Booz Allen®

GHG Emissions Report

FY2025

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Greenhouse Gas Emissions Statement & Methodology Report

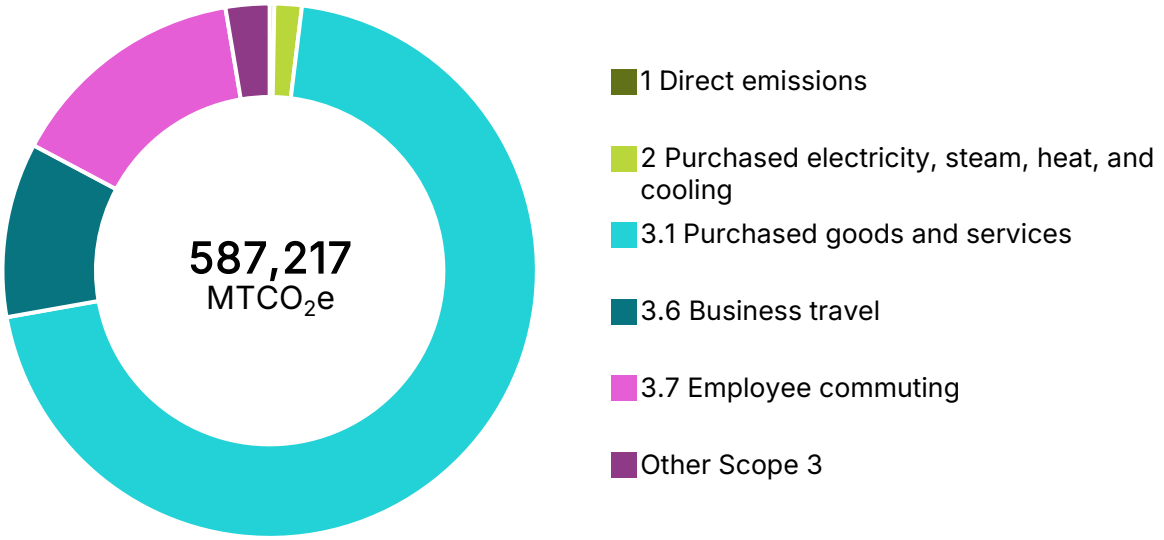
This report covers Booz Allen's greenhouse gas (GHG) emissions during fiscal year 2025 (April 1, 2024 – March 31, 2025). Emissions are reported in metric tonnes of carbon dioxide equivalent ($MTCO_2e$) and were calculated in accordance with the GHG Protocol Corporate Accounting and Reporting Standard and the Corporate Value Chain (Scope 3) Standard, developed by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD).

We collected data across our operations and supplier network, prioritizing supplier-specific and activity-based data. Where unavailable, we applied extrapolations and utilized industry-standard emissions factors. Emissions are location-based and were consolidated using the operational control approach.

FY25 HIGHLIGHTS

- Leveraged a **carbon accounting platform** to centralize emissions management, enhancing data quality and standardizing accounting practices across all emissions categories.
- **Reduced physical real estate footprint by 18%** from FY24 and 22% from baseline (FY20).
- Incorporated **supplier-specific emissions factors** for **14% of suppliers** in Scope 3 Category 1 and 2 calculations.
- Obtained **utility data for 51% of Booz Allen's square footage**, up from 42% in FY24 and 38% in FY20.
- **Refined our strategy** to improve data accuracy and recalibrate emissions reduction targets.

FY25 EMISSIONS STATEMENT



OUR STRATEGY & COMITTMENTS

Booz Allen continues to enhance our sustainability strategy by aligning with emerging best practices to enhance the accuracy and comparability of our emissions reporting, ensuring more effective tracking and disclosure of our environmental performance. In FY25, we refined our emissions methodology and integrated advanced carbon management and accounting software to strengthen data completeness, quality, and consistency.

Leveraging these improvements, we are recalculating our historical emissions—including our 2020 baseline—to assess our progress against defined reduction targets. As part of this comprehensive review, we have made the strategic decision to step back from our previously announced Net Zero by 2050 commitment. This strategic adjustment reflects our commitment to a data-driven approach and acknowledges evolving market dynamics, while we continue to pursue our near-term Science Based Targets. Our approach remains rooted in transparency, accountability, and measurable progress, ensuring that sustainability efforts are seamlessly integrated into our business practices to drive efficiency, resilience, and responsible growth over the long term.

