FISCAL YEAR 2016
CARBON FOOTPRINT
A YEAR OF SUSTAINABLE GROWTH AND COMMITMENT
Recognizing that our people are our greatest asset, we educate and encourage our employees to play an active role in reducing our carbon footprint and making environmentally responsible choices.
At Booz Allen Hamilton, we’re committed to sustainable growth. We formalized that commitment in 2010 with our corporate sustainability statement, and since then we’ve continually refined our approach to make our firm and our people more effective stewards of the environment. Our firmwide sustainability program is powered by an ISO 14001-compliant environmental management system and managed by a dedicated Sustainability Program Management Office (PMO). And, recognizing that our people are our greatest asset, we educate and encourage our employees to play an active role in reducing our carbon footprint and making environmentally responsible choices.

**WHAT’S NEW IN FY2016**

In 2016, we launched an annual survey to help us estimate the carbon footprint of our employees’ daily commutes to and from work. We also launched a new clearinghouse website that provides employees with information about regional transportation and commuting options. In addition, we began calculating our carbon footprint on a fiscal year (FY) basis rather than a calendar year (CY) basis to align our carbon footprint with our audited financial data. Finally, among our biggest accomplishments is the refinement of our “Way We Work” strategy to include “centers of gravity” office spaces closest to our key clients.

**OUR GOALS AT A GLANCE**

As a consulting firm, our core business revolves around our people. Consequently, we’ve focused our carbon footprint strategy on reducing emissions from the space our employees occupy, the energy they use, and their work-related travel. Exhibit 1 shows Booz Allen’s key carbon-related sustainability goals and targets for FY2016.

**Exhibit 1. FY2016 Sustainability Goals and Targets**

- ✓ Reduce carbon footprint intensity per employee FTE (15% by 2026)
- ✓ Reduce carbon footprint intensity per square foot (15% by 2026)
- ✓ Increase Green Office Space
- ✓ Increase Equipment Efficiency
- ✓ Reduce Paper Consumption and Waste
- ✓ Use Green Office and Kitchen Supplies
- ✓ Reduce Employee Travel
- ✓ Promote Sustainable Transportation
- ✓ Increase Employee Use of Green Hotels

Source: Booz Allen Hamilton Sustainability PMO
This carbon footprint report focuses on activities in FY2016 (April 1, 2015 through March 31, 2016). It includes energy consumption data related to our facilities, employee travel, and employee commuting. The report also details our methodology for calculating emissions, including any assumptions and data gaps. All relevant emissions are scopes 2 and 3, and emissions estimates are expressed in metric tons (MT) of carbon dioxide equivalents (CO2-e).

Exhibit 2 shows Booz Allen’s FY2016 carbon footprint was 50,093.17 MT of CO2-e emissions. The data shows that emissions related to our facilities decreased by 12.83 percent (2,705.87 MT of CO2-e) in FY2016 when compared with the previous reporting year (CY2014). Reported business travel emissions increased by 1.32 percent (358.92 MT of CO2-e). This was largely due to expanded international travel on behalf of clients, as well as year-over-year fluctuations in business travel. The FY2016 calculations also included data from Booz Allen’s first annual employee commuting survey, which allowed us to establish a baseline for emissions related to employee commuting.

In total, Booz Allen’s carbon footprint increased by 3.85 percent (1,903.08 MT of CO2-e) when compared with CY2014. However, 4,250.04 MT of CO2-e can be attributed to the inclusion of employee commuting emissions, which had not been measured in previous years. When commuting is excluded, emissions decreased by 4.89 percent (2345.54 MT of CO2-e) when compared with CY2014. This can be attributed to increasingly efficient design and use of office space, which we expect to result in further reductions in the firm’s emissions over time.

Exhibit 2. FY2016 Booz Allen Carbon Footprint

<table>
<thead>
<tr>
<th>CATEGORY</th>
<th>CY12</th>
<th>CY13</th>
<th>CY14</th>
<th>FY16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facilities</td>
<td>20,641.36</td>
<td>22,374.93</td>
<td>21,088.69</td>
<td>18,382.82</td>
</tr>
<tr>
<td>Business Travel</td>
<td>29,107.90</td>
<td>23,480.60</td>
<td>27,099.99</td>
<td>27,460.32</td>
</tr>
<tr>
<td>Employee Commuting</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>4,250.04†</td>
</tr>
<tr>
<td>TOTAL</td>
<td>49,749.26</td>
<td>45,855.53</td>
<td>48,188.68</td>
<td>50,093.17</td>
</tr>
<tr>
<td>% Change from Prior Year</td>
<td>7.83%</td>
<td>5.09%</td>
<td>3.95%</td>
<td></td>
</tr>
</tbody>
</table>

† FY2016 is the first year for which employee commuting data is available.
Source: Booz Allen Hamilton Sustainability PMO
Booz Allen’s real estate holdings consist of approximately 2.5 million square feet of leased space. While we do not own or manage any of the office buildings our employees occupy, we’ve structured our space selection process, lease agreements, and employee sustainability programs to minimize energy use and resulting greenhouse gases (GHG).

