalent
- **Scope 3:**
 - Purchased Goods and Services: 37,626 metric tons of CO₂ equivalent
 - Waste Generated in Operations: 3,085 metric tons of CO₂ equivalent
 - Business Travel: 20,822 metric tons of CO₂ equivalent
 - Employee Commuting: 40,345 metric tons of CO₂ equivalent

Data and information supporting the GHG emissions statement were in some cases estimated rather than historical in nature.

Period covered by GHG emissions verification:

- April 1, 2022 to March 31, 2023

Criteria against which verification conducted:

- World Resources Institute (WRI)/World Business Council for Sustainable Development (WBCSD) Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard (Scope 1 and 2)
- WRI/WBCSD Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (Scope 3)

Reference Standard:

- ISO 14064-3 (2019-04) Second Edition: Greenhouse gases – Part 3: Specification with guidance for the verification and validation of greenhouse gas statements

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**Level of Assurance and Qualifications:**

- Reasonable (Scope 1 and 2)
- Limited (Scope 3)

This verification used a materiality threshold of $\pm 5\%$ for aggregate errors in sampled data for each of the above indicators

GHG Verification Methodology:

Evidence-gathering procedures included but were not limited to:

- Interviews with relevant personnel of Booz Allen;
- Review of documentary evidence produced by Booz Allen;
- Review of Booz Allen data and information systems and methodology for collection, aggregation, analysis and review of information used to determine GHG emissions; and
- Audit of sample of data used by Booz Allen to determine GHG emissions.

Verification Opinion:

Based on the process and procedures conducted, we conclude that the Scope 1 and Scope 2 GHG emissions statement shown above:

- is materially correct and is a fair representation of the GHG emissions data and information; and
- has been prepared in accordance with the WRI/WBCSD GHG Protocol Corporate Accounting and Reporting Standard (Scope 1 and 2).

Based on the process and procedures conducted, there is no evidence that the Scope 3 GHG emissions statement shown above:

- is not materially correct and is not a fair representation of the GHG emissions data and information; and
- has not been prepared in accordance with the WRI/WBCSD Greenhouse Gas Protocol Corporate Value Chain Accounting and Reporting Standard (Scope 3).

It is our opinion that Booz Allen has established appropriate systems for the collection, aggregation and analysis of quantitative data for determination of these GHG emissions for the stated period and boundaries.

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Statement of independence, impartiality and competence

Apex is an independent professional services company that specializes in Health, Safety, Social and Environmental management services including assurance with over 30 years history in providing these services.

No member of the verification team has a business relationship with Booz Allen, its Directors or Managers beyond that required of this assignment. We conducted this verification independently and to our knowledge there has been no conflict of interest.

Apex has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day-to-day business activities.

The verification team has extensive experience in conducting assurance over environmental, social, ethical and health and safety information, systems and processes, has over 20 years combined experience in this field and an excellent understanding of Apex's standard methodology for the verification of greenhouse gas emissions data.

Attestation:

A handwritten signature in black ink that appears to read "Cody Lorentson".

A handwritten signature in black ink that appears to read "Scott Johnston".

Cody Lorentson, Lead Verifier
Program Manager
Apex Companies, LLC
Lakewood, Colorado

Scott Johnston, Technical Reviewer
Principal Consultant
Apex Companies, LLC
Doral, Florida

August 24, 2023

This verification statement, including the opinion expressed herein, is provided to Booz Allen Hamilton Inc. and is solely for the benefit of Booz Allen Hamilton Inc. in accordance with the terms of our agreement. We consent to the release of this statement by you to the public or other organizations for reporting and/or disclosure purposes but without accepting or assuming any responsibility or liability on our part to any other party who may have access to this statement.

About Booz Allen

For more than 100 years, business, government, and military leaders have turned to Booz Allen Hamilton to solve their most complex problems. As a consulting firm with experts in analytics, digital, engineering, and cyber, we help organizations transform. To learn more, visit BoozAllen.com.