EMISSIONS REDUCTIONS GOAL

- Reduce absolute Scope 1 and 2 GHG emissions and absolute Scope 3 GHG emissions by 50.4% by FY32 from a FY20 base year.

LIMITATIONS

Booz Allen leases all its real estate, limiting access to utility data for some facilities. This constraint affects our ability to collect comprehensive primary data for certain Scope 1 and 2 sources, requiring estimation methods for many locations. It also limits our influence over emissions reductions in shared or landlord-controlled spaces.

We are working to address this by seeking greater access to facility data and reviewing agreements with property managers and landlords to increase our influence over the spaces we occupy.

METHODOLOGY

SCOPE 1: DIRECT EMISSIONS FROM OPERATIONS

Our Scope 1 emissions represent direct emissions from sources under our operational control, including from stationary fuel combustion, combustion of fuels used for transportation, and refrigerant leakage across our leased spaces.

STATIONARY COMBUSTION[1]

Fuel-based emissions from natural gas, propane, and other fuels were calculated using either fuel consumption data or estimates where consumption data was unavailable. Estimated emissions were calculated using the building's footprint, heating method, and location-based fuel mix benchmarks from U.S. Department of Energy's Building Performance Database and the International Energy Agency (IEA) Energy Efficiency Indicators. All Scope 1 emissions were calculated using global warming potentials from the IPCC's Sixth Assessment Report (AR6) and the most recent U.S. EPA emissions factors.

Well-to-tank emissions for fuel production are reported under Scope 3, Category 3.

MOBILE COMBUSTION

Emissions from mobile combustion were calculated using mileage and fuel type and applying fuel economy data from the Alternative Fuels Data Center (AFDC) or U.S. EPA Emissions factor hub, converting all mobile combustion emissions to CO_2e using IPCC AR6 Global Warming Potential (GWP).

REFRIGERANT LEAKAGE[2]

Refrigerant emissions were estimated using facility square footage and default values from the U.S. EPA's Hydrofluorocarbon (HFC) emissions tool. Since specific refrigerant types were not known, standard assumptions for commercial office buildings were applied. Emissions factors from AR6 and component blend information from the California Air Resource Board's (CARB) report on High-GWP Refrigerants were used.

SCOPE 2: INDIRECT EMISSIONS FROM PURCHASED ELECTRICITY, HEATING, AND COOLING

Our Scope 2 emissions represent the consumption of purchased electricity and district energy across our leased facilities. In alignment with the GHG Protocol, we used the location-based method to calculate Scope 2 emissions, which applies the average emissions intensity of the electricity grid in each region where consumption occurs.

For facilities where utility data was available, we used electricity consumption (kWh) data to calculate emissions. For facilities where we did not have access to electricity data, consumption was estimated using building square footage, facility type, region, and lease start and end dates. These estimates rely on benchmarks from U.S. Department of Energy' Building Performance Database and regional energy profiles.

[1] We expanded calculations to include estimated fuel use across all facilities, whereas previously we only used actual consumption data, where available. This represents a significant change from prior methodologies.
[2] We included emissions from refrigerant leakage for the first time this year.

Electricity use was multiplied by location-based emissions factors based on local grid mixes, using sources such as the U.S. EPA Emissions and Generation Resource Integrated Database (eGRID) subregion data, United Kingdom (UK) Department for Environment, Food & Rural Affairs (DEFRA)national grid factors, and IEA national emission factors for international locations.

All emissions factors include CO_2, CH_4, and N_2O converted to CO_2e using AR6 GWP.

For facilities located in countries where district heating and cooling are common, estimations for district energy consumption were done based on the facility's square footage, facility type, and geographic norms for district energy use. District heating and cooling refers to heating using steam that is generated off site and cooling using water that is chilled off site. Emissions factors sources for district heating were Johansen & Werner, DEFRA, and Ecoinvent.

Transmission and distribution (T&D) losses and upstream generations emissions are reported in Scope 3, Category 3.