Exhibit 3. FY2016 Sustainability Goals for Facilities

<table>
<thead>
<tr>
<th>GOAL</th>
<th>TARGET</th>
<th>PROGRESS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase Green Office Space</td>
<td>Convert leased office space to LEED and Energy Star-certified buildings</td>
<td>Approx. 74% of Office Space</td>
</tr>
<tr>
<td>Reduce Energy Intensity</td>
<td>Reduce the energy intensity ratio of carbon emissions produced per FTE 15% by 2026</td>
<td>In Progress</td>
</tr>
<tr>
<td></td>
<td>Reduce the energy intensity ratio of carbon emissions produced per square foot 15% by 2026</td>
<td>In Progress</td>
</tr>
<tr>
<td></td>
<td>Investigate new tools to track and manage employee electricity consumption</td>
<td>In Progress</td>
</tr>
<tr>
<td>Increase Equipment Efficiency</td>
<td>Procure only Energy Star-certified laptops and IT equipment</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td>Increase virtualization of data center servers to reduce energy consumption</td>
<td>79% Virtualized</td>
</tr>
<tr>
<td>Reduce Paper Consumption and Waste</td>
<td>Streamline all office printing through managed print services (MPS), eliminate underutilized and inefficient printers, and implement duplex printing as the default</td>
<td>✓</td>
</tr>
<tr>
<td></td>
<td>Use only paper with at least 30% recycled content for MPS</td>
<td>✓</td>
</tr>
<tr>
<td>Use Green Office and Kitchen Supplies</td>
<td>Evaluate all core office supplies for recycled content and other green attributes</td>
<td>In Progress</td>
</tr>
<tr>
<td></td>
<td>Use only items with recycled content or compostable qualities in the firm’s core kitchen supplies</td>
<td>In Progress</td>
</tr>
</tbody>
</table>

Source: Booz Allen Hamilton Sustainability PMO
We also make leasehold improvements that use sustainable design criteria for all new fit-out projects, and we meet regularly with our property managers to improve our energy conservation efforts.

Booz Allen maintains an aggressive Turn it Off program that encourages our employees to turn off electronics, use natural light, and be energy conscious in their workday. We also reduce paper and waste by using managed print services, supporting office recycling and reuse programs, and working with suppliers to increase the green attributes of our office supplies. Our IT procurement office purchases only laptops and office equipment that are Energy Star-certified\(^1\) to save energy. In addition, we’re reducing the amount of office space our employees use by implementing collaborative workspaces, enabling remote collaborative technologies, and allowing alternative work locations. As a result of making our workspaces more efficient, we expect both the average carbon expended per employee and the average carbon expended per square foot to decrease over time.

**METHODOLOGY AND EMISSIONS CALCULATIONS**

Many of our offices are located in buildings without individual metering capabilities. Consequently, we calculated our facilities carbon footprint by estimating electrical consumption based on occupied square footage.

We applied the industry standard from the U.S. Energy Information Administration (EIA) database\(^2\) to determine average kilowatt per hour (kWh) consumption for commercial use. The EIA database contains average electricity use for buildings per square foot, otherwise known as the energy intensity. We calculated total kWh consumption by taking the national average of kWh per square foot and multiplying it by the square footage for each Booz Allen facility.

Using EPA’s 2015 GHG Emissions Factors\(^3\) (provided by region) to calculate emissions, we converted the resulting data from kWh to tons of CO₂.

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to megawatts per hour (MWh). The formula we used to calculate emissions is:

\[ \text{GHG Emissions} = \text{Electricity purchased in MWh} \times \text{EPA regional GHG emissions factor} \]

We consolidated nitrogen dioxide and methane by using global-warming potential emission factors to convert them to CO2-e.

Exhibit 4 presents an example how we applied this approach to one of our Washington, DC, offices to calculate GHG emissions.

Using this approach, Booz Allen’s FY2016 carbon footprint for our leased space facilities was estimated at 18,382.82 MT of CO2-e emissions. This figure represents an approximately 13-percent decrease from our CY2014 facilities footprint of 21,088.69 MT of CO2-e emissions. This translates into a 12 percent decrease in Booz Allen’s carbon footprint intensity per square foot and more than 13 percent decrease in our carbon intensity per employee (Exhibit 5).

Exhibit 4. Calculation Example for Office Facility Emissions

<table>
<thead>
<tr>
<th>LOCATION</th>
<th>KWH/SQ. FT.</th>
<th>PROGRESS</th>
<th>TOTAL KWH USAGE</th>
<th>MWH</th>
<th>LBS. CO2</th>
<th>LBS. CH4</th>
<th>LBS. N2O</th>
<th>TOTAL GHG (LBS. CO2-E)</th>
<th>TOTAL GHG (CO2-E MT)</th>
</tr>
</thead>
<tbody>
<tr>
<td>901 15th Street</td>
<td>96,150</td>
<td>14.6</td>
<td>1,403,790</td>
<td>1404</td>
<td>1,004</td>
<td>779.44036</td>
<td>5000.1596</td>
<td>121,1017.542</td>
<td>549.31395</td>
</tr>
</tbody>
</table>

Source: Booz Allen Hamilton Sustainability PMO

Exhibit 5. Booz Allen’s Carbon Footprint Intensity—CY2014 vs. FY2016†

<table>
<thead>
<tr>
<th>MEASUREMENT</th>
<th>CY2014</th>
<th>FY2016</th>
<th>% REDUCTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emissions Per Employee</td>
<td>0.981933 MT of CO2-e</td>
<td>0.849067 MT of CO2-e</td>
<td>-13.53106</td>
</tr>
<tr>
<td>Emissions Per Square Foot</td>
<td>0.007438 MT of CO2-e</td>
<td>0.006542 MT of CO2-e</td>
<td>-12.05038</td>
</tr>
</tbody>
</table>

† Calculations based on facilities and employees located in the U.S.
Source: Booz Allen Hamilton Sustainability PMO
Booz Allen does not own or operate a fleet of vehicles. Consequently, we focus our travel-related sustainability efforts on minimizing employee business travel and commuting, and we promote employee use of cleaner alternatives to traditional methods of transportation. Exhibit 6 shows some of our key travel-related goals and targets for FY2016.

### HOW WE’RE MAKING IT HAPPEN

**Providing Workplace Flexibility**

In FY16 we refined our “Way We Work” strategy to give employees greater flexibility to work where they need to with expanded “centers of gravity” office spaces close to our key clients. When we implemented Way We Work five years ago, we sought to give employees greater flexibility in where they work while generally locating them closer to the clients they support. The program uses an expanded hoteling model at worksites around the world and has allowed the firm to reduce our carbon footprint while improving employee quality of life. Given constraints in obtaining actual energy use data in our 100 percent

<table>
<thead>
<tr>
<th>GOAL</th>
<th>TARGET</th>
<th>PROGRESS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reduce Employee Travel</td>
<td>Promote telework and hoteling programs in new-hire orientations and employee communications</td>
<td>✅</td>
</tr>
<tr>
<td></td>
<td>Add tips on teleconference alternatives to the employee travel booking tool</td>
<td>In Progress</td>
</tr>
<tr>
<td>Promote Sustainable Transportation</td>
<td>Develop and track employee commuting carbon footprint</td>
<td>In Progress—Baseline Established in FY2016</td>
</tr>
<tr>
<td></td>
<td>Increase awareness of travel and commuting programs and incentives</td>
<td>✅</td>
</tr>
<tr>
<td></td>
<td>Evaluate and improve onsite amenities for commuters (bike racks, showers, lockers, etc.)</td>
<td>✅</td>
</tr>
<tr>
<td></td>
<td>Negotiate and build awareness of deep discounts (up to 50%) for hybrid car rentals</td>
<td>✅</td>
</tr>
<tr>
<td>Increase Staff Use of Green Hotels</td>
<td>Prioritize sustainability requirements when negotiating with hotels in our preferred hotel program</td>
<td>✅</td>
</tr>
<tr>
<td></td>
<td>Give employees easy access to information about preferred hotels’ sustainability practices</td>
<td>✅</td>
</tr>
</tbody>
</table>

Source: Booz Allen Hamilton Sustainability PMO
leased environment, we sought to reduce our carbon footprint by increasing our hoteling space and reducing the amount of square footage required to support individual employees. Our real estate team is continually evaluating space needs to support the business and looking for innovative space solutions.

**Encouraging Sustainable Commuting and Business Travel**

Booz Allen encourages employees to take public transportation as much as possible. In the DC Metro area, where our headquarters and most of our facilities are located, 60 percent of our office buildings are within walking distance (0.75 miles) of a Metrorail station and nearly all are in walking distance of a Metrobus stop. Many of our offices have bike racks and shower facilities for staff who bike to work, and some of our major offices have electric-vehicle charging stations. We also provide incentives for employees who take advantage of public transportation, and our inter-campus shuttle buses use biodiesel fuel. For business travel using hybrid vehicles, we have negotiated rates up to 50 percent lower than published rates. We also work with our travel service provider to provide a carbon report with every employee's business trip itinerary.

Most of our DC Metro offices are within walking distance of a Metrorail station

Booz Allen has received a number of awards for our sustainable solutions, including multiyear EcoLeadership awards from the Alliance for Workplace Excellence. Booz Allen has also been recognized on the list of Best Workplaces for Commuters for the past 10 years.