SCOPE 3: INDIRECT EMISSIONS IN THE VALUE CHAIN

Emissions in Scope 3 account for indirect emissions occurring upstream and downstream in our value chain. Categories 1, 2, 3, 5, 6, 7, and 15 are relevant to our business and were calculated using a mix of spend-based, activity-based, and distance-based data.

CATEGORY 1: PURCHASED GOODS & SERVICES AND CATEGORY 2: CAPITAL GOODS[3]

We used a spend-based approach to estimate upstream cradle-to-gate emissions for purchased goods and services. Capital goods were estimated with the same spend-based approach, however separately from purchased goods and services, as this was isolated to our purchases of assets with long-term operational lifespans. General ledger data was mapped to U.S. Bureau of Economic Analysis (BEA) emissions factors using Comprehensive Environmental Data Archive (CEDA) 2024 and U.S. Environmentally-Extended Input-Output (USEEIO) databases. For select suppliers with reported emissions through public disclosures, supplier-specific emissions intensities were applied. Certain financial accounts and categories were considered "non-emissive" if they did not represent monetary transactions for emissive goods and services.

Measurements are conducted in current year dollars (e.g., 2024 U.S. dollars) while the input-output tables that USEEIO and CEDA are based on are for 2022. To account for this, spend was converted to the relevant base year dollars using appropriate inflation or deflation rates. Inflation factors are not country-specific but are based on the US data and used for all countries.

Utilities are accounted for in Scope 2 and travel and accommodations are calculated using activity data in Scope 3, Category 6.

CATEGORY 3: FUEL-AND ENERGY-RELATED ACTIVITIES

Emissions in this category included upstream fuel production, electricity well-to-tank (WTT), and T&D losses associated with Scope 1 and 2 energy use. These emissions are associated with Scope 1 and Scope 2 energy use but occur outside our operational boundary. For facilities where activity data was available, WTT and T&D losses were calculated directly using emissions factors from eGRID and IEA. For estimated facility energy use, WTT and T&D losses were applied based on regional benchmarks and building square footage and type.

[3] We incorporated CEDA data and supplier specific emissions factors, whereas previously we relied solely on USEEIO emissions factors. This represents a significant change from prior methodologies.

CATEGORY 5: WASTE GENERATED IN OPERATIONS[4]

Our waste emissions were estimated based on onsite employee headcount per facility, as direct waste quantity data was not available. Monthly employee counts by location were used to determine the number of employees onsite per facility. Waste generation volumes were then derived using CalRecycle public administration building benchmarks and allocated across landfill and recycling disposal methods. Emissions factors for waste treatment were sourced from the U.S. EPA and UK DEFRA depending on regional applicability. Remote employees were excluded from waste calculations.

CATEGORY 6: BUSINESS TRAVEL

We used spend-based, activity-based, and distance-based approaches to estimate emissions for business travel, including air travel, ground transportation, and accommodations.

Emissions from flights were calculated using distance and cabin class and applying the UK Government emissions factors for long, medium, and short haul flights and cabin classes. Calculations also included radiative forcing emissions. The UK Government emissions factors also use a radiative forcing multiplier accounting for additional climate impact of high-altitude travel.

Emissions from personal vehicle travel and rental car usage were calculated using reported distances and vehicle type assumptions. Mileage was converted into emissions using U.S. EPA emission factors for passenger vehicles, adjusted for fuel economy and WTT emissions. For electric vehicles (EV), electricity consumption was estimated using the average EV electricity economy by vehicle class from the Argonne National Laboratory Alternative Fuel Life-Cycle Environmental and Economic Transportation (AFLEET) tool. Electricity economy was combined with distance to calculate electricity use and then electricity consumption was multiplied by the relevant electricity emissions factors.

Rail travel emissions were provided by Amtrak and were calculated using distance and varying emissions factors by train type (electric, diesel, or a mix).[5]

In cases where employees submitted expenses for rideshare services, taxis, subways, or other public transportation modes, we used a spend-based approach. Total reimbursement costs were mapped to corresponding transportation categories using expense descriptions, then multiplied by spend-based emissions factors from the CEDA and USEEIO databases.[6]

Accommodations were calculated based on the number of room-nights and country of stay. Country-specific emissions factors were based on UK DEFRA data.

[4] Previously, we extrapolated from waste data at our headquarters across all facilities. This shift to waste estimations based on employee headcount represents a significant change from prior methodologies.
[5] We included emissions from rail travel for the first time this year.
[6] We included emissions from employee submitted ground transportation costs for the first time this year.

CATEGORY 7: EMPLOYEE COMMUTING AND HOME OFFICE ENERGY USE[7]

Employee commuting and home office emissions were estimated based on employee work location status (on-site or remote). For on-site employees, average regional commute distances and modal splits were applied based on location. Commuting emissions were calculated using modal emissions factors for cars, public transit, and rail from U.S. EPA and UK DEFRA sources. Upstream well-to-tank emissions from fuel production and energy transport were also included. We anticipate that this category represents an overestimation, as we currently are unable to reliably account for number of commuting days for hybrid employees. For this calculation, any employee who is assigned to an office is assumed to be commuting each workday.

For remote employees, home office energy use was estimated based on standard assumptions for home office size and energy consumption. Emissions from electricity and heating were calculated using regional emissions factors and included both direct combustion and upstream emissions. As noted above, hybrid employees were treated as on-site employees, and therefore no emissions from home office energy use were attributed.

CATEGORY 15: INVESTMENTS

Investment emissions were calculated for equity holdings using the CEDA 2024 and USEEIO model. Attribution was based on our proportional share of each investee's value at fiscal year-end. To determine the emission factors for each investment, we used the investee's country, industry sector, and annual revenue to assign sector-level USEEIO emission factors. This approach aligns with guidance from the GHG Protocol and the Partnership for Carbon Accounting Financials (PCAF), which recommend attributing emissions to investors based on their share of ownership in external assets.

[7] Previously, we relied on employee survey data extrapolated across the workforce. This shift to employee commuting estimations based solely on employee work location represents a significant change from prior methodologies.

APPENDIX A: HISTORICAL EMISSIONS

As part of our commitment to transparent and accurate reporting, we regularly refine our emissions data collection and accounting processes. In FY25, we adopted a carbon accounting software to standardize methodologies, improve data granularity, and enhance the completeness of our emissions reporting. **As a result, this year's data reflects updated collection and calculation methods.**

Historical data included in this report remains consistent with the methodologies used at the time of original reporting. We plan to recalculate and restate historical emissions and our baseline using the updated approach in a future reporting cycle to ensure consistency and comparability over time.

CATEGORY	FY25 CURRENT YEAR	FY24 PREVIOUS YEAR	FY20 BASELINE
1 DIRECT EMISSIONS*	1,592	193	33
2 PURCHASED ELECTRICITY, STEAM, HEAT, AND COOLING	9,765	10,446	15,113
3.1 PURCHASED GOODS AND SERVICES*	412,612	271,453	52,474
3.2 CAPITAL GOODS*	6,290	4,486	-
3.3 FUEL AND ENERGY RELATED ACTIVITIES	2,793	2,892	2,861
3.4 UPSTREAM TRANSPORTATION & DISTRIBUTION †	-	495	135
3.5 WASTE GENERATED IN OPERATIONS*	6,189	234	2,602
3.6 BUSINESS TRAVEL	62,008	41,512	31,690
3.7 EMPLOYEE COMMUTING*	85,584	44,218	46,101
3.8 UPSTREAM LEASED ASSETS †	-	-	4,937
3.15 INVESTMENTS	385	186	-
TOTAL	**587,217**	**376,114**	**155,947**

* Categories marked with an asterisk have significant methodological changes from prior years calculations.

† In FY25, these categories were included in Scope 3 Category 1 Purchased Goods and Services to better align with GHG Protocol guidance.

About Booz Allen

Booz Allen is the advanced technology company delivering outcomes with speed for America's most critical defense, civil, and national security priorities. We build technology solutions using AI, cyber, and other cutting-edge technologies to advance and protect the nation and its citizens. By focusing on outcomes, we enable our people, clients, and their missions to succeed—accelerating the nation to realize our purpose: **Empower People to Change the World®**.

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