**METHODOLOGY AND EMISSIONS CALCULATIONS**

Our calculations include estimated emissions from available information about employee business travel, including air travel, rental car mileage, and use of personal vehicles for work-related activities and commuting. For each mode of travel, we used an EPA Climate Leaders emissions factor or similar emissions factor to calculate the estimated CO2-e emissions. Data on employee rail travel was not included in the FY2016 calculations because recorded rail data represented only a small portion of actual rail travel mileage.

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In FY2016, Booz Allen launched a firmwide survey of employees to help estimate the carbon footprint associated with their work commutes.

**Business Travel—Air**

For airline reservations made with our travel service provider, we receive information about each flight segment, including the mileage, seat class, and type of aircraft associated with each flight. We designated each flight segment by length (i.e., short, medium, or long flight) and seat class (i.e., economy, business, or first), and then converted the miles traveled to MT of CO2 using the GHG Protocol’s tool for calculating CO2 emissions from mobile sources.\(^6\)

It is important to note that a small minority of our employees were unable to make their travel plans using our travel service provider; consequently, a small portion of air travel reservations are not represented in the data provided. In addition, the data does not reflect flights that were cancelled or rerouted, or when travel plans changed (e.g., flights were not taken but remained in the system).

Based on available data, Booz Allen employees traveled 130,051,943 miles on domestic and international flights in FY 2016, resulting in an estimated 21,358.47 MT of CO2 emissions.

**Business Travel—Automobile**

For automobile travel, we calculated the total miles traveled by Booz Allen employees using reserved rental car mileage (domestic only) and billable mileage reported by employees for reimbursement. The data for rental car travel comes from our main rental car agencies (i.e., National, Enterprise, Avis, and Hertz), which provide us with quarterly reports identifying miles traveled, the size of the vehicle size used, and the duration of travel. Rental cars reserved by employees using other vendors or methods were not factored into the emissions estimate as this data was unavailable.

To determine billable miles recorded by employees on their personal vehicles, we divided the total employee reimbursements allocated to miles traveled for work engagements in FY2016 by the per diem rate for personal vehicle mileage (0.54). We then converted the reported automobile mileage into CO2-e emissions using the EPA Climate Leaders emissions factors for gasoline/petrol cars (0.364 kg/unit).\(^7\) Based on available data, employee automobile travel (rental car and personal vehicles) released an estimated 6,101.85 MT of CO2-e emissions.

**Employee Commuting**

In FY2016, Booz Allen launched a firmwide survey of employees to help estimate the carbon footprint associated with their commutes to and from work. The survey captured miles traveled, the modes of transportation (e.g., personal car, vanpool, train, bicycle), and the frequency of commuting. Using guidance provided by the GHG Protocol,\(^8\) we converted the average daily commuting distance into annual estimates for each mode of transportation. We then used the emissions factor that corresponded with each mode of transportation to determine the CO2-e emissions produced. Using this approach, we determined that Booz Allen employees produced an estimated 4,250.04 MT of CO2-e emissions in FY2016.

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\(^7\) EPA Climate Leaders, 2008. GHG Inventory Protocol Core Module Guidance: Optional Emissions from Commuting, Business Travel and Product Transport.

TOTAL BUSINESS TRAVEL AND COMMUTING EMISSIONS

Based on available data, Booz Allen’s carbon footprint for employee business travel, excluding employee commuting, was estimated at close to 131 million air and road miles traveled, for a total of 27,460.32 MT of CO2-e emissions. This is a conservative estimate; emissions calculations are limited by the data available and not all mileage estimates could be accounted for. However, we place a high priority on improving the quality of our data and are evaluating strategies to increase data capture.

In addition, Booz Allen’s carbon footprint for employee commuting was estimated at 4,250.04 MT of CO2-e. This figure establishes a baseline for employee commuting emissions and will help inform strategies for sustainable transportation options for those who work at our firm.

Booz Allen employees traveled more than 130 million miles on domestic and international flights in FY2016
About Booz Allen

Booz Allen Hamilton has been at the forefront of strategy and technology for more than 100 years. Today, the firm provides management and technology consulting and engineering services to leading Fortune 500 corporations, governments, and not-for-profits across the globe. Booz Allen partners with public and private sector clients to solve their most difficult challenges through a combination of consulting, analytics, mission operations, technology, systems delivery, cybersecurity, engineering, and innovation expertise.

With international headquarters in McLean, Virginia, the firm employs more than 22,600 people globally and had revenue of $5.41 billion for the 12 months ended March 31, 2016. To learn more, visit BoozAllen.com. (NYSE: BAH)

For more information, contact:

ELIZABETH WAYT
wayt_elizabeth@bah.com
703-377-4233